SOLARWORLD ENERGY SOLUTIONS LIMITED

(Formerly known as Solarworld Energy Solutions Pvt. Ltd.)

February 2, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 544532

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400051
Symbol: SOLARWORLD

Sub: Transcript of the Investor/Analyst Earnings Call held on Wednesday, January 28, 2026

Dear Sir/Madam,

This is in continuation to our letter dated January 28, 2026, wherein we had informed regarding the audio link of the earnings call with analysts/investors for the quarter ended December 31, 2025 (Q3 Results).

In this regard, please find enclosed herewith the transcript of the said call. The transcript is also available on the Company's website i.e. www.worldsolar.in

Kindly take the above said information on record.

Thanking you.

Yours faithfully,

For Solarworld Energy Solutions Limited
(*Formerly known as Solarworld Energy Solutions Private Limited)*

VARSHA BHARTI
Digitally signed by VARSHA BHARTI
Date: 2026.02.02 17:20:56 +05'30'

Varsha Bharti
Company Secretary and Compliance Officer
Membership No.: A37545

Encl. A/a

"Solarworld Energy Solutions Limited

Q3 FY '26 Earnings Conference Call"

January 28, 2026

MANAGEMENT: **MR. KARTIK TELTIA – MANAGING DIRECTOR – SOLARWORLD ENERGY SOLUTIONS LIMITED**
MR. RISHABH JAIN – WHOLE-TIME DIRECTOR – SOLARWORLD ENERGY SOLUTIONS LIMITED
MR. MUKUT GOYAL – CHIEF FINANCIAL OFFICER – SOLARWORLD ENERGY SOLUTIONS LIMITED
MS. VARSHA BHARTI – COMPANY SECRETARY AND COMPLIANCE OFFICER – SOLARWORLD ENERGY SOLUTIONS LIMITED

MODERATOR: **MS. SEJAL BHATTAR – MUFG INTIME INDIA PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Solarworld Energy Solutions Limited Q3 FY '26 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sejal Bhattar from MUFG Intime. Thank you and over to you, ma'am.

Sejal Bhattar: Thank you, Subha. Hello, everyone. Welcome to Q3 FY '26 earnings call of Solarworld Energy Solutions Limited. From the management today, we have Mr. Kartik Teltia, the Managing Director, Mr. Rishabh Jain, Whole-time Director, Mr. Mukut Goyal, Chief Financial Officer, and Ms. Varsha Bharti, Company Secretary and Compliance Officer.

We must remind you that the discussion on today's call may include certain forward-looking statements that may involve known and unknown risks, uncertainties, and other factors and must therefore be viewed in conjunction with the risks that the company faces. Future results, performance, or achievements may differ significantly from what is expressed and implied by such forward-looking statements.

Now I hand over the call to the management for the opening remarks.

Kartik Teltia: Good evening, everyone, and thank you for joining us today. I am Kartik Teltia this side. On behalf of Solarworld Energy Solutions, I extend a warm welcome to all the participants on our Q3 earnings call. I hope you have had the opportunity to review the presentation shared on the stock exchanges. Let me begin with a brief perspective on the industry backdrop, followed by an update on how Solarworld performed during the quarter.

India's solar sector continued to witness strong structural momentum. As on FY '26, cumulative installed solar capacity stands at approximately 136 gigawatts. During the first nine months of FY '26 alone, the country added 30.2 gigawatts, already exceeding the 23.8 gigawatts added during the entire FY '25. This acceleration is being supported by sustained policy support and strong capital inflows, and with the Indian renewable energy sector attracting close to USD18 billion during the first nine months of calendar year 2025, surpassing annual inflows seen over the last three years.

As renewable penetration increases, the focus is gradually shifting from only adding capacity to ensuring reliability and round-the-clock power availability. In this context, battery energy storage systems are becoming increasingly critical. However, India's installed BESS capacity remains at a very early stage, with only about half a gigawatt operational as on June 2025.

Against this, the CEA estimates a requirement of over 35 gigawatt of storage capacity by FY27, highlighting a significant demand-supply gap and accelerating investments into hybrid RTC and storage-linked projects. Demand drivers remain broad-based across utility-scale projects, the commercial and industrial segment, and government-led programs. Schemes such as PM Kusum

for solar pumps, PM Surya Ghar for residential rooftops continue to provide execution visibility over the medium term.

Against this backdrop, let me now turn to Solarworld's performance during the quarter. Quarter 3 has been a highly productive quarter for the company, marked by strong progress across execution, capacity expansion, and strategic initiatives that reinforce our long-term growth trajectory. We delivered a strong operating performance, with revenue growing 184% year-on-year, while profit after tax increased by 15% year-on-year.

Order inflows during the quarter remain in line with our guidance, and we continue to remain confident of achieving our stated target for FY '26. Our order book remains healthy and well-diversified. As on 31st December 2025, we have an executed order book aggregating to almost INR2,600 crores, comprising 7 EPC projects and 2 BESS orders. Our unexecuted order book provides strong revenue and execution visibility over the coming quarters.

On the manufacturing front, we successfully commenced operations of our solar module manufacturing line in Roorkee during the quarter, and also received the ALMM approval for 1.552 gigawatts of annual capacity. In parallel, construction of our 1.2 gigawatt solar cell manufacturing facility is progressing as planned, with commercial operations targeted for June '27.

Energy storage is a key strategic focus area for us. Our 3.4 gigawatt BESS manufacturing facility has already begun receiving orders. During the quarter, we have signed a BESPA for a 200-megawatt / 400-megawatt-hour project valued at over INR800 crores. This order marks Solarworld's formal entry into battery storage segment and positions us meaningfully in one of the most critical growth areas within India's renewable energy ecosystem.

We are also strengthening backward integration through the establishment of a junction box manufacturing line, which will support our solar module operations and improve cost efficiencies. The facility is expected to be operational by end of March 2026. Beyond capacity expansion, our focus remains firmly on technology, efficiency, and automation.

Our R&D initiatives are aligned towards higher efficiency modules and integrated renewable energy solutions that address evolving customer requirements. Sustainability and ESG considerations continue to remain embedded across our sourcing, manufacturing, and operational processes.

Looking ahead, our priorities are disciplined execution of ongoing expansion projects, strengthening domestic and international partnerships, and consistent value creation for shareholders. With a growing presence across the solar and energy storage value chain, strong operating fundamentals, and a clear strategic roadmap, Solarworld is well-positioned for its next phase of growth.

With this, I would now like to hand over the call to Mr. Mukut Goyal, our CFO, who will take you through the financials.

Mukut Goyal: Thank you, sir. Hello, everyone. Good evening. I welcome you all to this call. As we present our third quarterly result, I am pleased to report that Solarworld Energy Solutions has delivered stable and promising financial performance, reflecting operational resilience and strong execution across business segments. For the quarter-ended Q3FY'26, our revenue from operations stood at INR5,782.28 million, representing year-on-year growth of 184%.

Our EBITDA stood at INR754.23 million, and margin stood at 12.8%, supported by better capacity utilization, supply chain optimization, and favorable input cost management. Our profit after tax for the period was INR492.19 million, translating into a net margin of 8.4%. For nine-month-ended, revenue from operations stood at INR7,843.44 million, representing a year-on-year growth of 113%.

Total income stood at INR8,091.13 million, representing year-on-year growth of 118%. Our EBITDA stood at INR1,146.43 million, and margin stood at 14.2%. Our PAT for the period was INR714.2 million, translating into a net margin of 8.8%. On the balance sheet side, as of December 31, 2025, our net worth stands at approximately INR7,991 million, while total debt is around INR2,553 million, resulting in debt-to-equity ratio of 0.32 times.

Looking ahead, our financial strategy will continue to emphasize capital efficiency and facilitate cash flow generation with clear visibility on capacity addition and a healthy order pipeline. We are confident of maintaining strong revenue momentum and expanding profitability in the coming quarters. Our approach remains guided by prudent financial management, operational excellence, and long-term shareholder value creation. Thank you.

Moderator: Thank you very much. We will now begin with the question and answer session. The first question comes from the line of Udit Sehgal from Pinpoint Capital. Please go ahead.

Udit Sehgal: Good afternoon, sir. Congratulations on a good set of numbers. How do you see the outlook for the coming year? What would be the combination of, say, solar EPC and BESS that we would be looking for going forward?

Kartik Teltia: Sir, so BESS is one of our focus areas going forward. We believe that solar with BESS is going to be the mainstream for Indian market going forward because the grid is also requesting now that the solar power has to be more stable. So we believe that BESS will play a big part, in all future orders that come to us. So definitely, we are focusing on BESS.

As a market, we believe that solar market might be a little slow in the coming year because of the grid-related issues that the government has been highlighting. But overall, we think Indian solar story is still strong and very promising.

Udit Sehgal: And on the BESS side, how are the bidding rates going? I mean, earlier, there was talk that the bidders were quoting rates lower in each tender because of the falling sell prices. So has that stabilized? How do you see the margins in that segment?

Kartik Teltia: Sir, so it's a very, very dramatic story that has taken place in the Indian solar, in the Indian BESS market. I'll give you an example. In February, we got an order from RUVNL for which we have

now signed a BESPA. This order is at INR2,21,000 per megawatt per month. In addition, we will get a subsidy of INR27,00,000 per megawatt hour. Now within two months of getting this order, a new tender has come out in which people have bid down to INR1,77,000 per megawatt per month with a subsidy of just INR18,00,000 per megawatt hour. So this is almost a 30% reduction in price maybe across two or three months.

Now on the flip side, the supply side, most of the BESS cells are coming from China. The prices have shot up by almost 20%-25%. So you will see that initially the tender, there was a euphoria in the market and people were bidding, assuming prices of BESS coming down to maybe $40 which are hovering around $65. So in relation to our orders, we are sitting at fairly good prices and we did not participate when the prices were falling very fast.

Recently, we participated in another tender from NTPC in which we were L1. We have not received the LOA but the price has significantly gone up because everybody in the market can now see that expectations of $40 were not right. So the market has corrected based on the current market situation.

Udit Sehgal: Great. And will our focus be EPC and with BESS as the backward integration or are we looking to supply BESS containers as solutions as well to people who won the tenders?

Kartik Teltia: Sir, so our idea is we are looking at BESS as a multi-fold proposition. To start with, our smallest segment will be the CNI segment. As you know, in the CNI segment, especially in Delhi NCR, generators are not preferred because of government regulation and BESS systems tend to act as a power backup and a UPS. So that becomes a good proposition to replace your gensets. That is one market we are targeting. That is a pure product market.

Second market that we are targeting is obviously utility scale BESS. The idea is that anybody who is looking to set up a BESS project will also need an EPC to do their switch yards, installation, commissioning, regulatory approvals, transmission lines, which already is a forte for Solarworld. So we can offer a complete solution for our in-house projects and also for external projects, people who are looking to set up, who have won BESS projects and are looking to set up and want an EPC cum a supplier.

So thirdly, the advantage will be if you procure a container from China, a BESS container, you do not get any after-sales service. So if there is a problem with the container, you either have to send a component or the whole container back to China. With Solarworld setting up a manufacturing facility in India, we can offer a very quick turnaround in terms of after-sales service. So that has become a very good value proposition and we are already receiving a lot of inquiries for our BESS solution.

Udit Sehgal: So based on our current pipeline of orders, how do you see FY '27 playing out? What could be the percentage increase in revenues that we are looking at?

Kartik Teltia: So FY '27 should be a good year for us. The mix in FY '27 will be, I think, more towards BESS and less towards solar. Growth will come a lot from BESS projects, I think, because even our

solar projects, EPC projects that we are now getting are compared with the BESS projects. So it should be a good year. As on date, we are sitting on almost an order book of INR2,600 crores.

In addition to this, we have two more orders in which we were L1 in both of them. We have not received LOA. One was a BESS order and one was a solar order. So this order book is definitely maybe close to about INR3,400-INR3,500 crores as on date.

Udit Sehgal: Wow. So out of that Q4, I would assume we would be executing, say, what, 30% of that or 20% and the remaining would spill over to FY '27?

Kartik Teltia: So out of this order book, maybe we will execute maybe about 20% this year or round about that. And the balance will be executed in the next year. To be honest, sir, BESS orders don't take a lot of time to execute. EPC orders generally tend to take a longer, maybe 11-14 months time period to execute. But BESS orders don't require a lot of land, do not require a lot of preparation.

The switchyard and the BESS project in itself can be turned around fairly quickly. And we are still bidding for more orders, sir. Just wanted to add that we are still bidding for more orders.

Udit Sehgal: Yes, that's great. That's what I was coming to. So, I mean to say, besides the INR3,000 crores, there are a lot of other orders also in the pipeline, which could be executed in FY27?

Kartik Teltia: Yes, yes, yes, sir. We are adding more orders to our pipeline, yes, sir.

Udit Sehgal: Perfect. Thank you so much. I'll come back in queue.

Kartik Teltia: Thank you. Thank you, sir. Thank you, sir.

Moderator: Thank you. The next question comes from the line of Dhruv Mishra from HDFC Securities. Please go ahead.

Dhruv Mishra: Yes, sir, am I audible?

Kartik Teltia: Yes, sir. Good afternoon, sir.

Dhruv Mishra: Yes, good afternoon. Yes, so I just have one question, which is regarding which projects have been executed in the current quarter. Because if I see at the order book has decreased by, let's say, 600 megawatts, by the capacity of completed projects that we have mentioned is largely the same.

Kartik Teltia: Sir, so actually, in the current quarter, we were executing two orders largely. One was the NTPC order of about 376 megawatts. And one is the order we have received through a private party, but it's for NHPC around 272 megawatts in Khavda. So both these projects are expected to get finished by May 2026. So that is when you will see the executed capacity going up significantly.

Dhruv Mishra: All right, understood. Thank you so much.

Moderator: Thank you. The next question comes from the line of Suyash K from Singularity AMC. Please go ahead.

Suyash K: Hi, thank you for the question. Hi, I have two questions. If you can talk about your module lines utilization, and what revenue and incremental EBITDA we are expecting from the module lines. And similarly for the cells, our initial understanding was our cell line would have been live by end of this year or Jan-Feb 2027, but I think you guided June 2027. So if we are seeing any delays over there, so if you can first answer these two questions.

Kartik Teltia: Yes, so on the module line, my module line got commissioned in July 2025, end of July 2025. And there was some ambiguity with the government on the BIS registration because the standard IEC standard had changed and the government did not take a call on which standard to follow. So we could only get our ALMM on December 23rd.

So the line has, as on date, the line is running at full capacity. And we expect that in the next 12 months, you should see good numbers from the module manufacturing line. Having said that, I would also like to...

Suyash K: What is our monthly output? Like, are we…

Kartik Teltia: So we are expecting -- in January, we are expecting about 50 megawatt. In Feb, it should go up to about 70. And from March onwards, you should see maybe somewhere between 80 to 90 megawatt.

Suyash K: And every -- from what I understood, every 1 gigawatt module addition can add another 150 gigawatt to your bottom line. Is that understanding, correct? When do we see the benefits of it coming to our bottom line?

Kartik Teltia: So bottom line benefits, I think over the next 12 months, you should definitely see a lot of benefits. So if you compare the current quarter, December, you will see that my standalone profits are much higher than my consolidated profits. Because the module line was showing a loss of about INR11 crores.

That was purely on depreciation and interest cost on that line because the line was not fully functional. So having said that, I think over the next 12 months, you will see a lot of improvement on that line. Typical line, if you just do tooling, should give you a profit of somewhere about INR70 crores to INR80 crores PAT on a gigawatt scale.

Currently, module manufacturers are kind of suffering because the silver prices have kind of quadrupled. So cost of silver in a single solar panel has gone up from about INR500 to about INR2,000. So that's a challenge. But the market does tend to adjust to higher prices and the PPA tend to adjust. So we don't see a big challenge. In the short run, it will be a slight challenge. But in the long run, it should not be a challenge at all.

Suyash K: Okay. One final question, if I may. If you can talk about the DCR implementation, when will you execute your first DCR projects? And what should we -- because the revenue per megawatt

might go up, right? But would it also reflect in higher EBITDA per megawatt for us? Or would our EBITDA margin go down? Because the spread for us remains the same. And what are the timelines for that to reflect on the financials?

Kartik Teltia: Yes. So DCR projects, government has mandated DCR solar panels from June 2026. At present, my entire order book is without DCR requirements. So we are not working on DCR projects. We are in active discussion to execute an 80 megawatt Kusum project, which will have DCR requirements.

Now, the problem with DCR solar panels is the availability of cells. Obviously, Waaree has set up a 5 gigawatt capacity, and more capacities are coming up. But our cell line should also get kind of commercialized between December and March 2027. We are hoping to do it between December and Jan.

Once that happens, that risk goes away, and our margins should substantially improve. We believe that the cost of manufacturing a DCR cell is somewhere between INR7 to INR8 per watt. Whereas in the market, we are currently able to procure them somewhere between INR14 to INR15. And with silver prices going up, I think the price would have further improved or gone up. So we definitely see our margins substantially improving once the cell line is operational.

Suyash K: But without taking like mix of our cell lines, when do you otherwise implement DCR projects?

Kartik Teltia: So DCR projects, every project that we get, we have about 12 to 14 months timeline to execute those projects. So from June onwards, most of the bidding that will happen will have a DCR requirement. For example, there is another project right now, Pugal in Rajasthan, which we are planning to bid or we are evaluating for a bid. That tender will require DCR solar panels.

Now, these DCR solar panels will have to be supplied in about 12 months' time. So we hope to execute those projects through our own cell line. In case our cell line is not available, if your question is if we buy them from the market, our EBITDA PAT margins should remain consistent, but we could see a lot of volatility in the prices.

To be honest, I believe in 12 months cell capacity is coming up, so prices should ease. So any project that we pick up now should give us better margins, not lesser margins going down the line, 12 months down the line.

Suyash K: Good sir. Thank you so much.

Moderator: Thank you. The next question comes from the line of Heer Haria from Shatrunjaya Investment Managers. Please go ahead.

Heer Haria: Hello. Yes. Hi. Hi. Good afternoon. First of all, congratulations for a good set of numbers. So my question is regarding the SJVN issue that we are facing. Like what -- so I just wanted to understand what is going on with this case and what would be the financial and the revenue impact regarding the same? And also, going forward, what would be the impact on our order book from SJVN that we already have or we might be in a process to receive?

Kartik Teltia: Yes. Sir, so outright, I would like to tell you that SJVN over the years has been one of my most consistent customers. So we have already completed three projects for them, one in Parasan, one in Gurah, one in Gujrai. We had received these two orders in 2023. Both the projects were situated in Bhuj. As part of the contract, the land was to be provided by SJVN latest by January 2024.

And today in January 2026, we are yet to receive that land. So we have gone to the court to request the court or to request SJVN to start arbitration proceedings in this so that we can close out the contract because it has already been 2 years. We, in terms of negative financial implications, there will be no negative financial implication.

What we expect to receive is because we have supplied material to SJVN on which they are holding retention amount, that retention amount might get released to us. Also, over the last 2 years, we have incurred certain expenses to maintain the material that was supplied to SJVN. So we have claimed those amounts from them. We are hoping to recover that as well.

In terms of a relationship with SJVN, I'm sure they also understand that the project is already 24 months delayed. So we don't foresee any relationship related issues with SJVN for our other projects. Currently, we are executing or we are at the stage of almost completing a 70-megawatt project for them in Assam.

Heer Haria: Okay, so we don't see any issues going forward regarding this SJVN proceedings that are going on?

Kartik Teltia: So we are hoping to start arbitration, sir. We are not in a legal battle with them. It's a standard process of the contract that we are following.

Heer Haria: Okay, got it. And what would be the forecast revenue for the FY26? And what would be the expected PAT margin for the same year?

Kartik Teltia: Sir, we've got a very strong momentum in the third quarter. We are hoping to carry forward a similar momentum in quarter 4 also and to give you very good results. We have a strong order book for this year already and also for the next year. So we are hoping to give you good results.

Heer Haria: Okay, okay. Thank you very much. That's it.

Kartik Teltia: Thank you. Thank you, sir.

Moderator: Thank you. The next question comes from the line of Lokesh Patil, an Individual Investor. Please go ahead.

Lokesh Patil: Congratulations, Kartik and team for a good set of numbers. I just wanted to ask you about the whole strategy piece, right? Given the turbulent situation around solar and what you've seen with Reliance technology transfer request, do you foresee moving into other areas like, let's say, green hydrogen or any other opportunities in the future?

Kartik Teltia: Sir, so if you ask me for a renewable energy company, green hydrogen is merely an extension of what we are doing because green hydrogen requires renewable energy and it forms a very significant part of that contract. So green hydrogen is something that we have definitely evaluated. But as on date, our focus remains on solar EPC and very strongly on BESS because solar and BESS, we think is the way forward for solar energy and also for FDRE.

So if you're hearing in the market, I think a lot of downsides that you're hearing is one is there is grid is not supporting a lot of solar energy right now because the connectivity is not there. Transmission lines were not built timely basis. Second, you would be hearing a lot about silver prices moving up, battery prices moving up. So there is a lot of volatility in the market currently. But we have seen these in the past. These are cycles that come and go.

And I think during these times, it is good if you are a diversified company. So we are currently working on solar. We are working on BESS. We are focusing on setting up our cell lines. Once all these three businesses are fairly stable, you will see a very strong growth as well.

Lokesh Patil: Okay, and secondly, I think in the recent circular, you said Rishabh Jain stepping down from the executive role. Any reason for that?

Kartik Teltia: Sir, so Rishabh is stepping down as executive role and will be a Non-Executive Director on the company. Rishabh -- so one of our shareholders is Pioneer Facor IT, which is one of the main line of business for Rishabh as well. One of the subsidiaries is going for listing there. He's going to be the Executive Director there. And he will continue to act as a Non-Executive Director on the Board of Solarworld. I will continue to be the Executive Director and full-time involved in Solarworld.

Lokesh Patil: Okay, okay. Thank you.

Moderator: Thank you. The next question comes from the line of Deepak Patil from Equentis Wealth Advisory. Please go ahead.

Deepak Patil: Good afternoon. On the previous order book question, are you going to execute 20% of total on executed order book, which is INR700 crores, right in Q4?

Kartik Teltia: Sir, we are targeting that much, almost that much in this quarter.

Deepak Patil: Okay. And the INR1,500 crores for FY26 guidance is still intact?

Kartik Teltia: Sir, sorry?

Deepak Patil: INR1,500 crores revenue guidance for FY26. It's still intact.

Kartik Teltia: I hope we exceed that significantly.

Moderator: Thank you. The next question comes from the line of Homeyar Irani, an Individual Investor.

Homeyar Irani: I would like to know, first of all, in financial year 2025, you've done a margin of -- EBITDA margin of 20% or higher, whereas this financial year, you're barely managing 11%.

Kartik Teltia: Sir, that 11% in our EPC business is a very good margin, to be honest. Last year, we were executing a project, which was fairly difficult and in the Northeast part of India, the margins in those difficult projects tend to be much higher compared to other places. We had built in a lot of contingency for that project, which were not utilized. And so, correspondingly, our margins turned out to be quite high. We have always guided for margins to remain between 9% to 11% for our EPC business.

Homeyar Irani: Okay. And your previous con-call, you had mentioned that INR2,600 crores order book. And out of that, 90% would be completed in this financial year. And however, now you mentioned that the SJVN project has been deferred. I mean, because of lack of land allotment, that is lost. So, in spite of that loss of the SJVN project, you still do the INR1500 crores guidance for the year that you've given?

Kartik Teltia: Sir, in my last call, the guidance that I had given, we had not included the Gujrat project. We don't include them in our revenue projection because the land has not been given to us yet. If the land is given to us, that is an upside that we will get. To be honest, we don't consider because land is a very critical thing in India.

And once it gets taxed, it usually takes a very long time to get out of that land problem. So, SJVN is still struggling with that land and we don't account for it. While when we give you the order book, we have to mention those projects legally. But for our internal revenue calculations, we do not consider them.

Homeyar Irani: Okay. And with the silver prices now more than tripling and they don't seem to be going up. And due to that, I believe the solar cell as well as solar panel prices are going to go up substantially. So, will you still be able to maintain the margin of 9% or 10% that you're saying?

Kartik Teltia: So, to be honest, it is a challenge because the silver prices now constitute almost 25% of the solar panel price. And they are still going up. But I do believe that it is a temporary situation and silver prices should come down because we don't see industrial demand going up. Solar tends to be the biggest user of silver.

And this year, China has done less solar projects compared to last year. India is also slowing down a little bit. And US has also slowed down. So, we believe industrial demand is not there. So, the prices should normalize. Having said that, we also have risk mitigation strategies in place.

For our existing projects, we do have substantial amount of time left. So, we can defer the module suppliers to manage our margins. And we are hoping the prices will stabilize one. Secondly, we have also operationalized our module manufacturing line. That also acts as a hedge.

Our cost of manufacturing solar panels is now almost at par with our suppliers. So, that margin percentage also helps in maintaining our margins. So, we are hoping the markets will calm down. We don't expect silver to go down to its original prices. But even if silver falls down to back to $90, we are happy to execute all our orders and maintain our margins.

Homeyar Irani: Now, since I would like to know how, what is your competitive strength vis-a-vis KPI Green Energy and Waaree Renewables, who are also into EPC? And Waaree Renewables is an advantage of the parent company for provision of solar cells and solar modules?

Kartik Teltia: Sir, so Waaree Renewable Technologies is definitely a much bigger company than us. And they have an advantage in terms of customer relationships that their parent company has built over the last decade or so. Because Waaree has been supplying solar panels to almost every developer in India.

So, if you look at our order books, my order book is mostly PSU driven, whereas WRTL's order book is mostly driven by private developers. So, that's a difference between my company and WRTL. In terms of ability to source solar panels, Solarworld has its own solar panel line now. We are hoping to commercialize our cell line in the next 12 months.

So, we should be quite -- we are quite confident that in terms of pricing, we should be very efficient. Thirdly, sir, in terms of EPC, I can surely tell you that we are very, very lean and we are very, very efficient. We do not take up too many projects. We pick up projects that can be executed and we focus on them to finish them.

Other than these two Gujarat projects, you would not see in Solarworld's history that we have not finished any project. We are still pushing to finish these projects if SGVN can give us the land, but that's a good thing to have that we are able to finish all our projects and on time.

Homeyar Irani: Okay. And do you have like KPI Green Energy, which has independent power projects on which I think EBITDA is very high because of that 30% or more, because the earnings from the power generation, I think it gets that. It has, I think, it has contracts…

Kartik Teltia: Yes, yes.

Homeyar Irani: Power purchase agreements with various individuals. Do you have any such projects where you can make money with sale of power?

Kartik Teltia: Sir, we have signed two battery energy storage projects with RUVNL and GUVNL, which are similar to solar PPAs. Both of them will get operational in the next 12 to 13 months. So those two projects will give us revenue over the next 12 years or so.

Having said that, Solarworld is backward integrated into manufacturing to support the EPC business. We have not yet taken a decision on whether we want to forward integrate into IPP, but that is a segment that we are also looking at seriously now.

Homeyar Irani: And the margin for BESS?

Kartik Teltia: The margin for BESS are quite strong.

Homeyar Irani: Your margin is 9% and 10%?

Kartik Teltia: Sir, they are better than that -- very strong.

Homeyar Irani: Higher than 9% and 10%?

Kartik Teltia: Yes sir.

Moderator: The next question comes from the line of Ravindra Singh from Alpha AMC.

Ravindra Singh: Yes, sir. Sir, my question is regarding your BESS projects. You have mentioned like you got two projects, one from GUVNL and one from RUVNL that accounts for 125 megawatt and 250 megawatt an hour and one is for 200 megawatt. Right? So I just want to know about the costing structure of this project. Like how will be the time and how will you be sourcing yourselves the projects and what you will be supplying and all the projects on built-on-operate basis or will you be transferring the project as well?

Kartik Teltia: Sir, so as per the BESS part, the projects are built-own-operate. Our agreement with RUVNL and GUVNL is for built-own-operate. Now t Solarworld has set up a cell-to-battery-packed line. So Solarworld will import the cell and we will build the container in India. The containerized solution will be supplied to the subsidiary which will install it at the site. Solarworld will then do the EPC for the transmission line, the switchyard and get all the approvals for the subsidiary.

Once the subsidiary is operational or before that, if we can find a financial partner. We will definitely want to offload the projects to them at a good premium. That's the idea. So Solarworld will supply the BESS and do the entire EPC and get all the approvals and make it commercially operational.

Ravindra Singh: And can you provide the per megawatt pricing on the BESS project? Like how much will you be charging for the batteries? What will be the cost on this project?

Kartik Teltia: So battery prices, as I said earlier in the call, have shot up. At present, BESS containers from China can be sourced at around $65 per kilowatt. I believe that if we source the cells from China and try to assemble it in India, we will be maybe a few dollars cheaper than that. So that will definitely be an advantage. There is also a duty advantage. When you import a container from China, the duty is 22%, I believe.

When you import cells and you assemble it in India, duty comes down to about 5% to 6%. So there's a duty advantage there as well. So definitely doing it through Solarworld will have a big advantage. In terms of other pricing -- it's once you install the BESS, then you have to do your PCS, which is your inverter, which is followed by your switchyard and transmission line.

In RUVNL project, the transmission line is negligible because it is within their own plant. In GUVNL, the transmission line is maybe one and a half kilometers. So again, negligible, not a significant part.

Ravindra Singh: Okay. So just wanted to understand about the costing structure, like how would be the costing for 200 megawatt plant?

Kartik Teltia: 200-megawatt plant, including GST, should be somewhere around INR200 crores to INR265 crores. INR250 crores to INR265 crores, to be honest. INR200 crores would be too low.

Ravindra Singh: Okay. And for GUVNL, is it the same around?

Kartik Teltia: Approximately the same.

Ravindra Singh: Okay. And so how do you see the competitors in this space? Like many companies have won the project for built on a freight type, but those companies don't have the technology or you say don't have the proper battery line, so like how will they be competing with you, or who are you…?

Kartik Teltia: Sir there are two types of competition that we see in the market. One is from manufacturers, other manufacturers. There is Pace Digitek and there are other companies who have set up similar cell to battery pack lines. The advantage we have is that we are also an EPC company. So we can engage with developers and do an end-to-end project where we do the EPC and supply both. That definitely gives us an advantage over that kind of competition.

Second competition is when we go to a tender and we bid and there are other bidders. Now, because let us take an example of maybe Micromax or Patanjali who were there in the second bid. They don't have manufacturing facilities in India, so they are paying a higher duty or they are buying from other manufacturers who definitely charge them a margin.

So we believe that we should be more competitive there. We have a first mover advantage in this market and we have close to about a one gigawatt hour of projects now with us. So we are looking to take a lead in this.

Ravindra Singh: Okay. And sir you mentioned like Pace Digitek is also your competitor, also RCRS Innovation. They are also into same line. So don't you think like other people like who don't have the capabilities of establishing the BESS, they will be reaching out to you for assembling those projects?

Kartik Teltia: We are already in discussion with private developers for this.

Ravindra Singh: Okay. Do you have any order visible from them or is there anything confirmed from them yet?

Kartik Teltia: Sir, confirmed orders are closed. So as I said, we have 250 megawatt hours from RUVNL, 400 megawatt hours from GUVNL. We have another order about 264-megawatt hour in which we were L1. We are yet to receive the LOA. In addition to this, we are already in discussion for

close to about 400-to-500-megawatt hour for a private C&I segment customer. We are also discussing with two developers on a large scale order to supply for their BESS requirements because they have Solar with BESS PPAs already signed.

Ravindra Singh: Okay. And so for these projects, like will you be importing the cells or will you be importing the complete battery containers?

Kartik Teltia: Sir, only cells and some components. Rest we intend to do in India because otherwise the duty advantage goes away and we already have an assembly line in India.

Ravindra Singh: Okay. And also at the current tariffs, like the tariffs, if you see there is a decline, like some -- you have accepted the tariff for 2,25,000 but other companies accepted for lower tariffs like around 1,77,000. So how much do you think is the projected viable tariff?

Kartik Teltia: To be honest, Sir, I believe that about 60% of the projects that were bid out in the six months will not be executable until and unless the price comes down to about $40. So that price adjustment has happened in the market already. And I don't know how those projects will get settled, but it seems quite difficult that at those very low pricing, people will be able to execute until and unless prices in China fall significantly. I can't predict that, but at current prices, they are not possible. It is not possible to execute those projects.

Ravindra Singh: So we can assume that like before, like below INR2,00,000 of tariff, we cannot execute a project. Is it?

Kartik Teltia: Sir, so I would not say a INR2,00,000 tariff because every project is different. It could be one cycle, it could be two cycles. It could be four hours, four hours with two cycles, six hours. So it will depend on project-to-project. We can't generalize the PPA, but anybody who is assuming a price less than $60 to $65 for their calculation right now will find it difficult to execute.

Ravindra Singh: Okay, sir. Thank you for the answers. I will join the queue.

Moderator: Thank you. The next question comes from the line of Shivaay Narayan from Quantified Investment LLP. Please go ahead.

Shivaay Narayan: Yes, sir. Good afternoon. My question was about the top line growth. I just want you to know in the coming years, what does the company expect its top line growth to come from? What will be the main drivers of it?

Kartik Teltia: Sir, so there are three segments that we are focusing on. Obviously, you will see that our EPC has shown a very significant growth compared to last year. Our top line on a standalone basis is close to around, for the nine months, is about INR721 crores, which was last year was around INR550 crores.

On a consult basis, you will see that the top line has not grown much because the module line has not made a big dent yet into this. So if we are able to keep our module line running for the whole year, and if we sell that capacity into the market, it should add about INR1000 to INR1100

crores to the top line. EPC, I believe, will see a 25% to 30% if the market sustains, should see a very good growth of about 25% to 30% next year as well. Third is BESS. BESS is something that should add a lot to our top line because it is becoming one of the mainstream for our markets.

Shivaay Narayan: Okay. Thank you so much. With the new, I just wanted to ask another question. With the new energy policy, which is being drafted, do we have any significant impacts on the assumptions?

Kartik Teltia: Sir, with the new energy policy, so to be honest, I think the solar sector that we work in or the renewable energy sector, this is one of the most dynamic sectors in India. Every day something changes and we try to stay in touch or on top of it. In terms of BESS, government has now asked our suggestions on how quickly we can do it under Make in India. So they have given a timeline that has been shared with many manufacturers on which comments have now been sought, so that is happening.

In the new energy policy, I think one of the focus has been on how to make solar and wind more reliable. So that shift is already starting to happen with DISCOMs not accepting any pure solar projects now and asking for solar with BESS or round the clock projects paired with wind. So those changes we are already seeing in the market and that's something that will get translated into a policy. Government has kind of had earlier said that coal projects will not come up, but government has given approval to some of the coal projects. So that is also happening.

Shivaay Narayan: Okay, thank you so much.

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

Sarang Joglekar: Hello, sir. Thanks for the opportunity. So on the solar module, I just wanted to understand the one part is that silver prices and other input prices are rising. And how do you look at it when on the other side module capacity has also come up a lot around 140 gigawatts. So with that kind of capacity, are you able to pass on the input prices increase or are you having to take the hit?

Kartik Teltia: So to be honest, the price of silver that has gone up, there is no opportunity to take the hit. You have to pass it on to your customers, to be honest. So prices in the market for solar panels have definitely gone up. The market for solar panel has always worked on three parts. People would check the cell price, people would check the BOS price and then there's a discussion on the tolling price. Tolling is basically the conversion cost of the cell and the raw materials into a solar panel.

So tolling prices have definitely come down because the competition has increased. But the price of cell and BOS tends to get passed on to the developers. Now for developers, the problem is that sometimes when the prices shoot up a lot, the project may not be that viable or may not give them that kind of return.

So some of this demand does get deferred to a few months down the line when the price is stabilized. As I said earlier, I don't expect prices to remain this high because in China, there is a

similar problem where there are a lot of factories that are not able to supply now, because the demand has kind of fallen because the prices are going up.

And with solar being the biggest consumer of silver, demand going down, the price should eventually come down. Secondly, I think in China, they have already started on working towards a copper silver paste that would reduce the requirement for silver. So hopefully in the coming month, the prices should stabilize and come back to normal. But competition does impact the tolling prices to answer your question.

Sarang Joglekar: Got it. So there is some pressure because of competition.

Kartik Teltia: So everybody will face pressure. So if you see exports to US, I think are down because of 50% duty and US is not pushing for a lot of solar, which was a big market for Indian exporters. Chinese solar panels have stopped coming in, but India, it's not 144 gigawatts, to be honest. Currently, the capacity, actual capacity should be close to 80-90 gigawatts. Out of it, G12R is maybe 15-20 gigawatts and G12R is the most latest solar panel, which we are manufacturing. So there is still demand in the market. You can still supply, but tolling margins do take a hit.

Sarang Joglekar: Understood. And on the BESS side, you said that there is a scope for replacing diesel generators, right? So is there a market ready for it? Are the industrial, I mean, corporates, industries ready to accept that? Or is there still any hesitation? Just trying to understand.

Kartik Teltia: So to be honest, it's a market that we are developing. But Northern India tends to be a better market for this because of the Delhi NCR regulation where every winter people are not allowed to switch on their petrol and diesel gensets. Secondly, sir, if you look at a BESS, it can also act as a UPS. So with power curtailment in Northern India, a lot of companies do have backup generators and UPS systems.

This BESS container can now replace your UPS, which you were earlier changing every three years. So while you have a UPS and a generator combined in one, it does make economic sense. So it's about converting your customers. And I think it's a fairly large enough market in Northern India to target. And eventually we will start targeting other places as well for UPS replacement, because if you look at all C&I segment, everybody will have a UPS and will have a backup generator.

Sarang Joglekar: Understood. Got it. Thank you.

Moderator: Thank you. The next question comes from the land of Ravindranath Naik from Sunidhi Securities. Please go ahead.

Ravindranath Naik: So can you please tell me what is the total in the order book? How is percentage coming from utility solar or it is fully utility solar?

Kartik Teltia: It is fully utility solar, sir.

Ravindranath Naik: Okay. And in this order, do you have the BESS order into it?

Kartik Teltia: Yes, sir. We do have the BESS orders in it.

Ravindranath Naik: What is the percentage of that?

Kartik Teltia: Sir, just give us a minute. The BESS orders are about 23%, balance is EPC order.

Ravindranath Naik: Okay. So going ahead, do you see the BESS order is going to grow faster than the solar order or it will go in sync with the both orders simultaneously growing?

Kartik Teltia: So I'll give you an example to answer that. So let's say we get an order for 100 megawatt solar. Now these orders tend to be paired with 400 megawatt hour of BESS. So single order, if you look at the costing breakup, maybe the BESS is more pricier than the 100 megawatt solar itself. So I think going forward, you could see a shift in terms of BESS and solar being 50:50% or even solar being higher than that or BESS being higher than solar.

Ravindranath Naik: Okay, that's understood. And in this current year, we have actually the run rate for around 40,000 megawatt solar, order is already been, execution is already going to happen. But how do you see the things are for next year? Because can you please throw some light on this grid curtailment? What the big issue for the solar sector? Can you give some light on that? And what is your expectation for next year in terms of industry execution?

Kartik Teltia: So grid curtailment is an issue that is faced when there is not enough transmission capacity to execute the power that is being generated. So, for example, power grid was supposed to make a substation on which I was supposed to execute three gigawatt of solar power, but that substation has not come up. So a lot of that power gets stranded where the projects are set up, not able to get substations.

At some places where substations are done, the transmission lines are not done. So those kind of structural issues there are, which I think will get addressed in the next 12 months or so. Even for new projects, let's say we want to set up a project for NTPC and they ask us to find a grid connectivity. At ISTS level, grid connectivity is not available currently. It is only available for '27 end and '28 end. So those are structural issues that will get addressed.

But in terms of next year capacity, as I said, I think there will be a slowdown in how much solar is installed. You will see a big shift that instead of pure solar and wind, it will be mostly FDRE around the clock and solar with BESS tenders that will get executed. And that is what the preference is for DISCOMS as well. So maybe a slight slowdown in the capacity execution and change in the nature of the contracts that are getting executed.

Ravindranath Naik: Okay. That means, you mean to say that the BESS will take a better growth as compared to solar?

Kartik Teltia: So at present, sir, I think about 40 gigawatt of BESS tenders have been bid out, but only about half a gigawatt has been executed. So there's a big opportunity to execute BESS projects in the coming year.

Ravindranath Naik: Okay. So should we, will you go for the, already you have developed your panel capacity right now?

Kartik Teltia: Sir, solar panel is already set up. BESS will get commissioned in the next couple of months, maybe end of March. So BESS capacity of 3.4 gigawatt will also be available for us to sell in the market. We have orders in hand for about a gigawatt. So 2.4 gigawatt is still available.

Ravindranath Naik: Okay. And secondly, one question, you mentioned that some of the previous participants asked about this replacement of the diesel gen sets with the BESS, products. So one of the players who is actually manufacturing the diesel gen sets, Cummins has already developed that product and one of the easiest product in a portable product. So how do you see the demand in the market as of now and how your demand will, you see the demand for your product in the Northern market?

Kartik Teltia: Sir, so demand for the product is there because it's a new product. It will take some time to convert people to explain the dynamics of it and the economics of it. But I genuinely believe in India, if you offer a solution, which is economically viable, people do tend to convert fairly quickly and you can look at solar rooftop adoption as a prime example of that.

We have been discussing with PNI customers for converting to lithium batteries and they have been very, very positive about it. Once our factory starts, we will go all ahead. We are displaying our BESS products in one of the exhibitions in Gujarat in Feb. So we have started targeting the market fairly strongly and we hope to gather a lot of orders in the next couple of months.

Ravindranath Naik: Okay. Sir, what is the status and what is the outlook you are getting from the market for the Cummins product?

Kartik Teltia: For the…?

Ravindranath Naik: For Cummins India, the company has come up with...?

Kartik Teltia: You are saying for the generator replacement?

Ravindranath Naik: Yes, yes.

Kartik Teltia: Sir, we are already discussing with about 14 factories not to replace the generator but to add our BESS product as a UPS for them and a backup for about one hour and after which the generators can kick in. So those discussions are going on fairly well, sir.

Ravindranath Naik: Okay, okay. So what could be the market in the one year time? If you say the market size for one year, what will be that? Can you please specify?

Kartik Teltia: Sir, the next one year utility scale about 40 gigawatts of BESS projects have already been tendered out that will have to be executed. Whether they get executed on price or not, that individual developer will have to take a call on that.

Ravindranath Naik: No, no, no. I am asking…

Kartik Teltia: On the generator, I would say we will target maybe close to a gigawatt or two gigawatt of C&I customers in the coming 12 months.

Ravindranath Naik: Okay, thank you.

Kartik Teltia: Thank you for asking the questions.

Ravindranath Naik: Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments. Thank you and over to you, sir.

Kartik Teltia: Thank you. Thank you everyone for joining in on the call today. We really appreciate your support and we hope to hear from you in our next call at the end of the next quarter. Thank you so much, everyone.

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