Insolation Energy

Operator: Good day and welcome to the Insolation Energy Ltd. Q4 FY26 earnings conference call hosted by Go India Advisors LLP. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Nishat Tanveer from Go India Advisors LLP. Thank you and over to you.

Nishat Tanveer – Go India Advisors LLP: Thank you. Good afternoon everyone and welcome to the Insolation Energy Ltd. earnings call for Q4 and full year FY26 results. We have the senior management of the company on the call: Mr. Manish Gupta, Chairman; Mr. Vikas Jain, Managing Director; and Mr. Ravi Dushad, Chief Financial Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and must therefore be viewed in conjunction with the risks that the company faces. I now request Mr. Manish Gupta to take us through the company's operational and strategic highlights for Q4 and full year FY26 along with the business outlook going forward, subsequent to which we can open the floor for the Q&A session. Thank you and over to you, sir.

Manish Gupta – Chairperson: Good afternoon everyone. This is Manish Gupta, Chairman of Insolation Energy Ltd., and thank you for joining us for our Q4 and FY26 earnings call. FY26 has been a defining year in Insolation Energy's journey. We successfully migrated to the main board and got listed on both the BSE and NSE platforms on March 9, 2026, marking an important milestone in our evolution as a scalable and institutionally credible clean energy company.

During the year, we delivered strong operational and financial performance with revenue from operations growing 61% year-on-year to 2,146 crores. EBITDA increased 79% to 305 crores and PAT rose 59% to 201 crores. These results reflect the strength of our integrated business model, execution capabilities, and increasing acceptance of our brand across India's rapidly expanding solar ecosystem.

India's renewable energy transition continues to create a multi-year structural opportunity with rising solar installations and supportive government policies such as PM Surya Ghar Yojana, PM Kusum Yojana, and ALMM Part 1 and Part 2 implementation. Combined with increasing renewable energy purchase obligations and the growing importance of BESS-linked projects, we believe the industry is entering its next phase of sustainable growth.

At Insolation Energy Ltd., our strategy is centered around building a fully integrated clean energy manufacturing platform. We are progressing aggressively on our 4.5 GW TopCon solar cell facility and 4.5 GW of aluminum frame manufacturing expansion at Narmadapuram, Madhya Pradesh. This will strengthen our backward integration, improve supply chain control, and support long-term margin expansion.

Our long-term vision is to expand manufacturing capacity for ingots and wafers in the future and to build a future-ready clean energy ecosystem spanning modules, cells, frames, EPC, and IPP projects, as well as emerging segments such as BESS assembly. We continue to strengthen our positioning through advanced technology, including TopCon, M10, and G12R modules, while

Report is AI-generated and may contain inaccuracies.

maintaining strong quality standards and compliance capabilities.

Our focus remains on sustainable growth, operational excellence, disciplined capital allocation, and long-term value creation for all stakeholders. We are also proud of the recognition Insolation Energy Ltd. has received during the year, including being featured in Forbes India's "Best Under A Billion" and being ranked globally among listed solar manufacturers for financial stability. These achievements reinforce our commitment to building a trusted and resilient organization.

While Ravi will be discussing the financial performance in detail, we remain confident about our long-term growth trajectory and believe that Insolation Energy Ltd. is well-positioned to maintain revenue growth as we enter FY27 and over the next 3 years. This is supported by our capacity expansion, backward integration, rising domestic demand, and increasing market opportunities across solar manufacturing and clean energy solutions. We remain focused on sustaining healthy profitability and maintaining a sustainable EBITDA margin in the range of what we achieved in FY26. We anticipate a further increase in our EBITDA margin once the cell line is fully operational in the upcoming quarters.

As we move into FY27 and beyond, we remain confident about the growth opportunity ahead and our ability to scale responsibly while strengthening our market leadership. With that, I would now like to hand over the call to our Managing Director, Mr. Vikas Jain, who will discuss the operational execution highlights in greater detail. Thank you everyone.

Vikas Jain – Managing Director: Thank you, Manish. FY26 was a year of strong execution momentum across manufacturing operations, channel expansion, and project delivery. On the operational front, we witnessed significant growth in both production and sales volumes during the year, supported by robust demand across utility-scale, rooftop, EPC, government, and channel partner segments. Our diversified demand channels continue to provide revenue visibility while reducing customer concentration risk.

We currently operate 5.5 GW of module manufacturing capacity. Simultaneously, our 4.5 GW solar cell project at Narmadapuram is progressing as planned with the scheduled commissioning date targeted. This project is strategically important as it will significantly enhance our backward integration capabilities and strengthen our competitiveness under the evolving ALMM Part 2 framework.

The aluminum frames manufacturing facility is also progressing well and is expected to be commissioned in Q1 FY27. These initiatives will help us improve supply chain reliability, optimize costs, and enhance overall operational efficiency.

One of the key strengths of Insolation Energy Ltd. is our strong execution ecosystem. We have established strategic partnerships across technology, engineering, utilities, and equipment suppliers to ensure timely commissioning and efficient project execution. Our facilities are equipped with manufacturing advanced, high-efficiency modules including TopCon, M10, and G12R technologies.

We also continue to deepen our pan-India distribution network with over 700 channel partners and more than 25,000 SMEs. This year we celebrated the solarization of 7,40,000 homes. In the EPC

Report is AI-generated and may contain inaccuracies.

and IPP segment, we continue to scale our execution capabilities with a targeted IPP portfolio. We believe integrated players with manufacturing, EPC, and project development capabilities will be best positioned to benefit from India's accelerating renewable energy transition.

Looking ahead, our focus remains on the timely commissioning of our ongoing projects, improving operational efficiencies, increasing capacity utilization, strengthening technological capabilities, and delivering superior product quality to our customers. I would now like to hand over the call to our CFO, Mr. Ravi Dushad, who will take you through the financial performance in detail.

Ravi Dushad – Chief Financial Officer: Thank you, Vikas ji, and good afternoon everyone. It is a pleasure to have you all here for our annual and quarterly earnings conference call. We have had a milestone year, and I am excited to share the details of our performance for Q4 FY26 and the full year FY26.

For FY26, revenue from operations stood at 2,146 crores and the total income stood at 2,163 crores compared to 1,334 crores in FY25, registering a strong growth of 61%. EBITDA for the year increased by 79% year-over-year to 305 crores, while PAT grew 59% year-over-year to 201 crores.

For Q4 FY26, revenue from operations stood at 794 crores, reflecting 100% year-on-year growth on a quarterly basis. EBITDA stood at 111 crores, up 93%, while PAT increased 65% to 70 crores.

Our EBITDA margins for FY26 improved to 14% compared to 13% in FY25, supported by operating leverage, improved scale efficiencies, and disciplined cost management. Our PAT margin for the year stood at 9.3%. The company continues to maintain a healthy balance sheet with net debt to equity at 0.5x, RoCE at 19%, and ROE at 25%. We remain focused on maintaining prudent leverage while continuing investments towards strategic capacity expansion and backward integration initiatives.

Working capital management also remains an area of focus, and we continue to optimize our receivable cycle, inventory cycle, and procurement efficiencies as we scale operations.

Going forward, our priorities for capital allocation remain centered around the execution of the ongoing cell and frame expansion projects, strengthening operational integration, and maintaining a healthy RoCE. With India's expanding manufacturing ecosystem and favorable government policies, we remain optimistic about growth momentum continuing for the coming years. With this, I would now like to open the floor for questions and answers.

Operator: Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We will take the first question from the line of Vishwender Singh from Prudent Equity. Please go ahead.

Vishwender Singh – Prudent Equity: Hi, sir. Am I audible?

Management: Yes, please go ahead.

Report is AI-generated and may contain inaccuracies.

Vishwender Singh – Prudent Equity: Sir, I wanted to ask about the current order book size and its execution timeline for this year and next year.

Management: For the current year, the order book size is approximately 1.6 GW to 1.8 GW. For next year, under the ALMM, we have already signed MoUs with some companies, and other MoUs are in the pipeline, which may be finalized within the next 1 or 2 months. This includes module sales under ALMM Part 2 and sales of DCR cells to some companies.

Vishwender Singh – Prudent Equity: Got it. Regarding margins, I believe prices for some raw materials have increased significantly in the last few months. How are we tackling this margin pressure, and are we expecting similar margins going forward?

Management: There may be some pressure on margins, but we believe that on a delta basis, we will absorb some of it and pass the rest on to our customers. It depends on the market. Until now, we have been supplying materials as per our previous order book. For our future order book, we may raise prices for some customers, adjust with others, or absorb some costs. The picture will be clearer after June 1 or next month, regarding how the market reacts to the current scenario.

Vishwender Singh – Prudent Equity: Lastly, regarding the price escalation clause. In our current order book, how much of it includes a price escalation clause where we can pass on raw material increases?

Management: Generally, the price escalation clause is primarily based on the dollar price. We try to negotiate price escalations with our customers, but for finalized orders, we arrange the raw materials in advance. We keep at least 2 to 3 months of raw material in our factory so that current order values are backed by raw material prices. Most price escalation depends on the dollar exchange rate, which we negotiate with customers.

Vishwender Singh – Prudent Equity: Okay. Got it. That is all from my side. Thank you.

Operator: Thank you. The next question is from the line of Nishita Shankleshwa from Sapphire Capital. Please go ahead.

Nishita Shankleshwa – Sapphire Capital: Yes. Thank you for taking my question. I also had a question regarding EBITDA margins. You mentioned we can maintain the current 14% margin in FY27, but once the TopCon cell facility is operational, we can expect better margins than 14%. Since the cell manufacturing facility will be online in H2, can we see better margins in H2 FY27, perhaps in the 15-16% range?

Management: Yes, definitely. Our EBITDA margin should increase once our cell facility is operational. We expect the cell line to be operational in Q4 of this financial year. As we add cell capacity, it will be in a phase-wise manner. Our total capacity is 4.5 GW, and we are working to expand that as soon as possible. Once the production is operational, EBITDA margins will likely increase from 14% toward the 17-18% range.

Nishita Shankleshwa – Sapphire Capital: Okay. So we are going to ramp it up in a phase-wise manner. This means all 4.5 GW of the facility will not be fully operational in Q4?

Report is AI-generated and may contain inaccuracies.

Management: Yes, that is correct. The start of the ramp-up begins in Q4, and it will take approximately 3 to 4 months after the plant starts to reach full capacity.

Nishita Shankleshwa – Sapphire Capital: Okay. So in FY28, we can see full utilization of the plant?

Management: Yes, definitely.

Nishita Shankleshwa – Sapphire Capital: By Q1 FY28?

Management: Yes, in Q1 FY28, the whole plant should be ramped up.

Nishita Shankleshwa – Sapphire Capital: Will the entire capacity be for captive consumption, or are we going to sell it externally?

Management: That depends on the situation at the time, but we will definitely sell some capacity in the open market. I believe that for the next 1 to 1.5 years, the non-DCR market will still exist. There are currently over 45 GW of tenders open in India that can be fulfilled using non-DCR cells. Many Kusum projects and other tenders published before October 2025 allow for non-DCR cells, and these will take time to complete. If there is demand and we have extra quantity, we will supply it to the open market. The Indian market currently has significant availability for solar cell supply.

Nishita Shankleshwa – Sapphire Capital: Right. My next question is on capex. What is the total capex amount you expect to incur in FY27, and how much was done in FY26?

Management: Regarding previous capex, our Unit 3 plant has been completed using the 320 crores raised, and all three lines are fully operational. For the cell line, until March 31, we have drawn down 340 crores from our IREDA loan. Total capex for FY27 includes the commencement of the 4.5 GW cell line, which becomes operational in Q4, plus IPP Kusum projects where we are targeting a total commissioning of 300 MW. We have allocated approximately 1,000 crores for the Kusum projects. In total, we have 1,500 crores of capex for the cell line and 1,000 crores for Kusum, leading to a total capex of 2,500 crores this year.

Nishita Shankleshwa – Sapphire Capital: Okay. So 1,500 crores for the cell line, for which you have taken a loan of 340 crores?

Management: No, the total sanctioned loan from IREDA is 1,134 crores, of which we drew down the first installment of 340 crores last year.

Nishita Shankleshwa – Sapphire Capital: Understood. My last question is on revenue growth. How much revenue growth do we anticipate for FY27? We did around 60% in FY26. Do we see similar or better growth in FY27?

Management: We are looking for similar or potentially higher growth, but that depends on market conditions. We will see how the market is positioned after Q1. ALMM Part 2 is now effective and the government implementation is fully in place as of June 1, 2026. We need to see how the market settles, but we are confident that we will at least match the revenue growth seen in FY26.

Nishita Shankleshwa – Sapphire Capital: Understood. Thank you so much.

Report is AI-generated and may contain inaccuracies.

Operator: Thank you. We will take the next question from the line of Dattatreya Tunuguntla from Deloitte USI. Please go ahead.

Dattatreya Tunuguntla – Deloitte USI: First of all, congratulations on a great set of numbers. Manish ji and team, I want to know about the wafer and ingot plans you have, as well as the BESS plans mentioned in the presentation. When will these be revealed?

Management: For wafers and ingots, we have already secured the land and the DPR work has started. We have secured 70,000 square meters of land in Narmadapuram specifically for this 4.5 GW wafer and ingot factory. For BESS, we are still in the evaluation phase. As of now, we have not planned any capex for BESS.

Dattatreya Tunuguntla – Deloitte USI: Fine. But there are some issues on the transmission side. As you know, a minimum of 4 hours during the evenings is the current market requirement. Do you expect those requirements from any of these EPCs and IPPs?

Management: We are not working as an EPC. We are currently focusing on the backward integration of solar modules, starting with cells and then wafers and ingots. Apart from that, we have received orders for Kusum A projects, which do not include BESS.

Dattatreya Tunuguntla – Deloitte USI: Okay. Got it.

Operator: Thank you. We will take the next question from the line of Himanshu Srivastava from Taurus Mutual Fund. Please go ahead.

Himanshu Srivastava – Taurus Mutual Fund: Hi, Manish ji and team. Congratulations on a good set of numbers. I wanted to note that our working capital and free cash flow are currently negative due to the high capex you are undertaking. How long will it take after the commissioning of your cell manufacturing plant to reach a positive free cash flow yield?

Management: As you rightly mentioned, when a company is in a heavy growth or capex phase, free cash flows are generally not positive. We are targeting Q4 FY27 for the cell plant to go live. In the following 6 to 8 months, you will see positive free cash flow because the heavy capex will be completed within this year.

Himanshu Srivastava – Taurus Mutual Fund: Okay. And after Q4, will capacity utilization reach 70–80% within two quarters, or will it be closer to 50–60%?

Management: Within those two quarters, the capacity utilization will be at a maximum of 60–70%.

Himanshu Srivastava – Taurus Mutual Fund: Okay. Thanks a lot.

Operator: Thank you. The next question is from the line of Nirav Kandar from Fresco Equity. Please go ahead.

Nirav Kandar – Fresco Equity: Thank you for the opportunity. We had a target for EPC execution by March 2026. Was there any realization in Q4 FY26 revenue on the EPC front?

Report is AI-generated and may contain inaccuracies.

Management: On the EPC front, we are currently at a very nascent stage. There was a very small realization by the end of 2026. Last year, we secured a third-party order of more than 300 crores. We are working on that, so you will see the revenue from that front this year.

Nirav Kandar – Fresco Equity: Okay. I have seen interviews with the promoters where they welcomed the investment community to visit the plant. Is there an opportunity in the near future to visit the plant and meet the promoters?

Management: Yes, we will definitely let you know. We always welcome visits. We hosted an analyst meet at our factory a few months ago, and we are planning another meeting there in the future. We will inform you when that happens. Additionally, if you specifically want to visit, please send us your details and phone number, and we will personally invite you to visit all our factories.

Nirav Kandar – Fresco Equity: Okay. Thank you.

Operator: Thank you. We will take our next question from the line of Dharmendra Kumar Jain from Reliance Enterprises. Please go ahead.

Dharmendra Kumar Jain – Reliance Enterprises: Good afternoon all. My question is regarding the debt and repayment plan. Borrowings have jumped from 108 crores to 835 crores in one year. What is the timeline and roadmap for debt reduction?

Management: The total borrowing is bifurcated into long-term and short-term. Short-term borrowing has risen from 100 crores to 300 crores because of expanded capacity. Previously, our capacity was less than 1 GW, but today we stand at 5.5 GW. Working capital follows the expansion of our capacity. Long-term debt is currently less than 500 crores, standing at 468 crores in total. Within that, a tranche of 340 crores is from IREDA. If you look at the balance sheet, we have more than 400 crores in cash. Against the 340 crores drawn from IREDA, we have fixed deposits of close to 300 crores. Regarding repayment, the total IREDA loan of 1,134 crores is repayable over 7 years after a 12-month moratorium.

Dharmendra Kumar Jain – Reliance Enterprises: Regarding receivables, they have increased 156% to 280 crores. What are the current debtor days and what is your target by the end of this year? Do you have a concrete collection plan or factoring arrangement?

Management: Earlier, we processed very small orders because our capacities were low. Now we are processing large orders of 100 MW, 200 MW, and 500 MW. This reflects how the market behaves. Previously, we took advances to process orders. Now, if we provide a 45-day LC, it is essentially a cash deal, but the payment accrues after 45 days. This is the reason for the jump in trade receivables. We are fully cautious and aware of market conditions regarding our debt and receivables.

Dharmendra Kumar Jain – Reliance Enterprises: Finally, raw material costs have jumped by approximately 190%, while revenue growth was lower. What is your long-term sourcing strategy to protect margins?

Management: As mentioned in the opening remarks, whenever we secure an order, we make back-to-back arrangements for raw materials and work on a delta basis. This is how we are

Report is AI-generated and may contain inaccuracies.

positioned.

Dharmendra Kumar Jain – Reliance Enterprises: Thank you, sir.

Operator: Thank you. We will take our next question from the line of Harshad Jain, an individual investor. Please go ahead.

Harshad Jain – Individual Investor: Hi. Congratulations on a good set of numbers. Regarding your margin and revenue guidance, you mentioned targeting a minimum growth of 60% this year from the module segment. Are we targeting 3,300 crores of revenue with a margin of around 13-14%?

Management: We will maintain the current growth momentum for at least the next couple of years. Whether it is 60% or 50% is just a number, but we will continue to grow in that manner.

Harshad Jain – Individual Investor: What peak debt do you anticipate, including the 1,134 crores from IREDA?

Management: The peak debt is expected to be close to 1,500 crores during FY27.

Harshad Jain – Individual Investor: What kind of revenues are you targeting from the aluminum frames segment in FY27?

Management: It is a backward integration. It will improve the margin. The aluminum factory is mostly for internal use, so the frames will be used in our own module production.

Harshad Jain – Individual Investor: In Q4 FY26, are you targeting 2 GW of production and 2 GW of sales from the module line?

Management: We are targeting over 60% growth. This refers to the solar module business only. If we add cell manufacturing, that would be extra.

Harshad Jain – Individual Investor: Thank you.

Operator: Thank you. We have our next question from the line of Kapil Advani from Earth Growth Fund. Please go ahead.

Kapil Advani – Earth Growth Fund: Good evening everyone and congratulations on the great set of numbers. I have a few questions. First is on the realization per watt. How has the realization been in the last quarter, and how do you see it moving in FY27?

Management: Realization depends on the blend of DCR and non-DCR. In the last quarter, the price for non-DCR was around 13 to 14 per watt and DCR was 20 to 22 per watt for Mono PERC and TopCon.

Kapil Advani – Earth Growth Fund: Understood. On the capex part, you mentioned in the Q3 call that the total capex for the cell line was around 1,300 crores. Now that it has increased to 1,500 crores, what led to this 200 crore increase?

Report is AI-generated and may contain inaccuracies.

Management: The 1,500 crore figure includes working capital margins and contingency. The 1,300 crore figure only covered plant, machinery, buildings, and utilities. The additional 180-190 crores is for contingency and working capital.

Kapil Advani - Earth Growth Fund: What will be the capex for the 4.5 GW wafer and ingot project?

Management: Our DPR is under progress, but we estimate it will be around 1,000 to 1,200 crores. It will take 2 to 3 months to finalize the DPR after analyzing equipment prices.

Operator: Thank you. Next question is from the line of Sachin Rajurkar, an individual investor. Please go ahead.

Sachin Rajurkar - Individual Investor: Out of the total installed capacity for FY27, how much is already booked?

Management: Since we operate in different segments, our order books are refilled regularly. About 50% of our capacity for FY27 is already booked under long-term orders, and the balance is refilled on a monthly basis.

Sachin Rajurkar - Individual Investor: Can you clarify the 50% booking for the whole year?

Management: Yes, 50% is booked for the whole year. The balance is refilled monthly through our distribution base in Rajasthan, Delhi NCR, Haryana, MP, and Uttar Pradesh. We also do white labeling for OEM manufacturers and fulfill orders for Kusum partners in Rajasthan, MP, and Maharashtra on a monthly basis.

Sachin Rajurkar - Individual Investor: What is the percentage breakdown of the order book across utility, retail, and EPC?

Management: Utility sector is around 65%, Kusum projects are around 15%, PM Surya Ghar is around 5%, OEM is around 5%, and miscellaneous segments account for the remaining 10%.

Operator: Thank you. The next question is from the line of Mitesh Mehta from Long Term Investment Group. Please go ahead.

Mitesh Mehta - Long Term Investment Group: Congratulations on the great numbers. Any plans for foraying into BESS? Also, there are reports of overcapacity and price pressure for non-ALMM panels. What is the current market scenario?

Management: As mentioned, we are currently evaluating the BESS market but have no immediate plans. Regarding market pressure, there are approximately 30 GW of non-ALMM compliant module orders available. In the next 6 months, we will start our cell factory, so that pressure won't apply to us as much. We have already secured orders for the period until our cell capacity comes online.

Mitesh Mehta - Long Term Investment Group: Will all cell capacity be used captively?

Management: We will prioritize captive use first. If extra capacity is available, we will offer it to the market.

Report is AI-generated and may contain inaccuracies.

Operator: Thank you. Next question is from the line of Nirav Kandar from Fresco Equity. Please go ahead.

Nirav Kandar – Fresco Equity: In December, you mentioned peak monthly revenue of 350 crores. Based on Q4 results, you didn't maintain that run rate over the full three months. Is there a reason for that?

Management: We reached another peak in March where we dispatched over 440 crores worth of solar panels. In our sector, it is a standard pattern for dispatches to be cumulative at the end of a quarter. Utility-scale customers typically lift material in the last month of each quarter.

Nirav Kandar – Fresco Equity: In the previous call, the target was to reach 250 to 275 MW of production and dispatch per month, which is about 3 GW annually. However, in this call, you mentioned a 2 GW to 2.5 GW target. Why the revision?

Management: The 2 GW to 2.5 GW figure refers to non-DCR capacity. DCR would be extra. For the upcoming H1, we have tie-ups with cell factories like Premier and others for DCR cells. In Q4, we already dispatched more than 500 MW. We are trying to reach 2.5 GW to 3 GW in total production when including the DCR cells we procure from the market.

Operator: Thank you. We will take our next question from the line of an analyst. Please go ahead.

Analyst: Assuming expansion plans are executed by March 2027, what do you expect for FY28 revenue and PAT margins?

Management: For FY28, we are targeting top-line revenue of more than 5,000 crores. If the full cell line is operational, EBITDA margins should be 20% or more.

Analyst: You mentioned having 20 acres of land remaining. What are the plans for that?

Management: That land is planned for the wafer and ingot factory.

Operator: Thank you. Next question is from the line of Mitesh Mehta from Long Term Investment Group. Please go ahead.

Mitesh Mehta – Long Term Investment Group: Can you provide a breakdown of realization per watt across DCR and non-DCR?

Management: Currently, the price for non-DCR TopCon is 13 to 14 per watt. For DCR, Mono PERC is 20 to 21, and TopCon is 21 to 22, with some locations at 22.5.

Mitesh Mehta – Long Term Investment Group: What is the blended margin guidance for the full year?

Management: We are currently operating at a 14% EBITDA margin. With the aluminum integration, we expect some expansion, and as mentioned earlier, once the cell line is operational, we target 20% plus.

Operator: Thank you. We will take our next question from the line of an analyst. Please go ahead.

Report is AI-generated and may contain inaccuracies.

Analyst: While the 4.5 GW cell integration is excellent, how are you de-risking the dependence on Chinese equipment? Do you have local maintenance partners or European alternatives?

Management: For the solar cell line, we have tied up with a Chinese company that has local representation in India for sales, service, and installation. We have awarded the contract with 2 years of onsite support from both the Chinese and Indian teams to ensure desired efficiency. We will only take full handover after that period. Our payment terms are also structured around this.

Operator: Thank you. Next question is from the line of Siddharth Jain from Yes Securities. Please go ahead.

Siddharth Jain – Yes Securities: To clarify, is the 20% plus EBITDA target an exit margin or the blended margin for FY27?

Management: That target is for the full financial year FY28. For the current financial year FY27, we expect to be between 14% and 15%. After the cell line is fully integrated next year, we move to 20%.

Operator: Thank you. Next question is from the line of Kapil Advani from Earth Growth Fund. Please go ahead.

Kapil Advani – Earth Growth Fund: What is the planned equity and debt mix for the wafer and ingot capex?

Management: We believe the 4.5 GW cell line will generate ample cash flow, and we expect to fund most of it from internal accruals. If required, we may take a small portion of debt.

Kapil Advani – Earth Growth Fund: Can you provide the DCR versus non-DCR sales mix for FY26?

Management: For FY26, it was approximately 85% non-DCR and 15% DCR.

Operator: Thank you. Next question is from the line of an analyst. Please go ahead.

Analyst: What interest cost should we expect for FY27, considering the debt might reach 1,500 crores?

Management: The IREDA loan was sanctioned at 9.20% pre-COD and 8.95% post-COD. Working capital borrowing is at a lower rate, close to 8%.

Operator: Thank you. Next question is from the line of Jatin, an individual investor. Please go ahead.

Jatin – Individual Investor: Do we have any plans to export to Europe and Africa?

Management: Not at this time. Exporting solar panels from India to Europe is not currently viable.

Operator: Thank you. Next question is from the line of Hari B Guru, an individual investor. Please go ahead.

Hari B Guru – Individual Investor: Regarding the technology for wafers and ingots, when can we expect the capacity announcement and what technology will be used?

Report is AI-generated and may contain inaccuracies.

Management: We are planning for TopCon and G12R wafers and ingots. For growing ingots from polysilicon, the technology is CZ, which is standard in the international market for semi-conductor and solar applications. Our DPR is under progress and should be ready within the next few months. Ingot and wafer manufacturing in India is at a very initial stage, but with ALMM Part 3 becoming effective on June 1, 2028, we plan to start our manufacturing before that.

Operator: Thank you. We will take our next question from Neerav Kandar from Fresco Equity. Please go ahead.

Neerav Kandar – Fresco Equity: What manufacturing efficiency are you targeting for the solar cell line?

Management: We are targeting more than 80% plant efficiency. If the plant capacity is 4.5 GW, 80% of that would represent the actual annual production output, which is approximately 3.6 GW.

Operator: Thank you. We will take the last question from the line of Gaurav Kada from VT Capital. Please go ahead.

Gaurav Kada – VT Capital: What are we expecting from IPP projects in FY27 and FY28?

Management: For FY27, we have our Kusum IPP projects totaling around 325 MW AC and 400 MW DC. We have already commissioned about 38 to 40 MW, and the rest will be commissioned in a phased manner throughout the year.

Gaurav Kada – VT Capital: Can you guide on the revenue from that?

Management: We are doing a 1,000 crore capex. Since the plants will be commissioned during the year, we estimate revenue will be around 135 crores for the first year. From next year, we will have revenue for the full 12 months, leading to about 300 crores in FY28. At the EBITDA level, we expect roughly 135 crores of revenue from power sales in FY27.

Operator: Thank you. I now hand the conference over to management for closing comments.

Management: We are very much thankful to all participants for attending today's Insolation Energy Ltd. conference call. We are now handing back to the Go India team. Thank you everyone.

Operator: Thank you. On behalf of Go India Advisors LLP, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.

Report is AI-generated and may contain inaccuracies.