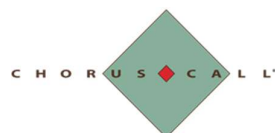




“Sahaj Solar Limited
H2-FY25 and FY25 Earnings Conference Call”
April 25, 2025



**MANAGEMENT: MR. PRAMIT BRAHMBHATT – MANAGING DIRECTOR –
SAHAJ SOLAR LIMITED**

MODERATOR: MS. JANHAVI – GO INDIA ADVISOR

Moderator:

Ladies and gentlemen, good day and welcome to Sahaj Solar Limited H2-FY25 and FY25 Earnings Conference Call hosted by Go India Advisors. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on a touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Janhavi from Go India Advisors. Thank you and over to you ma'am.

Janhavi Kankriya:

Thank you Yusuf. Good afternoon everybody and welcome to Sahaj Solar Limited's maiden earnings call to discuss the H2-FY25 and FY25 operational and financial performance hosted by Go India Advisors. Sahaj Solar Limited is a fast-growing renewable energy company which specializes in manufacturing high-efficiency solar panels, solar water pumping solutions and large-scale EPC solar projects with a fully integrated production facility.

FY25 represented a landmark year for the company's financial growth trajectory. Today we have on call with us the Managing Director of the company, Mr. Pramit Brahmabhatt, an MBA and ACCA. He brings over 20 years of experience with expertise in financial advisory and ITS solutions.

Under his leadership, the company has experienced remarkable growth, expanding from a 5 MW capacity in 2010 to 100 MW currently. We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, moved in conjunction with the risks that the company faces. We now request Mr. Pramit to take us through the company's business outlook and performance, subsequent to which we will open the floor for the question and answers. Thank you and over to you, sir.

Pramit Brahmabhatt:

Thank you, Janhavi. A very warm welcome to all the participants today from Sahaj Solar. Thanks for connecting today and I extend my heartfelt thanks for your continued trust and support and confidence in Sahaj Solar.

We are here today to discuss and walk through the H2 '25 performance and share some strategic steps that we have taken to drive the company's growth and offer a glimpse into our forward-looking roadmap. As our commitment remains firm towards transparency, operational excellence, and long-term value creation for all our stakeholders. Our results and investor presentation has been uploaded to the Stock Exchange and I trust you have had an opportunity to review that.

Before we get into the number, I would like to give some brief background about Sahaj as Janhavi has mentioned that the company started its journey with five megawatts of production capacity to 100 megawatts. Over the year, the company has worked towards achieving higher manufacturing efficiency into solar panels, providing solar panels for water pumping solutions, execute C&I state solar projects.

And the company's goal is aligned with the country's goal where the renewable energy mission is focusing on delivering affordable, accessible, and reliable solar solutions across industrial, commercial, and agriculture sectors.

As a result of our strong business model and timely execution, we achieved a revenue of INR331 crores and a PAT of INR28 crores in FY25, creating a significant value for our stakeholders. If you look at the financials for 2025, the company has shown a growth in all segments including revenue, PAT, and earning per share. The profit after tax has grown significantly to INR28 crores and more than doubling year-on-year supported by the prudent cost management and higher asset utilization.

The basic EPS has improved from INR16.70 to INR27.21, again increasing the shareholders' value creation. Sahaj declared its first interim dividend of INR1 during this journey for each share of INR10. This shows Sahaj's unwavering commitment to delivering sustainable investor value. Sahaj showcased strong financial execution and disciplined capital allocation, driving a significant improvement in scale and profitability.

Consolidated revenues stood at INR331 crores, up by 64% year-on-year basis, reflecting robust demand and improved operational throughput. The debt-equity ratio stood at a healthy 0.5%. If you look at the order book, Sahaj has shown consistent growth over the last one decade. As on 31st March 2025, we have a strong order book of INR304 crores comprising of a mixture of government and private sector orders.

More than 80% orders are attributed from government clients, which shows the trust and capability of Sahaj to build through consistent quality and execution. During this financial year, Sahaj has achieved certain landmarks, whether to be empanelled with various discoms and in various schemes, or announcing the new solar panel manufacturing capacity for top-of-the-line modules, or its tie-up for the anti-soil coating line.

The year has shown a significant progress, not only in terms of revenue, but also in terms of expansion and doing vertical and forward backward integration. With the new upcoming line of TOPcon, Sahaj will exceed the panel efficiency of 21%. That will help the company to grow in the different business segments, specifically the utility-scale market, as well as in the export market.

Our commitment for R&D has tangible outcomes. Over the years, we have worked towards R&D which helps the end-users. As a part of that, we have developed a few equipments which are useful for the farmers.

It's a common use between the solar water pumping and those equipments where the farmers can utilize those tools in their farms. By doing usable research and consumable-friendly research, Sahaj has showcased its long-term commitment towards the sustainability and development of agriculture sectors. Our transition to a public-listed company has met with strong industry acclaim.

At SuryaCon 2025, organized by EQ International, the company was recognized with two prestigious awards, Solar EPC Company of the Year, utility-scale, below 50-megawatt capacity, Innovation of the Year for solar panels, anti-soil nano-coating for superior performance enhancement.

This award highlights the strength of the company's integrated business model, execution capabilities in large-scale EPC projects, and commitment in technology-driven innovation with their proprietary anti-soil coating, setting a new industry benchmark in panel performance and efficiency. If you look at the support from the policy and the government, the government has been very instrumental in the growth of the industry.

And during the last many years, we have seen the ever-upside target for the solar industry, which is an ambitious target of 500 gigawatts by 2030 of non-fossil fuels. And solar will be one of the biggest beneficiaries of this goal. Being a manufacturer, we get an opportunity to collaborate with government, get their support to develop the local business as well as into the international market.

That has shown a significant result with Sahaj, where we have managed to explore into Eastern African markets, specifically in the countries like Uganda and Zambia, where we are exploring our first projects. And in the upcoming financial year, we will see some sort of execution happening in those projects.

As the domestic market is the key in driving the growth of the company, as well as the solar industry and the renewable industry, we have seen a good government commitment during the budget INR26,000 crores has been allocated in the budget for '25-'26. This is a good government initiative to support the industry and the green initiative within the country.

Apart from the Central Government, we have also seen the various State Government has taken up the task to grow the solar and the renewable energy. Be it Gujarat, Rajasthan, Maharashtra, solar water pumping, which is a key product of Sahaj Solar, has been promoted very aggressively in the State of Maharashtra, State of Madhya Pradesh. And that is helping industry to grow as well as to develop the solar across the country.

Now, if you look at the few strategic outlook and the strategic decision which the company has taken and the direction the company is going into. The first top-line will be operational by October '25, so that will take Sahaj module manufacturing capacity to 850 megawatts. Apart from increasing the module manufacturing capacity, we are constantly working in the African region to grow our footprint. And as a part of that, we are developing a good business model right now, specifically in Uganda and Zambia.

We are in the process of getting some good order of EPC as well as some government projects for power plant. As a company's vertical goal and growing the company within the region, within the zone of solar products, one of the subsidiaries of Sahaj Solar, Veracity Powertronics, has started working on the portfolio of AC distribution box, compact substation, which is one of the products required in solar power plants. We have brought the know-how from the industry with a rich experience in one of the top companies from this industry.

And Sahaj has decided to grow the Veracity Powertronics, one of its subsidiaries, in this segment. And we will see the good results of this move in coming years. Apart from getting into the horizontal integration, Sahaj has also done a forward integration by getting its first project for the development.

The project under the DREBP scheme of Government of Gujarat, Sahaj has secured 4.8 megawatt DC project for solar power plant in the State of Gujarat. And during the year, the company has planned to get up to 30 megawatt of such projects as the first of its portfolio as a solar developer.

As the company is growing its footprint into the new area, the commercial and industrial clients are also one of the key support systems for the company. And as we have seen that the number of C&I clients increasing year-by-year, we are expecting some significant number coming during the financial year '25-'26.

With this, I would like to thank you all again for joining this call and handing over to Jhanvi for the further discussion.

Moderator: First question is from the line of Kashvi Dadia from Centra Insights. Please go ahead.

Kashvi Dedhia: Hi, thank you for the opportunity and congratulations on great set of numbers. So, the company currently has order book of INR304 crores. So, could you please share the expected execution timeline for this?

Pramit Brahmbhatt: The order book which we have will be executed in this financial year.

Kashvi Dedhia: Okay. And could you please provide the capex requirement for next 2-3 years? So what will be the capex requirement for Phase 2 and also how will it be the funding strategy for this investment? And how much of Phase 1 is already done and if it is pending anything?

Pramit Brahmbhatt: Okay. So, with the Phase 1, the construction of the site is going on which is expected to be completed by end of June. And the machinery, plant and machinery has been ordered and we are expecting the plant and machinery will arrive by end of July.

And the two months will be spared for setting up the machinery, resolving the operational issue and starting the commercial production from October. In terms of the spending, the total capex was considered at INR40 crores. Out of that, around 50% of the capex has been committed.

Majority has gone towards the construction of the building. And some portion has gone towards the advance for the machinery. For the second phase, after October we will review the situation. Some of the funding will be raised through the term loan and some from the internal accrual.

Kashvi Dedhia: Okay. Got it. And sir, could you provide detailed breakdown of capex required per megawatt for each project? Also, what is the expected EBITDA generated per megawatt? So, I just want to better understand the cost structure and return profile for each project?

- Pramit Brahmbhatt:** So, I think my answer was related to the capex for the solar panel manufacturing capacity. I think the question is related to the power plant.
- Kashvi Dedhia:** Right. So I just wanted to understand per megawatt how much do we require capex?
- Pramit Brahmbhatt:** Are you talking about the power plant or are you talking about the solar panel manufacturing capacity?
- Kashvi Dedhia:** Solar panel manufacturing.
- Pramit Brahmbhatt:** So for the per megawatt, there is no such benchmark of setting up the cost per megawatt because the machinery, when we buy the plant and machinery, it has a minimum size. So it is not like a linear scalable model. But if I have to answer that right now, the standard size is 750 megawatts. And the 750 megawatts, the cost is, turnkey cost excluding land is INR40 crores. So we can say that the per megawatt cost is somewhere around INR1.8 to INR18 lakhs to INR20 lakhs.
- Kashvi Dedhia:** Okay. Okay. That's helpful. Thank you so much. That's it from my side.
- Moderator:** Thank you. Next question is from the line of Agastya Dave from CAO Capital. Please go ahead.
- Agastya Dave:** Thank you. Thank you very much for the opportunity. Sir, congratulations on a good performance. Sir, one question is purely on the numbers. I went to the DRHB when I could not find certain things that I was looking for. Your investment banker skipped on a few details. Sir, can you share the gross block numbers that you have as of now?
- I don't see any buildup in the capital work in progress. I'm assuming that whatever capex you have spent is lying in either short-term loans and advances or in other non-current assets. So can you give some details on these line items? And what exactly is the gross block as of now?
- Pramit Brahmbhatt:** You are correct in terms of that. Because the capex that we have spent has not been capitalized yet. Because when we put the equipment to use and when we have a final handover from the construction company, that time it will come to our gross block. Right now, it must be in the advances as you have correctly mentioned.
- The gross block before this particular expansion or the existing gross block stands somewhere around INR8 crores to INR9 crores. But if you require further detail in DRHB, we can take your detail and provide that to our merchant banker or we can directly ask our compliance team to provide it.
- Moderator:** Mr. Dave, does that answer your question? As there is no response from the current questioner, we will move to the next question from the line of Deepesh from Maanya Finance. Please go ahead.
- Deepesh:** Okay. Can you walk us through the company's journey from a small solar manufacturer to vertically integrated player with EPC capabilities? What are the major turning points in this entire journey?

Pramit Brahmbhatt:

Sure. So, as we started as a small panel manufacturer and over the years, we developed our capacity to work in EPC, specifically C&I segment in the solar water pumping area, which is our major revenue earner. When we did our first project in 2014-15 for solar water pumping, we had a very good learning experience, understanding that how the EPC industry works and how the synergy between the manufacturer and the EPC is very important.

And from our experience as one of the initial players in solar water pumping, we got a lot of learning. We understand that the requirement on the ground for the end users and how the whole project should be executed, how to manage the timeline, supply chain management. And I think that is a turning point for us in 2015-2018, the amount of solar pumping project we did.

We achieved some good milestones during that, and I think that's what clarified the roadmap for us, that how a company would like to grow from there. And as we grew over the years, we are trying to add a one step ahead for us, that how we can improvise, how we can add new products or new projects in our kitty, where we can demonstrate our EPC skills.

So I think that getting into the solar water pumping business in the very nascent stage in 2014-2016 helped us a lot. And we are very proud to say that we have developed some unique projects across India, as well as outside India, be it doing a project for solar water pumping or microgrid, first project of microgrid, or providing a solar solution to villages.

Right now what we are doing is we are powering a border security force with solar power. So I think our strength has grown understanding the requirement, and solar water pumping initiation was the key turning point for us.

Deepesh:

Solar water pumping. So the PM Kusum Yojana, these were the main turning points for the company?

Pramit Brahmbhatt:

PM Kusum Yojana started in 2019-2020 onward, but before that each state used to do this individual standalone solar water pumping projects. So we participated in those projects in Gujarat, in Maharashtra, UP, Haryana, individual capacity of projects sorted by the state. So based on that, the Kusum was kind of designed based on the experience working in various states. But yes, it's a similar platform, solar water pumping.

Deepesh:

I just wanted to understand, what is right now the order book? And we have worked on around 15% margin in this quarter. Do you see that sustainable going forward?

Pramit Brahmbhatt:

So the margin, when it comes to margin, always the last quarter has a higher revenue in the margin. Because it's the nature of industry that almost 40%-45% business happens in the last quarter. So obviously that the overheads and the indirect cost gets spread in the margin and the profitability or the number looks much higher.

But if you talk about year-on-year number, we are very much convinced that the number what we have achieved year-on-year basis, it will be achieved or it should be achievable in the coming years.

- Deepesh:** So what is the sales growth or how much do you expect the sales growth, I mean volume growth to be going ahead?
- Pramit Brahmbhatt:** So if you talk about the top line, we are expecting the growth of 35% based on our existing order book as well as what we are forecasting. There are many more projects we are exploring, but conservatively we can say 35% plus growth we are expecting in the existing financial year, 2025-2026.
- Deepesh:** Can you just repeat the order book? How much is the order book and in what timeline we have to complete it? Can you just repeat that?
- Pramit Brahmbhatt:** So the order book stands at INR304 crores which are secured orders and these orders will be completed in the existing financial year 2025-2026.
- Deepesh:** And in this quarter have we added anything in the order book?
- Pramit Brahmbhatt:** Normally April is a quiet month after the year-end. So hopefully we will add something by the end of the month or beginning of next month.
- Deepesh:** No I just wanted to understand because we work on a very high ROE. So according to you what will be a reasonable ROE going forward which the company will be able to achieve?
- Pramit Brahmbhatt:** So I think as the company is in the growth stage and as I mentioned there is a tailwind as well from the policy side within the country and international demand as well. So if you are looking at the ROE going ahead 30% plus what we are looking at going ahead that whatever the numbers we are seeing if you average out last year's number then we are going to see the sustainability at that level.
- So somewhere around return on equity most probably or at the similar line at weighted average not in year-on-year basis but if you look at last year's weighted average we will achieve something similar in coming next 3-4 years.
- Deepesh:** And what is that because I am not able to find out what will be the weighted average according to you?
- Pramit Brahmbhatt:** So I have to look at that number but if you look at this year...
- Deepesh:** The weighted average for the last three years is around 65%?
- Pramit Brahmbhatt:** Yes, so I think similarly because this year we had a 100% revenue growth – sorry, profit growth. Last year also we had a 100% before that we had around 50% of profit growth. So I think yes 50%-60% is something we can look at in next 3-4 years year-on-year basis.
- Deepesh:** And how has Sahaj Solar strategy, this entire strategy aligned with India's broader renewable energy push and what role do you see that the country is playing in the country's energy generation?

Pramit Brahmbhatt:

So there are few key points if you look at just one India's commitment to [inaudible] which is helpful for India's growth. India is the third largest solar developer after China and US India is number 3. And India is the second biggest manufacturer of solar products. Now considering that as India has committed that we will have more than 30% of our power generated to renewable energy by 2030.

I see a huge opportunity in coming years at least for next 8-10 years for the growth. And considering that EV segment coming in and green hydrogen is coming into the place, the growth will be even higher than the committed growth.

I see that it is going to you know for next till 2030 we will see the growth to achieve that 500 gigawatt of renewable target. I am sure that if it is achieved well and good otherwise it will be extended for a year couple of years. But after that what we will see is a second phase of growth. All those power plants and the solar assets which are coming to end of life, we will see some sort of repowering happening there as well.

So I think the growth story is there for at least next 8-10 years for the stretch project and then again reconstruction of the old project or repowering of old project. So I think it is a long term story here with the renewable energy to remain. So as a company we are very clear about our strategy. We are working on solar water pumping. After solar water pumping when the Kusum 2 comes, we are already a beneficiary of first pilot project in Tripura for Kusum 2.

And apart from that now we are doing a forward integration with development of power plant and utility scale power plant at least for up to 10 megawatt. So that is going to give us additional growth...

Deepesh:

I will give you additional growth -- Sorry, are you on line?

Moderator:

Yes. Mr. Dipesh, may we please request you to re-join the queue?

Deepesh:

Just one question if I can add.

Moderator:

Just a moment sir. The line for the management has been disconnected. Please stay connected. If you are patiently holding, we have the line for the management reconnected. Over to you sir.

Pramit Brahmbhatt:

So we have a strategy to do a forward and horizontal integration into the product line so that we can add more product line and more segment into our portfolio.

Deepesh:

Okay. Just wanted to understand what is the capex lined up?

Moderator:

Mr. Deepesh, there are many participants in the question queue. May we please request you to re-join the queue for other questions? Next question is from the line of Harshil Solanki from Equitree Capital.

Harshil Solanki:

I had a question on the PM Kusum scheme. So in Maharashtra we are present and there was a INR1 lakh pump tender which was opened. So when can we expect an outcome and subsequently orders for us in Maharashtra?

- Pramit Brahmhatt:** So under the Maharashtra we have already received the first allotment of 2,000 pumps and we are executing that. We have planned to get further allocation in this quarter only. We are expecting that by end of the year we will have a total allocation of 10,000 solar water pumps from Maharashtra. The first 2,000 has been allocated and the execution is going on.
- Harshil Solanki:** Okay. So is this allocation based because as far as I understand it was farmer driven. Now if we say we are going to get 10,000 pumps, is it the government is allocating certain quantities to certain vendors?
- Pramit Brahmhatt:** So how it works is that government allocates a quantity 2,000 pumps or 3,000 pumps depending on the government decision to various vendors. Then after that we have to go and do a market drive. So once my 2,000 quantity is finished, the portal will not show Sahaj as an agency. So even though it is a market driven, but first step is the allocation and then we have to go and compete in the market to take the work from the farmers.
- Harshil Solanki:** Okay. So this is the maximum and then the farmers have to choose and they can select maybe 1,800, 1,900 pumps.
- Pramit Brahmhatt:** Yes. So once the selection is done up to a quantity allocated, the portal will not show the agency's name. And once we show some sort of execution, so if we execute 1,000 pumps, again the portal will open for 2,000 quantity for Sahaj. And for next 2,000 pumps, farmer can select Sahaj if they want to.
- Harshil Solanki:** Okay, got it. And sir, Madhya Pradesh also is talking of very big numbers, 30 lakh pumps. What are the plans?
- Pramit Brahmhatt:** So we have already participated in that tender. It is still under process. So once it opens, we will know that how much quantity we can get in Madhya Pradesh.
- Harshil Solanki:** Okay. So in Madhya Pradesh also the same system works of allocations or is it pure farmer decision making?
- Pramit Brahmhatt:** Everywhere it is a farmer decision. But in Maharashtra, because the competition is very high, the local state government wants to assure or the DISCOM wants to assure that each agency is performing on time because this work has to be completed in 90 days as per the guidelines. If someone is sitting on more quantity, the project can get delayed. Based on the company's progress, they allow more and more quantity. But there is no such mechanism as of now in Madhya Pradesh, but we will know once they open up the tender and how the portal is going to work.
- Harshil Solanki:** Okay, got it. And when I look at the receivables, our receivable days have increased. So are we seeing any delays in the payment, specially from Maharashtra, because there were reports where contractors were protesting against delays. So are we facing any delays in this part?
- Pramit Brahmhatt:** The protest was for a different thing, not for the Kusum B which we are doing or Magel Tyala Solar Pump Scheme which we are doing. Payments are in Maharashtra coming as per the

expectation. The number of day has increased, because as I earlier also mentioned that 40% to 50% delay happened in the last quarter. So it's always a pressure on the government also to conclude before the financial year end because they have to use the funds.

And as an organization or as a company, we also need to stock up the goods in advance and make sure that we execute those projects before the 31st of March. But out of the receivable, almost 40% to 50% receivable is against the creditor with we are doing a project in partnership with some other companies or jointly we are executing the project.

We have a similar amount of creditors as well. And based on our contract with those companies, the creditors are payable only based on the receipts. So all the debtors which we are having in our book, it is not something that Sahaj is stocked with that fund because that fund is payable to the creditors based on our contract with them.

Harshil Solanki: Okay, understand. Is there any remote possibility...?

Moderator: Sorry to interrupt, Mr. Solanki. May we please request you to rejoin the queue for the follow-up question. Next question is from the line of Rahil Shah from Crown Capital.

Rahil Shah: Firstly, what is the current capacity if you can point out for two of our main segments, water pumping and...?

Pramit Brahmbhatt: Capacity in terms of manufacturing capacity?

Rahil Shah: So in water pumping solutions, we are doing product as well as EPC as well?

Pramit Brahmbhatt: Yes, sure. We are doing. So I'll tell you with solar water pumping, it is EPC-driven business. There are two products which Sahaj manufacture out of -- or three products rather of the total quantity Sahaj manufacture which is solar panel, module mounting structure and the controller. These are the three things that come from in-house, directly from Sahaj or one of its subsidiaries. And rest of the products, solar water pump itself, balance of systems like pipes, cables, lighting, etcetera, that we buy from outside.

So our manufacturing capacity is more than enough to cater our demand and our vendors from where we buy our solar water pump or multiple vendors where we buy our BOS, balance of systems. The production capacity is not a challenge, but our own in-house capacity may meet with our requirement. And some of our additional capacity we can also sell it to the outside customers.

Rahil Shah: So this order book of INR304 crores, what is the composition? Like how much is the water pumping business and then the product and everything, if you can bifurcate?

Pramit Brahmbhatt: So around 7% to 8% is C&I segment, which is on-grid system rooftop, including both mixed government and the private. Around 5% is off-grid system, battery backup system, solar battery backup system. And around 15% is Kusum C, which is like on-grid solar water pumping solution. And rest 60% to 65% is solar water pumping, Kusum B and similar things.

- Rahil Shah:** Okay. And for this financial year, is there any certain order inflow target which you are expecting? So you have given this order book which you will be executing, but other than that, any order pipeline?
- Pramit Brahmbhatt:** Yes, we have participated and in process on the negotiation stage for more than INR1,200 crores of projects, whether it's a bidding stage or negotiation stage with the private sales.
- Rahil Shah:** Any certain win rate you expect?
- Pramit Brahmbhatt:** Pardon.
- Rahil Shah:** Any certain win rate you expect? Any percentage of...?
- Pramit Brahmbhatt:** Normally, we work on 15% to 20% of win rate on an average. And this is as of now, during the year, there will be more projects coming and we'll be bidding for more projects. So during the year, we have a target to bid for around INR2,000 crores of projects, including around INR1,200 crores which we have bidden already. So those are -- around INR2,300 crores, yes.
- Moderator:** Next question is from the line of Hrishit Jhaveri from PI Square Investments.
- Hrishit Jhaveri:** Hi, sir. Congratulations on the great set of numbers. A couple of questions. First, on the backward integration part, you mentioned that Veracity, our subsidiary will help us in mounting structures. So what is the vision of that subsidiary, how do we plan to scale it up and how will it help Sahaj's current business in terms of cross-selling as well as margin expansion?
- Pramit Brahmbhatt:** Okay, good question. So Hrishit we have two subsidiaries as of now in Sahaj which are operational. During the year, we have incorporated two more subsidiaries, but the business activity has yet to start. So with existing two subsidiaries, one is Veracity Energy and Infrastructure, which is a module mounting structure fabrication company.
- And another one is Veracity Powertronics. So with both these companies, Veracity Powertronics as I already mentioned during my earlier presentation, that we are doing horizontal integration with solar business where we are adding complex substation, which is an integral part of solar system as well as the distribution panels and the IT distribution panels.
- So by adding these products, we are having two opportunities as you mentioned about the cross-selling. We are selling our products to other industry peers. Quite good names are associated with us for both the products. And apart from that, we are using these products in our own projects from coming here specifically with the DREBP and when we are doing solar power plants. It will help us one to secure the supply chain. And the second thing is it will increase our margins for our subsidiaries and the new business for subsidiaries.
- Hrishit Jhaveri:** Okay, understood. And sir, we became a developer for a 4.8 megawatt plant in Gujarat. We will have to generate and sell the power. So what will be the margins in this segment?

Pramit Brahmbhatt: So if you look at arm's length, the margin will be somewhere around 10% to 12% of the margin. But being an in-house EPC, we are going to also get the EPC margin for the company. So that will be separate from the developer's margin.

Hrishit Jhaveri: Okay, sir. Understood. All the best. I will get back to you.

Pramit Brahmbhatt: Thank you.

Moderator: Thank you. Next question is from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: I got dropped out of the call when you were answering the question, sir. So the first question was on the gross block and how the capex is being accounted for. If you have already answered it, sir, I will go through the transcript and you need not repeat?

Pramit Brahmbhatt: Yes, I have answered, but even if you don't repeat.

Agastya Dave: Sir, second is a question that somebody asked you and I will also try to repeat it. If I look at the working capital numbers, all the gross numbers have gone up substantially, the receivables and even the payables. So I was just wondering, sir, once the capacity, the new capacity comes online and we are in a steady state, what kind of receivable days should we bake in for you going forward?

Pramit Brahmbhatt: So Agastya, these receivable days are more to do with EPC business because normal solar panel business has a much lower receivable day.

Agastya Dave: I understood the logic behind it, sir, but given like over a period of time, your manufacturing capacity will come in and it will ramp up. So manufacturing will start dominating again in terms of revenue. So I was just wondering, once the entire capacity is up and running, what kind of receivables, normalized receivable days should we expect?

Pramit Brahmbhatt: I'll just add into that because right now we are consuming the majority of our production and going ahead also, we are expecting that more than 40% to 50% of our production of solar panels, we are hopeful of consuming in-house. So when we look at receivable balance of the production in the first six months or rather first year from the manufacturing facility set up, we are estimating 60% of the production capacity achieved.

So in that case, what we are going to sell into the market will be hardly 10 to 15 percentage. So by that much of ratio, we may see the receivable can come down by a weighted average of 15 to 20 days, but not significantly at least till the first half of 2026-2027.

Agastya Dave: Understood, sir. And sir, you have given, I was listening to the call of these, so you're given a guidance for 35% growth, but if I look at the capacity that you are adding, even if you operate at like 60%, 65% utilization, you'll be running at like several hundred crores just on the manufacturing side on an annual basis. Now I understand the capacity won't be available for the entire year, but still shouldn't we be growing much faster than the 35% that you are estimating for the next year?

- Pramit Brahmbhatt:** But as I said that almost if we talk about 60% capacity, out of the 60% of total capacity, more than 80% capacity will be consumed in-house. So there won't be any difference in the turnover because if we are doing a project, that project will require a panel, so that will be utilized from in-house production. When we cross that 70%, 80% mark, then the additional capacity of 30%, 25% going in the market, but before that it's consumed in-house.
- Agastya Dave:** Understood, sir. And one final question, sir. You mentioned something about the margins. The line was really, really terrible at my end. I could not understand what you were saying. So were you discussing EBITDA margins or PAT margins and what kind of guidance have you given on those numbers?
- Pramit Brahmbhatt:** So the guidance is that the margin percentage-wise, we are expected to remain constant of what we have achieved this year, year-on-year basis.
- Agastya Dave:** Okay, 13%.
- Pramit Brahmbhatt:** Year-on-year basis, whether it's EBITDA or PAT we think that overall numbers will be similar to this year's numbers in terms of percentage.
- Agastya Dave:** Understood, sir. Thank you very much, sir. I'll go through the transcript and get the answers to my remaining questions. Thank you, sir. All the best. Thank you.
- Moderator:** Thank you. Next question is from the line of Ganesh Kumar, who is an Investor. Please go ahead.
- Ganesh Kumar:** Good afternoon, everybody. First of all, kudos to Pramit Bhai and entire Sahaj team for walking the talk and delivering just as per or probably this time around even more than what was promised in the earlier management guidance. So really well done. Congratulations.
- Pramit Brahmbhatt:** Thank you.
- Ganesh Kumar:** I have a couple of questions. One is that what is the scope of solar modules exports once we have this expanded capacity available, particularly to the US, especially in the present scenario of tariffs? If at all, how do we stand to gain?
- Pramit Brahmbhatt:** A very good question. And I think the US market has a good opportunity. During last year, we visited the US market and understood the nitty-gritties of the market. And considering the current situation, I think that can be a good opportunity. And we will definitely explore that opportunity at an appropriate time once our production is up and running.
- We do have certain inquiries from the US where people want to participate with us. But I think once we are ready, we will call them, make them visit our facility, and maybe in '26, '27, we can see some sort of penetration happening in the US market.
- Ganesh Kumar:** Right. Another question regarding the PLI Scheme. So I would like to understand, would it have any significant added benefits as of now, especially as we do our capex?

- Pramit Brahmbhatt:** Not for us because the PLI Scheme is more integrated where the company who starts all the way from inboard manufacturing up to the solar panels, the PLI Scheme is meant for them.
- Ganesh Kumar:** Okay. And regarding the receivables, like you said, it is largely balanced by the debtors. So overall, the receivables shouldn't be a problem with our enhanced capabilities as and when that's available. So that will be largely under control?
- Pramit Brahmbhatt:** That will be for sure, because the Solar Panel is a different business model compared to the EPC and Solar Water Pumping business.
- Ganesh Kumar:** Okay. Right. And so are we on track for the first 750 additional capacity expansion? Are we on track?
- Pramit Brahmbhatt:** Yes, sir. I gave some dates as well earlier to some other participants. Yes, we are on track.
- Ganesh Kumar:** Okay. Great. Thank you.
- Moderator:** Thank you. Next question is from the line of Deepanshu Jain, an Individual Investor. Please go ahead.
- Deepanshu Jain:** Congratulations on the great set of numbers. And so my question is, so basically many of our peers who are dealing in this Solar segment itself, they are working on much higher operating margins. So when can we expect that kind of operating margin from our business point of view as well and comparing all the segments, including all the segments of water pumping and Solar Panels?
- Pramit Brahmbhatt:** As I earlier also explained to one of the other participants that we see this, what the numbers which we have achieved in '25, '26, those numbers are expected to remain constant. Maybe some other companies have a different business model and they have a different number. So I won't be able to comment on that number. But for Sahaj, I think that number what we have achieved this year that will continue, expected to continue coming here.
- Deepanshu Jain:** Great. And one last question is that what are our future plans, particularly for the Solar Water Pumping solutions? Is there any plan to proceed in the northern part of India, as well or focus on the eastern part somewhere as well?
- Pramit Brahmbhatt:** Sorry, your voice is not, can you speak a little bit louder?
- Deepanshu Jain:** Sure. So my question is particularly for the Solar Water Pumping solutions. So is the company targeting any particular region in the future segment like in the northern part of India or in the eastern part of India or still they are planning to get more business from Maharashtra only, Maharashtra and other states they are working with?
- Pramit Brahmbhatt:** So as we participated now in Madhya Pradesh, in Rajasthan, in Assam, in Tripura, so it depends on the availability of opportunity and availability of our strategic partners there to execute the project. So based on that we go for the bidding. But right now, as I said earlier also, we are

active, we have participated in Madhya Pradesh, we are already executing project in Assam and Tripura and we are also in Rajasthan apart from Gujarat and Maharashtra.

Deepanshu Jain: Thank you.

Pramit Brahmbhatt: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question for the day. For any further questions, kindly reach out to the companies IR, Go India Advisors. Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.