Date: July 22, 2026

To,

BSE Limited BSE Scrip Code: 544608	**National Stock Exchange of India Limited** NSE Scrip Symbol: EMMVEE

Dear Sir/Ma'am,

Sub: Transcript of Q1FY27 Earnings Conference Call held on July 16, 2026.

Further to our communication dated July 13, 2026 and July 15, 2026, please find enclosed the transcript of the Q1FY27 Earnings Conference Call held on Thursday, July 16, 2026, at 04:00 p.m. to discuss the Unaudited Financial Results for the quarter ended June 30, 2026.

This intimation shall also be available on the website of the Company at https://www.emmveepv.com/investors.

This is for your kind information and dissemination.

Thanking You,

For and on behalf of Emmvee Photovoltaic Power Limited
(Formerly known as Emmvee Photovoltaic Power Private Limited)

PAWAN KUMAR JAIN

Digitally signed by PAWAN KUMAR JAIN
Date: 2026.07.22 18:35:24 +05'30'

Pawan Kumar Jain
Chief Financial Officer

"Emmvee Photovoltaic Power Limited

Q1FY27 Earnings Conference Call"

July 16, 2026

MANAGEMENT: MR. MANJUNATHA D.V – CHAIRMAN AND MANAGING DIRECTOR – EMMVEE PHOTOVOLTAIC POWER LIMITED
MR. SUHAS DONTHI MANJUNATHA – PRESIDENT AND CHIEF EXECUTIVE OFFICER – EMMVEE PHOTOVOLTAIC POWER LIMITED
MR. PAWAN KUMAR JAIN – CHIEF FINANCIAL OFFICER – EMMVEE PHOTOVOLTAIC POWER LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Emmvee Photovoltaic Power Limited Q1FY27 conference call, hosted by Raadhi Capital. 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 your touchtone phone.

Please note that anything said on this call that reflects the outlook towards the future, which can be construed as a forward-looking statement, must be reviewed in conjunction with the risks that the company faces. A copy of the disclosure is available on the investor relations section on the website as well as on the stock exchanges.

Kindly also note that the audio of the earnings call is a corporate material of Emmvee Limited and cannot be copied, rebroadcasted, or attributed in the PR media without specific and written consent of the company. To give you an in-depth understanding of the company and answer all your queries, we have from the management side today, Mr. Manjunatha D.V, Chairman and Managing Director; Mr. Suhas Donthi Manjunatha, President and CEO, and Mr. Pawan Kumar Jain, Chief Financial Officer.

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

Manjunatha D.V: Thank you. Good evening, ladies and gentlemen. A warm welcome to all our shareholders, investors, analysts, and colleagues joining us today for Emmvee Q1 financial year '27 earning call. Thank you for your continued trust and confidence in Emmvee. Financial year '27 has begun on a strong note for our company.

During the quarter, we delivered revenue from operations of INR 1,555 crores, EBITDA of INR 548 crores, and profit after tax is INR 380 crores, with an EBITDA margin of 35%. Our order book further strengthened to 9.9 gigawatt, supported by fresh order inflows and approximately 1.5 gigawatt. More importantly, these results reflect the strength of our business fundamental. They were driven by improved operational execution, higher manufacturing efficiencies, stronger integration benefits, disciplined cost management, and continued customer confidence.

Operationally, this was our best quarter so far. We achieved record production across both solar module and solar cells, with higher cell utilization further strengthening the advantages of our integrated manufacturing platform. This quarter also marked another foundation day for Emmvee. Looking back over more than three decades, we have grown from small solar water heater manufacturing into one of the leading Indian integrated solar manufacturing companies.

While our scale has changed significantly, our values remain the same quality, innovation, customer trust, integrity, and long-term thinking. I sincerely thank our employees, customers, suppliers, lenders, shareholders, and all our stakeholders for their continued support and confidence in our journey. Looking ahead, we believe India is entering a defining decade for renewable energy.

Growing electricity demand, increasing energy security, domestic manufacturing initiative, electric mobility, energy storage, green hydrogen, and data centers are creating a significant long-term opportunity for the Indian solar industry. The implementation of ALMM List 2 is another important milestone in strengthening Indian domestic manufacturing ecosystem. Emmvee entered this transition from position of preparedness.

Our operational TOPCon cell manufacturing facility and inclusion under ALMM List 2 position us well to benefit from the growing demand for domestically manufactured solar cell. At Emmvee, we firmly believe that long-term leadership will not be determined simply by installing capacity; it will be determined by technology, operational excellence, supply chain resilience, financial discipline, and consistent execution. Our ongoing 6 gigawatt integrated TOPCon cell and module expansion continue to progress according to plan.

Upon completion, our installed capacity will increase to approximately 16.3 gigawatt of modules and 8.9 gigawatt of solar cells, significantly strengthen our integrated manufacturing platform. At the same time, we continue to prepare for the next phase of backward integration into ingot and wafer manufacturing. Together with our investment in digital technology, automation, and artificial intelligence, these initiatives will further strengthen our competitiveness and support sustainable long-term growth.

As we move through financial year 27, our priority remains clear execute our expansion on schedule, increase utilization across our existing facility, strengthen technology leadership, maintain financial discipline, uphold the highest standard of governance, and continued creating sustainable long-term value for all our stakeholders. Ladies and gentlemen, the Indian solar manufacturing industry is on a important inflection point.

The companies that will lead this industry will be those that combine technology, integration, operational excellence, customer trust, and disciplined execution. At Emmvee, we remain committed to building exactly the kind of institution. We have started financial year '27 with a strong momentum and we remain confident about the opportunity ahead. Thank you once again for your continued trust and support.

I will now invite our President and CEO, Mr. Suhas Donthi, to take you through the operational and financial performance for the quarter in greater detail. Thank you.

Suhas Manjunatha: Thank you, Mr. Manjunatha, for your opening remarks and good afternoon to everyone joining the earnings call for the first quarter of FY2027. We have started the financial year on a strong note with healthy growth in revenue and profitability, record quarterly production, improving capacity utilization, and continued momentum in our order book.

Let me begin with the financial performance. Revenue from operations for Q1FY2027 stood at INR 1,555 crores, registering growth of 51% over Q1FY26. An EBITDA for the quarter stood at INR 548.1 crores, an increase of 56% year-on-year. An EBITDA margin improved to 35% compared to 34% in Q1FY26 and 33% in Q4 FY26. Despite the sequential decline in revenue, an EBITDA was lower by only 4% quarter-on-quarter, reflecting operating leverage, optimization of expenses, and benefits of increased internal cell consumption.

Profit after tax stood at INR 380.3 crores, registering growth of 103% over Q1FY26. PAT margin improved to 24% compared to 18% in the corresponding quarter last year and 23% in the previous quarter, due to lower finance costs that reduced significantly to INR 11.1 crores compared to INR 53.1 crores in Q1FY26. Moving to our operational performance, both module and cell production reached their highest ever quarterly levels.

Solar module production stood at 970 megawatt compared to 635 megawatt in Q1FY26 and 952 megawatt in Q4 FY26. This represents year-on-year growth of 53%. Solar cell production increased to 454 megawatt compared to 360 megawatt in Q1FY26 and 428 megawatt in Q4 FY26, representing year-on-year growth of 26%. Effective module capacity utilization stood at 45% compared to 44% in both Q1FY26 and Q4 FY26.

Cell capacity utilization improved further to 83% compared to 68% in Q1FY26 and 79% in Q4 FY26. The continued improvement in cell utilization is an important operational milestone. It increases the proportion of internally manufactured cells used in our modules, strengthens our integrated manufacturing model, and supports better control over product quality, supply availability, and margins. Our current installed capacity stands at 10.3 gigawatt of solar modules and 2.94 gigawatt of TOPCon cells.

Our inflow during Q1FY27 stood at 1,484 megawatt. Consequently, our order book increased to 9.9 gigawatt of the end of the quarter compared to 9.4 gigawatt at the end of FY2026. The order book provides healthy revenue visibility and reflects continued demand across utility-scale, commercial and industrial, and rooftop solar segments.

Let me now provide you an update on our ongoing capacity expansion. Work on the 6-gigawatt integrated TOPCon cell and module manufacturing facility is progressing in line with our plans. The module line is expected to be commissioned by December 2026, followed by the cell line by March 2027. Commercial sales will commence in line with the respective commissioning schedules, with capacity utilization expected to scale progressively.

The total project cost is estimated at approximately INR 5,500 crores, including hard costs of around INR 4,600 crores. Debt funding of approximately INR 3,300 crores has been tied up at the cost of less than 8%. All major equipment has been ordered. Orders representing approximately 60% of the total hard costs have been already in place. Following the completion of this expansion, our total manufacturing capacity is expected to increase to approximately 16.3 gigawatt of modules and 8.9 gigawatt of cells by end of FY2027.

The implementation of ALMM List 2 from June 2026 is another important development for the domestic industry. The requirement for the use of domestically manufactured cells in covered projects is expected to expand the addressable DCR market beyond the government schemes. We expect DCR demand to strengthen progressively during FY2027 as grandfathered non-DCR projects are completed and procurement aligned with ALMM requirements becomes more broad-based.

Domestic supply of high-efficiency TOPCon cells continues to remain relatively tight, which should support the operating environment for established and compliant cell manufacturers. Our existing cell manufacturing capacity, improving cell utilization, and planned integrated expansion position us well to participate in this opportunity. We have also outlined our medium-term plan to further backward integrate into ingot and wafer manufacturing.

The proposed facility will have a total of 9 gigawatt and is planned in two phases, with 5 gigawatt targeted in FY2029 and the remaining 4 gigawatt in FY2030. The timings of this investment will remain subject to the final clarity on ALMM List 3 and prevailing market conditions. The capital expenditure for the same is expected to be funded largely through internal accruals. This backward integration is intended primarily to protect margins, reduce exposure to upstream supply chain volatility, and strengthen the economics of our domestic cell and module manufacturing operations.

To conclude, Q1FY2027 represents a healthy start to the year. We delivered strong year-on-year financial growth, expanded margins, achieved record module and cell production, improved cell utilization, and strong additions to our order book. Our priorities remain focused on increasing utilization of existing capacity, executing the order book efficiently, commissioning the 6 gigawatt integrated facility according to schedule, and maintaining financial discipline as we progress through the next phase of growth.

I would like to thank our employees, customers, suppliers, lenders, shareholders, and other stakeholders for their continued support. With that, we can open the floor for questions.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Rohit from Axis Max Life. Please go ahead.

Rohit: Thank you for this opportunity. First of all, congratulations on a very strong set of results. My question is more to do with an EBITDA per watt in DCR and non-DCR modules that you do right now. How has it fared in this particular quarter, what is the trend, and what is the outlook over there?

Suhas Manjunatha: Yes, thank you for the question, Rohit. I think an EBITDA spread in both non-DCR and DCR have been in line with what we experienced in the previous quarter, which is also, reflecting from our EBITDA margin as well. And, going forward also, we are expecting a stable kind of a scenario, and that is what is reflected as of now.

Rohit: Okay. My second question is more to do with the capacity expansion plans, like 6-gigawatt integrated cell plus module, where you have stated that the module plant will be operational by Q3, and you want to expedite even the cell plant before the beginning of FY28. So, when will the order booking start and what should be the quantum jump in order backlog or order inflow one should look at? Will that be a right indicator to say that the things are getting commissioned on track?

Suhas Manjunatha: See, order backlog is something that we've already started seeing expansion of, and that is in tandem to our increasing growth as well. Today we have an order inflow of approximately 1,500 megawatts in Q1 and an order book of approximately 10 gigawatt. So, with that, we are looking at approximately 7 plus gigawatt of orders that are to be executed in the next 18-months' time frame. So that is quite in line with our expansion plans as well and we have already started to see that.

Rohit: Okay. And my final question is more to do with the wafer ingot backward integration. You have stated that the rollout will be in two phases. Is the Board approval done, and will we hit the ground immediately or are we waiting for some sort of a procedural step ahead?

Suhas Manjunatha: There's no procedural steps, rather like the timing that we have planned the commissioning is by mid of calendar year 2028. So, that does not require such early actions to our understanding. That is something in line with what we are planning, because it's quite clear that our priority right now is expanding the cell and module, and ingot and wafer is something that we are adding in calendar year of 2028. So, we will take the actions accordingly.

Rohit: Thank you. I will get back in the queue. Thanks a lot.

Moderator: Thank you. The next question is from the line of Subramaniam Yadav from SBI Life. Please go ahead.

Subramaniam Yadav: Thank you, sir, for the opportunity. Sir, if you can give us a trend or the number in terms of gross margin spread, because we have the production number, and if you can give us gross margin spread on the sales number, that would be helpful.

Suhas Manjunatha: Thank you for your question, Subramaniam. So, I think, like we've been guiding more or less on the EBITDA spread rather than the gross margin spread. So probably for the sake of clarity and understanding the trend, we'll stick to an EBITDA per watt. And EBITDA per watt, I think what we had guided is around INR 2.5 per watt for just module, and for the cell it is of INR 6.00-6.5 per watt. So, I think that is something that's in line with the current trends also.

Subramaniam Yadav: Did it move from Q4 to Q1?

Suhas Manjunatha: Not much. I mean, it's in the similar range, if you see that.

Subramaniam Yadav: Okay. And, sir, on the overall mix of DCR and non-DCR, how was it in terms of sales?

Suhas Manjunatha: This time the DCR non-DCR mix have been healthier on the DCR side, which is reflected in our increased margin percentage as well. So, we have done, I think over 50% DCR.

Subramaniam Yadav: Okay. And sir, how is it likely to be ahead in next couple of quarters?

Suhas Manjunatha: Looking at our module to cell capacity difference and the market scenario, there will be more non-DCR module than DCR module, but it's not going to be as very different as, we have some comfortable DCR inventories that we intend to use in these coming quarters.

Subramaniam Yadav: Okay. Okay. Thank you, sir. Yes.

Moderator: Thank you. We'll take the next question from the line of Prakhar Porwal from Ambit Capital. Please go ahead.

Prakhar Porwal: Thank you for the opportunity. Sir, just one question, after 1st June, how has been the C&I demand in terms of ordering order inflows, and also any, I understand you have mentioned that from Q4 to Q1 the margins have been stable, but in terms of new orders which maybe you'll execute the next 6 months or 12 months. Are you seeing margins increasing again because of some tightness from the solar cell side currently? That is the question?

Suhas Manjunatha: So, thank you, Prakhar, for your questions. On the C&I demand order inflows, that's something that we've already started seeing, but the supply of it is something that you should expect towards later part of this financial year and not immediately. But this is the movement that we have already started seeing in our order inflows.

And when it comes to the margins, we've been in a similar state of margin per watt peak, like I said, both in DCR as well as non-DCR cells in the Q1. And what we are seeing also is like, there could be a slight better, there could be some slight improvements in the DCR side, but I think it's not something to consider, rather just assuming the stable level of margin more confidently is something that you should take from this.

Prakhar Porwal: Sure. Just a follow-up on that because I was hearing some news about C&I players specifically in Karnataka requesting the state to push back the deadlines given current unavailability of DCR modules. So anything given you're based in Karnataka, anything on that also or is the availability in terms of DCR modules totally there and those are just rumours, anything on that?

Suhas Manjunatha: See, I mean, it's important to recognize that the ALMM implementation is coming in a phased manner. And I think companies like Emmvee are equipped in that kind of phased manner to be there at the forefront of the industry with the expertise that we have for the last more than two years of TOPCon cell manufacturing capability to deliver the requirements for the demand.

And I think the government is very clear, in fact, their intentions and discussions are now started, are now, we are all looking at the ALMM 3 rather than looking at ALMM 2 anymore. So I think this is something that's already happened and now we need to focus on how do we bring in the ingot and wafer and ensure that it is done.

Prakhar Porwal: Sure. And on the current capacity of 2.9 gigawatt, can we expect more run rate increase going forward? So let's say 450 going to 500, 550 kind of number? Because I understand the capacity is at 11 watt peak, 710 watt peak modules. So just before the new capacity comes in, can we see more increase in the run rate production?

Suhas Manjunatha: Yes. Absolutely. That is something that you should expect to see in these coming quarters.

Prakhar Porwal: Okay. Sure. Thank you.

Moderator: Thank you. We'll take the next question from the line of Apoorva Bahadur from IIFL Capital. Please go ahead.

Apoorva Bahadur: Thank you, Suhas ji, and congratulations on another strong quarter. I just wanted to check, in our sales mix, have we also sold cells or have we restricted ourselves to selling DCR and non-DCR modules?

Suhas Manjunatha: Yes, thank you, Apoorva ji. Yes, our sales mix also includes merchant cells sales.

Apoorva Bahadur: Okay. And is that a meaningful number or is it very small?

Suhas Manjunatha: It is an increased number quarter-on-quarter or this thing, probably the highest we have also done in the history of Emmvee also. So, I wouldn't say that it's a dominant number, but it's a meaningful number.

Apoorva Bahadur: Okay, okay. Understood. Secondly, I when I see the financials, I see a sharp quarter-on-quarter drop in the cost of raw materials consumed, about 18%-19% Q-on-Q, while the production has increased slightly. What is leading to this sharp decline in cost of raw materials?

Suhas Manjunatha: Yes, so see, there are a couple of things. I think maybe I'll let Pawan add in. But here the couple of things are that the mix of DCR and non-DCR, when it becomes healthy on the DCR side, you will see the COGS being much better. And two, like I said, there is also cell sales that is involved in this quarter. So that is also a reason why you should see the absolute COGS also being lower compared to the previous quarter.

Apoorva Bahadur: Okay. So is this trend sort of expected to continue in future quarters as DCR sales pick up even further, or do you expect this to be a one-off thing?

Suhas Manjunatha: No, this purely depends on the mix of the DCR non-DCR and the cells. So, I think accordingly it could change. So that should not be a guidance that should be taken out of that.

Apoorva Bahadur: Okay, understood.

Suhas Manjunatha: But the understanding is that if the mix were to be same, then yes, it will be similar. I don't see it changing a lot.

Apoorva Bahadur: Okay, okay. And in last quarter, I recollect there, we had a discussion about the inventory position. And so how is it at the end of this quarter? Are we seeing a wind down of inventory or it's still at similar levels?

Pawan Jain: Yes. if you see in the P&L, the change in inventory, which is of finished goods because the production was high, so some inventory has been added. but otherwise, barring these INR 74.25 crores of the addition to inventory, it is in line with our current level of operations..

Apoorva Bahadur: Okay. And are we expecting, sir, this inventory to wind down in future quarters, next 1 or 2 quarters, or do we expect to carry this type of finished goods inventory into FY27?

Pawan Jain: With the healthy order book and we added another 1.48 gigawatt of additional order, so this will help us to liquidate the inventory also, both in terms of finished goods and raw material. Inventory will also be used to have an improved production to meet the target orders.

Manjunatha D. V: And added to that, this quarter we have strategically kept little more raw material inventory. Reason being the geopolitical issues what is taking place.

Apoorva Bahadur: Okay, Understood, sir. And sir, lastly, I think on the availability of silver, I think government had imposed some sort of restriction on import of silver. Do we -- are we facing any challenges because of that, either in terms of securing the raw materials or in terms of the pricing in India?

Manjunatha D.V: This is a good question. So, we are not facing any difficulties. It is only the procedure which has been introduced. So, what we have to do is now we have to apply well in advance to the DGFT for what is the import quantity we want to bring it. Then accordingly they are giving approval to the import.

So what Emmvee is following up is that three months inventory what we require, we are applying and we are getting the approvals in time. And last, by the time of introduction to till date, we have not faced any difficulties. As soon as we are applying, within 3 to 4 days we are getting the approvals.

Apoorva Bahadur: Okay. And sir, is the pricing in line with the global price or is there a premium in India in the retail or a spot market?

Manjunatha D.V: No, it is imported only, so it is in line with the earlier prices. There is no changes because silver paste still, we have largely depend on imports.

Apoorva Bahadur: Understood, sir. Thank you so much. I'll get back in the queue.

Moderator: Thank you. The next question is from the line of Sahil Jinesh Seth from Anand Rathi Institutional

Equities. Please go ahead.

Sahil Jinesh Seth: Hi, sir. Thank you for the opportunity. So, sir, just following on a previous question, you said the finished goods inventory was increased in this quarter. But if I were to look at the DCR number from the DCR portal, the module manufacturing and sales data arc is quite in line. So would it be fair to assume that the slower off-take is only in the non-DCR segment and not as much as in the DCR module segment?

Manjunatha D.V: No, this is not the offtake; the non-DCR normally we produce based on the orders we have in hand and the execution of the same. The pick-up for this particular quarter is not executed fully in the last month of the quarter because of LC establishment and other things, which is going happening this quarter

Suhas Manjunatha: This is as per the normal cascading that would be expected.

Manjunatha D.V.: Because of some rains in those areas, they are not able to pick up the materials.

Sahil Jinesh Seth: Okay, sir. And sir, my second question would be, when you previously mentioned that the 50% mix was DCR, does that only includes DCR modules or it also includes your DCR cells in that mix?

Suhas Manjunatha: Both included.

Sahil Jinesh Seth: Including both. That was helpful. Thank you, sir.

Moderator: Thank you. The next question is from the line of Karan from Niveshaay. Please go ahead.

Karan: Yes, thank you for the opportunity. So wanted to understand like we have a 50% mix in revenue for DCR. Now is it similar in our order book as well?

Suhas Manjunatha: There has been more and more increasing DCR in the mix of order book, but there is still a good non-DCR portion as well that is there. But yes, it will be around the similar levels.

Karan: Understood. And what would be our blended realization for modules currently?

Suhas Manjunatha: Realization for module in the last quarter was I think around 15 -16 cents in the non-DCR.

Karan: Does it increase for us because we sold more DCR modules this quarter?

Suhas Manjunatha: Yes, there is a small increase about INR 1,

Karan: Understood. And one last question, what would be our peak utilization that we can achieve in modules and cells and when are we expected to achieve for the current facility?

Suhas Manjunatha: Peak utilization for cell is around 85% to 90%, which we are already close to that. And with respect to modules, it will be about 65%. But with cell, as we are transitioning to G12R, the overall effective capacity is also going to increase. So, you will see a higher production volume even though the percentage could remain similar.

Karan: So, our transition has been completed or is it still in process?

Suhas Manjunatha: We have started this thing, and partially completed the conversion, and the remaining we will convert sequentially.

Karan: Understood. Great. Thank you so much and all the very best.

Suhas Manjunatha: Thank you.

Moderator: Thank you. The next question is from the line of Meghana from Old Bridge Capital. Please go ahead.

Meghana: Just a follow-up to the original question. What -- in the coming quarters, what is the module utilization that we expect and when?

Suhas Manjunatha: I think you can take it at on a base case at similar levels. I think that will be a fair assumption to take it.

Meghana: Okay, got you. And any colour on when do we expect to achieve the 65% level?

Suhas Manjunatha: We expect to continue increasing production volumes. However, rather than providing guidance on volumes, we have to provide guidance from an overall EBITDA perspective. We are targeting approximately INR 2,400 crore of an EBITDA by the close of FY27. Accordingly, we should also see increasing levels of utilization across both our module and cell manufacturing capacities

Meghana: Got you. Thank you.

Moderator: Thank you. The next question is from the line of Karan Gupta from Asit C. Mehta Investments. Please go ahead.

Karan Gupta: Yes, hi. So my question is on the capacity utilization of cell. As you look at the previous quarter's numbers -- a couple of quarters; the cell capacity utilization is improved significantly from 50% to 83% if you compare Q4 FY25 and your EBITDA per watt is more or less the similar in line. So my question is on we are not getting the, backward integration benefit plus the utilization benefit in our EBITDA per watt numbers?

Suhas Manjunatha: No, you are getting it. On per watt number you will not get because it's again if your utilization is going up per watt, your production is going up, but mainly it's the ramp up of efficiency and the raw material consumption that's happened. Also, absolutely you can see that our module production has also gone up. So on blended basis it will be difficult to measure that.

Karan Gupta: But if you calculate cell to module ratio, which is if I assume let's say your cells 100% cells are going into your modules -- whatever the cell number you produced, 100% is going to the module side. So which is in line, I mean 45% to 46% historically in couple of quarters. So this is the number same, but as the capacity utilization is increasing, so the benefit of backward integration plus the benefit of your capacity utilization, which is operating leverage, should come into an EBITDA per watt numbers. What's your view on that?

Manjunatha D.V: You can see the other operational improvements on these lines.

Pawan Jain: One more thing, if you see the previous quarter EBITDA margin is around 32.84% and this quarter is 35.2%. So, this is also because of the mix that we are getting benefit of a domestic cell produced, so that is also getting reflected in the EBITDA margin.

Karan Gupta: Okay. What's the number of cell you are selling to outside or to the merchant and what is the in-house?

Suhas Manjunatha: We are not disclosing the sales mix of our cells, modules, and DCR non-DCR. There has been a significant increase in cell sales this quarter. So the understanding that all the cells that we make are going into our modules is not correct, rather there is a mix of both we are selling separately as well as we are using in our own modules. So that is why it will be difficult for you to look at it on an EBITDA per watt peak on a blended basis, it is something that has been reflected in the financials.

Karan Gupta: Okay. So in cell capacity we are seeing the operating leverage part when we are selling outside EBITDA per watt standalone basis for the cell capacity. So we are seeing the operating leverage part playing out in the cell part?

Suhas Manjunatha: What was the question?

Karan Gupta: So for the standalone cell capacity utilization as it is increasing, so for EBITDA per watt if you just calculate for the cell portion, the operating leverage playing out when you're selling into the outside market and consuming inside?

Suhas Manjunatha: No, see, it's not that thing. We have to be also aware that the changes in the raw material prices, either the silver paste or with respect to increase in other raw materials are not reflected where the EBITDA per watt peak is going down. And this is happening only because of increased operating leverage and efficiency.

Because our consumptions have been more streamlined, our operating efficiencies have become better, efficiency of the cell has become better, and the consumption has become better. So that is why you're able to see the stable EBITDA per watt irrespective of the increase in other headwinds that we are seeing.

Karan Gupta: Okay, okay. So for cell we are getting better realization in the outside market?

Suhas Manjunatha: No, realization for cells has been quite stable, so has been module, so has been DCR and otherwise. So, realizations have been quite stable. It's in line with the movements in your commodities.

Karan Gupta: So could you please put the number?

Moderator: Mr. Gupta, I'm sorry to interrupt you. Sir, I would request you to kindly re-join the queue for follow-ups. We have a queue here, sir. There are others who are waiting for their turn.

Karan Gupta: Got you.

Moderator: Thank you so much, sir. We'll take the next question from the line of Dhruv Muchhal from HDFC AMC. Please go ahead.

Dhruv Muchhal: Yes. Thank you so much. Firstly, on the non-DCR cell-based modules now, at least the news flows are suggesting that the market has become more limited now because the C&I -- at least the C&I market has shifted to the DCR cells now and also rooftop anyways was. And probably there could be some margin compression in the pure module business.

But based on your guidance, it seems that is not the case. So, just trying to understand the guidance that you're giving INR 2.5 on modules EBITDA, is that the blend of DCR modules with non-DCR modules or just the non-DCR modules?

Suhas Manjunatha: No, there has been see, sir just for clarity, I think that there are markets operating at different places. But it's important to recognize that there is only limited supply that has been always available with players who have the bankability and credibility of supplying to the IPPs of both C&I and developers.

And today whoever has the grant for the projects are the very serious IPP players. So there what happens is the operating leverage of these here what happens is that the selection of quality, stability and bankability becomes extremely crucial. So at that point players like Emmvee are at the forefront of that.

So for us it's very clear that choosing our markets, choosing our customers in terms of without letting go of the bottom line is something that's been very important to us. So making that reasonable return even with lower utilization is rather better than making a higher utilization and lower margin. So that's the philosophy we've been following.

Dhruv Muchhal: Got it. But purely on modules, based on your level of volume that you expect, basically, I don't know, I think 50% or 60% utilization on the capacity of module, you believe, despite the change in the market structure, but because of your positioning, you will be able to get to that INR 2-INR 2.5 EBITDA?

Suhas Manjunatha: Yes that should be in that range. Yes, absolutely.

Dhruv Muchhal: Sure. And sir secondly, just to reconfirm, the sell pricing, for example, the sales that you sell, they are based on dollar pricing, they're not based on INR pricing, right?

Suhas Manjunatha: Yes, correct.

Dhruv Muchhal: For example, whatever you sell to the rooftop market or the KUSUM market, whatever, or C&I market that all happens in the dollar pricing based?

Suhas Manjunatha: Correct.

Dhruv Muchhal: So the dollar changes which probably has some implication on your input pricing, but to a large degree, it gets off settled because the selling price is also in dollars?

Suhas Manjunatha: Yes, yes, that's correct.

Dhruv Muchhal: Sure, Sure. Okay, sir. Great. Thank you so much and all the best. Thank you.

Moderator: Thank you. The next question will be the last question for today from the line of Dhaval Popat from Choice International Limited. Please go ahead.

Dhaval Popat: Thank you so much for the opportunity. My question is just regarding particularly passing of the raw material cost. You did say that that it moves in line with the commodity, so is it fair to understand that you are still able to pass on the raw material or at least certain part of the raw material cost to the customers? Like for example, silver fluctuated so much, so were you able to pass on these costs or how should we read this, if you can throw some light on this, if possible?

Manjunatha D.V: Yes, this we have answered even in the last time also. See, pass-through will be done in two ways. One is we'll do value engineering in the production. If that is there, we'll not pass through to the vendor if we are able to make it within in line with our margins. If not, yes.

That's why if you see the change in the prices will be there, that's why we always say absolute number of an EBITDA will always consider, not on the percentage. Percentage may vary because if my price is high, the percentage will come down, if the price is low my percentage will go up. But my absolute number will remain same.

Dhaval Popat: Okay, okay. That is helpful. And I'm sorry if I missed this, but there was -- should we expect that given prices decline, could we expect recurring inventory losses or that would not be the case or how do you plan to protect against inventory losses particularly?

Manjunatha D.V: There is no decline in the prices that what we said in non-DCR we normally produce based on the orders inflows only and which is already covered by the advances and the LCs. So, which doesn't have any effect. And DCR market you know that there is not going to be any change as of today.

So as of now, we have not impacted anything on the price variations because we strategically, even if you see in the earlier three-quarter calls also we made it very clear that we normally procure raw material based on our inflows of orders.

Dhaval Popat: Yes, okay. Thank you so much. I hope we can connect offline as well because we are looking at this company. Yes, thanks for the opportunity. I'll connect offline.

Moderator: Thank you. Ladies and gentlemen, we'll be taking one more question for today from Gaurav Birmiwal from Axis Mutual Fund. Please go ahead.

Gaurav Birmiwal: Thank you, sir for the opportunity. I just had one question. So, you did elaborate on how the margins are split, but just for my understanding, let's say if you produce and sell cell itself separately, how much margins will you make there?

Let's say second case which is you produce the cell, you convert it to modules as well, how much are the margins there? And third is of course the non-DCR wherein you buy cells from, let's say China and then you convert it to modules and sell it. So, what will be the margins in each of these three cases?

Suhas Manjunatha: Yes, thank you, sir, for the question. So cell like we said non-DCR module is about INR 2 to INR 2.5 per watt and then the cell is about INR 6.0-6.5 per watt. So, DCR module is usually INR 8.5 to INR 9 per watt. So that's pretty much like you either sell separately or you sell together, it's pretty much similar kind of margins.

Gaurav Birmiwal: Understood, sir. Very clear. Thank you.

Moderator: Thank you. That was the last question for today. Thank you, members of the management. Thank you once again for your time and participation. On behalf of Emmvee Photovoltaic Power Limited, this concludes today's conference. For any questions, please feel free to write on the email IDs mentioned on the invite. We appreciate your engagement. You may disconnect your lines now. Thank you so much, sir.