

Waaree Energies

Integration at play; reiterate BUY

The company's consistent execution over the recent quarters (Q3FY26 revenue/EBITDA/PAT up 119/167/161% y/y) reinforces confidence in its scale-up and delivery capabilities. While macro uncertainty, policy risks and rising industry capacity continue to pressure sector valuations, announced capex plan strengthens its integrated manufacturing footprint and enhances competitiveness through deeper value-chain capture. While near-term margins may normalise, ancillary businesses offer meaningful future optionality. Upwardly revising our earnings estimates by 6.9/9.5/3.6% for FY26/27/28e, we reiterate BUY rating on the stock with a TP of Rs3,849, valuing it at lower multiple of 13x FY28e EV/EBITDA.

Strong Domestic Demand with No Pricing Pressure in PV Market: The management highlighted that domestic module demand remained strong (up 16% y/y) with stable realisations of Rs14/wp and Rs24/wp in non-DCR and DCR market, respectively. However, with several other market forces at play, the management hinted at some pricing pressure, going forward.

Operational Ramp-up Continues: Domestic cell utilisation, which saw structural improvement to 81%, is likely to reach 85-90% with G12R transition over the next three months. In parallel, the polysilicon tie-up in Oman improves supply-chain traceability for the US exports, which should support business continuity and reduce execution risk, even as the volume and realisation remain sensitive to policy and demand conditions.

Outlook and Valuation: We have upwardly revised our revenue estimates considering higher module capacity and earlier-than-expected commissioning, while factoring in lower EBITDA margin led by slower-than-expected shift towards DCR modules. On revised estimates, the stock trades at 10.1/8.9x FY27/28e EV/EBITDA. We trim our target valuation multiple to reflect margin normalisation, capex intensity and higher uncertainty around policy-linked earnings, while maintaining confidence in Waaree's execution and medium-term growth visibility. **As the stock appears to be attractive post recent correction, we reiterate BUY rating on the stock with a revised TP of Rs3,849 (from Rs4,654 earlier), valuing it at 13x FY28e EV/EBITDA.**

| Key Financials (Y/E Mar) | FY24 | FY25 | FY26e | FY27e | FY28e |
|--------------------------|---------|---------|---------|---------|---------|
| Net Revenues (Rs Mn) | 113,976 | 144,445 | 258,260 | 358,944 | 406,719 |
| Adj. Net Profit (Rs Mn) | 9,812 | 18,704 | 40,334 | 46,262 | 48,551 |
| EPS (Rs) | 37.3 | 65.1 | 140.4 | 161.0 | 169.0 |
| P/E (x) | 70.8 | 36.9 | 18.8 | 16.4 | 15.6 |
| EV/EBITDA (x) | 42.1 | 23.0 | 10.9 | 10.1 | 8.9 |
| P/BV (x) | 10.6 | 4.3 | 5.6 | 4.2 | 3.3 |
| ROE (%) | 41.8 | 27.5 | 33.2 | 29.3 | 23.6 |
| ROCE (%) | 37.8 | 30.0 | 39.5 | 33.1 | 27.2 |
| ROCE (Post-Tax) | 20.5 | 16.2 | 25.3 | 21.9 | 18.3 |
| Net Debt/Equity (x) | (0.8) | (0.7) | (0.7) | (0.0) | (0.0) |

Source: Company, Anand Rathi Research

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Rating: **BUY**
Target Price (12-mth): Rs.3,849
Share Price: Rs.2,642

| Key data | WAAREEN IN / WAAN.BO |
|--------------------|----------------------|
| 52-week high / low | Rs3865 / 1863 |
| Sensex / Nifty | 82307 / 25290 |
| Market cap | Rs748bn |
| Shares outstanding | 288m |

| Shareholding pattern (%) | Dec'25 | Sep'25 | Jun'25 |
|--------------------------|--------|--------|--------|
| Promoters | 64.22 | 64.22 | 64.30 |
| - of which, Pledged | - | - | - |
| Free float | 35.78 | 35.78 | 35.70 |
| - Foreign institutions | 6.91 | 6.35 | 2.68 |
| - Domestic institutions | 2.86 | 2.82 | 2.86 |
| - Public | 26.01 | 26.60 | 30.16 |

| Estimates revision (%) | FY26e | FY27e | FY28e |
|------------------------|-------|-------|-------|
| Sales | 22.5 | 36.1 | 26.9 |
| EBITDA | 17.0 | 13.6 | 5.2 |
| PAT | 6.9 | 9.5 | 3.6 |

Relative price performance



Source: Bloomberg

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Quick Glance – Financials and Valuations

Fig 1 – Income Statement (Rs m)

| Y/E Mar | FY24 | FY25 | FY26e | FY27e | FY28e |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net Revenues (Rs m) | 1,13,976 | 1,44,445 | 2,58,260 | 3,58,944 | 4,06,719 |
| Growth (%) | 68.8 | 26.7 | 78.8 | 39.0 | 13.3 |
| Direct Costs | 90,139 | 1,05,208 | 1,70,225 | 2,48,092 | 2,87,573 |
| Gross Margins (%) | 20.9 | 27.2 | 34.1 | 30.9 | 29.3 |
| SG&A | 8,093 | 12,021 | 26,814 | 35,894 | 34,571 |
| EBITDA | 15,744 | 27,216 | 61,221 | 74,957 | 84,575 |
| EBITDA Margin (%) | 13.8 | 18.8 | 23.7 | 20.9 | 20.8 |
| Depreciation | 2,768 | 4,025 | 9,391 | 15,682 | 21,938 |
| Other Income | 2,352 | 4,016 | 6,854 | 7,179 | 8,134 |
| Finance Costs | 1,399 | 1,521 | 3,276 | 2,689 | 2,869 |
| PBT | 17,342 | 25,646 | 52,461 | 63,764 | 67,902 |
| Effective Tax Rate (%) | 26.5 | 24.8 | 24.4 | 24.7 | 25.2 |
| +Associates/(Minorities) | (372) | (607) | (1,527) | (1,780) | (2,262) |
| Net Income | 12,372 | 18,674 | 38,124 | 46,262 | 48,551 |
| Adj. Net Income | 9,812 | 18,704 | 40,334 | 46,262 | 48,551 |
| WANES | 263.0 | 287.3 | 287.3 | 287.3 | 287.3 |
| Adj. EPS | 37.3 | 65.1 | 140.4 | 161.0 | 169.0 |
| Adj. EPS Growth (%) | 96.9 | 90.6 | 115.6 | 14.7 | 4.9 |

Fig 2 – Balance Sheet (Rs m)

| Y/E Mar | FY24 | FY25 | FY26e | FY27e | FY28e |
|-----------------------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Share capital | 2,630 | 2,873 | 2,873 | 2,873 | 2,873 |
| Net worth | 40,878 | 94,792 | 1,34,791 | 1,81,052 | 2,29,603 |
| Debt | 5,534 | 11,990 | 17,567 | 18,291 | 19,963 |
| Minority interest | 607 | 1,161 | 2,688 | 4,467 | 6,729 |
| DTL / (Assets) | (461) | (47) | (294) | (294) | - |
| Capital employed | 46,558 | 1,07,896 | 1,54,752 | 2,03,517 | 2,56,296 |
| Net tangible assets | 14,364 | 40,250 | 51,913 | 1,98,012 | 2,78,754 |
| Net intangible assets | 69 | 43 | 33 | 23 | 12 |
| Goodwill | 63 | 63 | 63 | 63 | 63 |
| CWIP (tang. & intang.) | 13,413 | 18,840 | 51,787 | 46,451 | 4,968 |
| Investments (strategic) | 1,143 | 4,246 | 6,918 | 6,916 | 6,915 |
| Investments (financial) | 963 | 937 | 937 | 937 | 937 |
| Current assets (excl. cash) | 44,497 | 55,139 | 92,469 | 1,31,355 | 1,62,249 |
| Cash | 37,792 | 77,478 | 1,12,175 | 22,314 | 25,329 |
| Current liabilities | 65,747 | 89,101 | 1,61,543 | 2,02,554 | 2,22,931 |
| Working capital | (21,250) | (33,962) | (69,074) | (71,199) | (60,682) |
| Capital deployed | 46,558 | 1,07,896 | 1,54,752 | 2,03,517 | 2,56,296 |

Fig 3 – Cashflow Statement (Rs m)

| Y/E Mar | FY24 | FY25 | FY26e | FY27e | FY28e |
|---|---------------|---------------|---------------|-----------------|----------------|
| PBT (adj. for OI & interest) | 12,976 | 23,192 | 51,831 | 59,275 | 62,637 |
| Non-cash Items | 2,768 | 4,025 | 9,391 | 15,682 | 21,938 |
| Oper. prof. before WC | 15,744 | 27,216 | 61,221 | 74,957 | 84,575 |
| -Incr. / (decr. in WC) | 5,387 | 14,146 | 35,111 | 2,126 (10,517) | |
| Others inc. taxes | (4,598) | (6,365) | (12,810) | (15,723) | (17,090) |
| Cashflow from operations | 16,533 | 34,997 | 83,523 | 61,360 | 56,969 |
| Capex (tang. + intang.) | 14,161 | 35,097 | 53,989 | 1,56,434 | 61,185 |
| Free cashflow | 2,371 | (99) | 29,534 | (95,074) | (4,216) |
| Acquisitions | - | - | - | - | - |
| - Div. (incl. buyback & taxes) | - | - | - | - | - |
| + Equity raised | 196 | 243 | - | - | - |
| + Debt raised | 2,331 | 6,456 | 5,577 | 724 | 1,672 |
| - Fin Investments | (86) | 3,077 | 2,672 | (2) | (2) |
| - Misc. items (CFI + CFF) | 15,444 | 36,164 | 2,257 | 4,488 (5,557) | |
| Net change in cashflow | 20,428 | 39,687 | 34,697 | (89,860) | 3,015 |

Source: Company, Anand Rathi Research

Fig 4 – Ratio Analysis

| Y/E Mar | FY24 | FY25 | FY26e | FY27e | FY28e |
|---------------------------------|-------|-------|-------|-------|-------|
| P/E (x) | 70.8 | 36.9 | 18.8 | 16.4 | 15.6 |
| EV / EBITDA (x) | 42.1 | 23.0 | 10.9 | 10.1 | 8.9 |
| EV / Sales (x) | 5.8 | 4.3 | 2.6 | 2.1 | 1.9 |
| P/B (x) | 10.6 | 4.3 | 5.6 | 4.2 | 3.3 |
| RoE (%) | 41.8 | 27.5 | 33.2 | 29.3 | 23.6 |
| RoCE (%) - after tax | 37.8 | 30.0 | 39.5 | 33.1 | 27.2 |
| RoIC (%) – after tax | 194.8 | 91.9 | 149.3 | 34.2 | 28.1 |
| DPS (Rs) | - | - | - | - | - |
| Dividend yield (%) | - | - | - | - | - |
| Dividend payout (%) - incl. DDT | - | - | - | - | - |
| Net debt / EBITDA (x) | (0.8) | (0.7) | (0.7) | (0.0) | (0.0) |
| Receivables (days) | 31 | 30 | 30 | 30 | 30 |
| Inventory (days) | 105 | 93 | 90 | 90 | 105 |
| Payables (days) | 82 | 88 | 85 | 83 | 83 |
| CFO : PAT % | 168.5 | 187.1 | 207.1 | 132.6 | 117.3 |

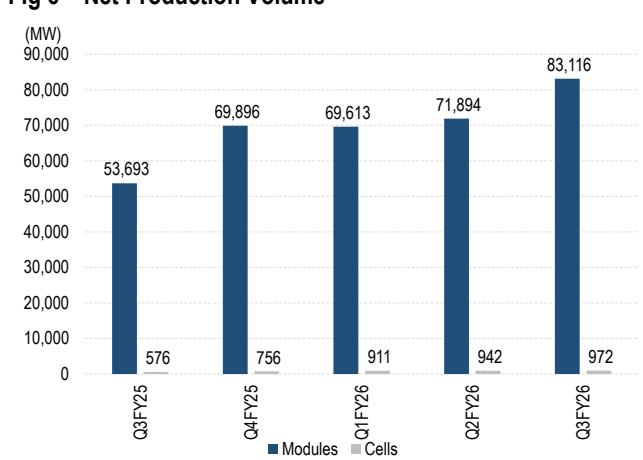
Source: Company, Anand Rathi Research

Fig 5 – Price Movement



Source: Company, Anand Rathi Research

Fig 6 – Net Production Volume



Source: Company, Anand Rathi Research

Fig 7 – Financial performance

| Quarterly (Rs m) | Q3FY24 | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | Q1FY26 | Q2FY26 | Q3FY26 | y/y (%) | q/q (%) |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|-------------|
| Net sales | 15,962 | 29,358 | 34,089 | 35,744 | 34,573 | 40,039 | 44,258 | 60,656 | 75,651 | 118.8 | 24.7 |
| Gross profit | 3,686 | 6,771 | 8,265 | 7,920 | 10,176 | 12,876 | 14,242 | 21,111 | 26,932 | 164.7 | 27.6 |
| Margin (%) | 23.1 | 23.1 | 24.2 | 22.2 | 29.4 | 32.2 | 32.2 | 34.8 | 35.6 | 617 bps | 80 bps |
| EBITDA | 1,712 | 4,183 | 5,525 | 5,249 | 7,217 | 9,226 | 9,973 | 14,064 | 19,282 | 167.2 | 37.1 |
| Margin (%) | 10.7 | 14.2 | 16.2 | 14.7 | 20.9 | 23.0 | 22.5 | 23.2 | 25.5 | 461 bps | 230 bps |
| Depreciation | 739 | 752 | 758 | 843 | 891 | 1,534 | 1,821 | 2,398 | 2,673 | 200.1 | 11.5 |
| Interest | 185 | 484 | 337 | 308 | 309 | 567 | 433 | 961 | 933 | 202.4 | (2.9) |
| Other income | 556 | 716 | 875 | 891 | 880 | 1,370 | 1,714 | 1,609 | 1,962 | 123.0 | 21.9 |
| Extraordinary items | 491 | 2,922 | - | - | - | (40) | - | - | (2,948) | - | - |
| PBT | 1,836 | 6,586 | 5,305 | 4,988 | 6,898 | 8,455 | 9,434 | 12,315 | 14,690 | 113.0 | 19.3 |
| Tax | 428 | 1,835 | 1,294 | 1,232 | 1,829 | 2,010 | 1,705 | 3,533 | 3,622 | 98.0 | 2.5 |
| ETR (%) | 23.3 | 27.9 | 24.4 | 24.7 | 26.5 | 23.8 | 18.1 | 28.7 | 24.7 | - | - |
| Reported PAT | 1,245 | 4,615 | 3,941 | 3,617 | 4,927 | 6,189 | 7,452 | 8,426 | 10,625 | 115.6 | 26.1 |
| Adj. PAT | 869 | 2,507 | 3,941 | 3,617 | 4,927 | 6,220 | 7,452 | 8,426 | 12,846 | 160.7 | 52.5 |
| Adj. EPS | 3.3 | 9.5 | 15.0 | 13.7 | 17.2 | 21.7 | 25.9 | 29.3 | 44.7 | 160.4 | 52.5 |

Source: Company, Anand Rathi Research

| Operational metrics | Q3FY24 | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | Q1FY26 | Q2FY26 | Q3FY26 | y/y (%) | q/q (%) |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| Module Production Capacity (MW) | 13,300 | 13,300 | 14,900 | 14,900 | 17,700 | 22,800 | 24,100 | 24,100 | 28,400 | 60.5 | 17.8 |
| Module Production Volumes (MW) | 1,900 | 1,810 | 2,060 | 2,300 | 2,640 | 3,510 | 3,729 | 3,958 | 4,698 | 78.0 | 18.7 |
| Cell Production Capacity (MW) | - | - | 5,400 | 5,400 | 5,400 | 5,400 | 5,400 | 5,400 | 5,400 | 0.0 | - |
| Cell Production Volumes (MW) | - | - | 80 | 260 | 576 | 756 | 911 | 942 | 972 | 3.2 | - |

Source: Company, Anand Rathi Research

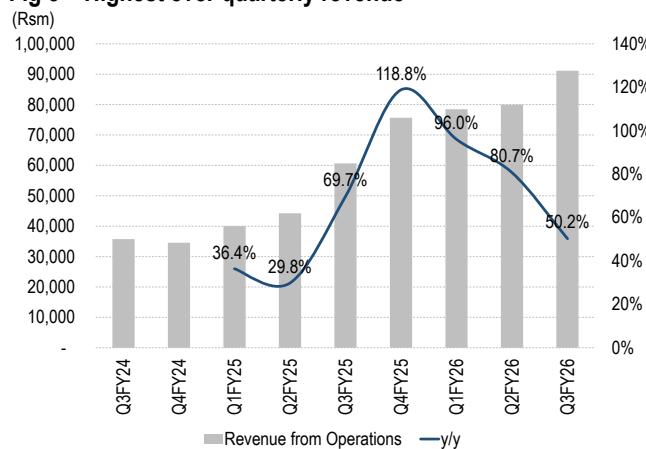
| Segment results (Rsmn) | Q3FY24 | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | Q1FY26 | Q2FY26 | Q3FY26 | y/y (%) | q/q (%) |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|-------------|
| Solar Modules | 14,018 | 26,135 | 31,785 | 30,532 | 31,083 | 36,169 | 38,724 | 53,693 | 69,896 | 124.9 | 30.2 |
| Margin (%) | 1.2 | 10.5 | 13.9 | 12.4 | 18.3 | 18.7 | 18.7 | 19.8 | 21.8 | 353 bps | 201 bps |
| EPC | 3,132 | 2,670 | 2,262 | 5,167 | 3,512 | 4,653 | 5,893 | 7,637 | 8,382 | 138.7 | 9.8 |
| Margin (%) | 24.5 | 25.9 | 13.9 | 12.3 | 18.0 | 24.8 | 15.7 | 15.1 | 17.3 | (71) bps | 225 bps |
| Generation of Power | 80 | 99 | 111 | 64 | 75 | 85 | 111 | 74 | 92 | 22.9 | 24.5 |
| Margin (%) | 75.9 | 42.4 | 72.8 | 62.7 | 56.9 | 65.5 | 70.3 | 59.6 | 53.1 | (378) bps | (643) bps |

Source: Company, Anand Rathi Research

Key Earnings Highlights

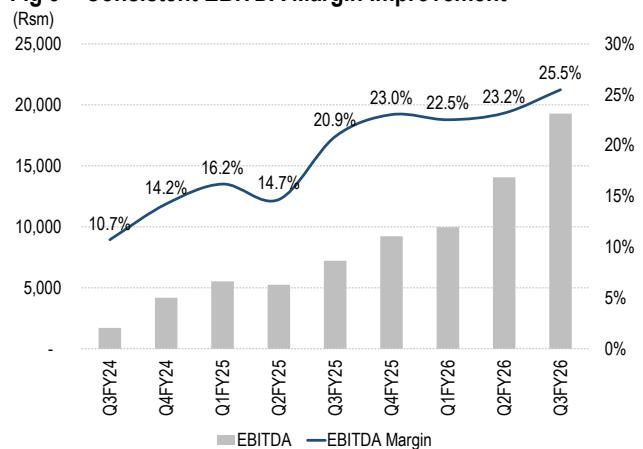
- Revenue/EBITDA/Adj. PAT grew 119/167/161% y/y to Rs75.6/19.3/12.8bn (vs. ARe of Rs66.8/15.9/10.3bn and Ce of Rs63.8/15.1/10.4bn), led by record module and cell production of 3.51GW and 0.75GW (up 94% and 35% y/y). Higher production is attributable to CUFs ramping up for older facilities and new capacities being commissioned.
- Blended module realisation remained largely stable at Rs21.36/wp (vs. Rs21.8/wp in Q2FY26) and ahead of ARe of Rs20.3/wp. Unlike peers, the realization remained stable reflecting higher share of US revenue and better DCR:non DCR mix than peers.
- EBITDA margin, APAT margin expanded 461bps and 273bps y/y to 25.5% and 17%, respectively (vs. ARe of 23.9% and Ce of 23.7%). APAT of Rs12bn is adjusted for Rs2.95bn provisioning, while reported PAT came in at Rs10.6bn. The US CBP has initiated an investigation into the origin of components used in India-manufactured modules exported to the US since Jan-21. While no demand has been raised, the company has recognised a provision towards this.
- The company's current OB stands at ~Rs600bn with 2.92GW being EPC.

Fig 8 – Highest ever quarterly revenue



Source: Company, Anand Rathi Research

Fig 9 – Consistent EBITDA Margin Improvement



Source: Company, Anand Rathi Research

Earnings Call Highlights

- **Cell Utilisation Ramp-up on Track:** Cell utilisation has structurally improved to 81%, while shift to G12R over the next 3 months is expected to lift utilisation to 85-90%. As earlier technical issues and breakages are behind, performance improvement should now visibly flow through. Utilisation stood at 62% on effective capacity, reflecting the transition phase.
- **Rising DCR-mix & Improved Operating Leverage – Key Margin Drivers:** While the commodity prices remain elevated (silver contributes ~9% of modules), higher utilisation, rising DCR mix and rising market-linked pricing are lending margin stability. Further, operating leverage and efficiency gains act as key margin buffers. The company expects to surpass its FY26 guidance of Rs55-60bn.

- **US Market Momentum Remains Strong:** US production volume reached 275MW in Q3FY26, as local manufacturing continued to ramp up. IRA benefits of Rs1.62bn last quarter and Rs800m in this quarter were booked, with ~90% of 7cents/wp incentive already secured. US realisation remained strong at ~Rs24/wp, aided by full tariff pass-on.
- **India Gaining Export Competitiveness:** With China's export VAT rebates tapering and global cell prices rising from 4.5 cents/wp to ~6 cents/wp, India is emerging as a viable alternative in the export market.
- **Polysilicon Tie-up in Oman:** The company has made a strategic investment worth \$30m in a polysilicon plant in Oman to trace the origin, especially to cater to the US exports. This transaction is at an advanced stage, with production likely to start this quarter.
- **BESS – Early but Optional Upside:** The company has raised Rs1bn for its BESS plans, diluting ~10% of the business. Battery manufacturing is in an embryonic phase – received a 10MW order this quarter. Revenue visibility is limited at this stage.
- **Commissioned Inverters manufacturing:** The company commissioned a 3.05GW inverter manufacturing facility in Sarodhi (Gujarat) in Q3 and plans to scale capacity to 4GW by FY27. Inverters are considered a strategic and sensitive component due to grid control and data security considerations. The management expects the market for domestically manufactured inverters to quadruple by 2035, creating a significant opportunity for Indian manufacturers.
- **Expansion in Transformers capacity:** The company plans to expand its capacity from 4,000MVA to 20,000MVA by FY27 with a capex of Rs1.92bn. It already has a Rs2.45bn order book, underscoring strong execution capabilities and quality credentials.
- **Capex of Rs 6.76bn for Green Hydrogen:** The company is planning an early but deliberate entry into green hydrogen electrolyzers by setting up a 1GW electrolyzer manufacturing facility with a Rs6.76bn capex by FY27. It has already secured PLI incentive of Rs4.44bn.
- **Renewable Power Infrastructure:** The company has committed and investment outlay of Rs22.5bn for renewable power infrastructure. It offers solution for players by aggregating land and securing connectivity. Currently, Waaree has 6.1GW of connectivity approvals and has acquired >3,000 acres of land.

Outlook and Valuation

Waaree has consistently delivered robust quarters, reinforcing confidence in its execution capabilities across scale, timelines and margin. However, the operating environment is becoming more challenging, with macro uncertainties, policy-related risks and rising industry capacity addition weighing on sectoral valuations. Against this backdrop, Waaree's announced capex meaningfully strengthens its integrated manufacturing footprint, enabling deeper value-chain capture and a “one-pack” solution that enhances customer stickiness and cost competitiveness. While near-term margin is likely to normalise amid rising competition and policy-linked earnings variability, ancillary businesses i.e., BESS, inverters, transformers and green hydrogen provide embedded optionality over the future. Overall, Waaree remains well-positioned to navigate macro volatility through disciplined execution and strategic integration, even as sector valuations recalibrate.

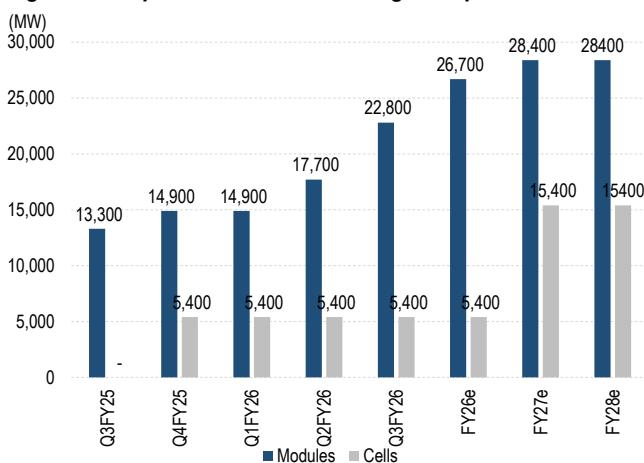
To reflect these changes, we have upwardly revised our FY26/27/28e earnings estimates by 6.9/9.5/3.6%, primarily driven by an increase in module capacity and earlier-than-expected commissioning of announced capacities. However, with the current ramp-up in DCR module mix at ~15%, we believe the transition to a predominantly DCR-led market will take longer than earlier anticipated. Accordingly, we factor in lower forward EBITDA margin to reflect a higher contribution from lower-margin non-DCR modules, despite cell capacities coming on stream as planned. Further, while we have incorporated the announced capex across business verticals, we have not factored in revenue from ancillary segments into our P&L estimates, given limited visibility on monetisation timelines and execution.

On revised estimates, the stock trades at 10.1/8.9x EV/EBITDA on FY27/28e. We trim our target valuation multiple to reflect margin normalisation, rising capex intensity and higher uncertainty around policy-linked earnings, while maintaining confidence in Waaree's operational execution ability and medium-term growth visibility. That said, the stock has corrected sharply amid the broader market sell-off and appears attractive at current levels. **Thus, we reiterate our BUY rating with a TP of Rs 3,849 (from Rs4,654 earlier), valuing it at 13x FY28e EV/EBITDA.**

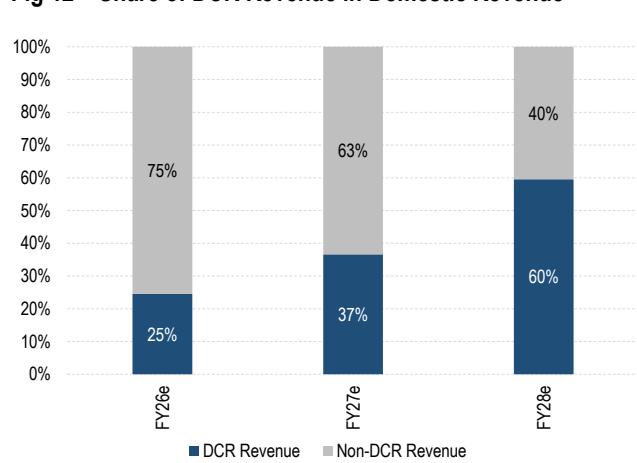
Fig 10 – Change in Estimates

| (Rsm) | New Estimates | | | Old Estimates | | | Variance (%) | | |
|---------------------------------|---------------|----------|----------|---------------|----------|----------|--------------|------------|-----------|
| | FY26e | FY27e | FY28e | FY26e | FY27e | FY28e | FY26e | FY27e | FY28e |
| Net Sales | 2,58,260 | 3,58,944 | 4,06,719 | 2,10,759 | 2,63,761 | 3,20,505 | 22.5 | 36.1 | 26.9 |
| EBITDA | 61,221 | 74,957 | 84,575 | 52,318 | 65,985 | 80,366 | 17.0 | 13.6 | 5.2 |
| EBITDA Margin (%) | 23.7 | 20.9 | 20.8 | 24.8 | 25.0 | 25.1 | (112) bps | (413) bps | (428) bps |
| PBT | 55,408 | 63,764 | 67,902 | 48,861 | 54,751 | 60,726 | 13.4 | 16.5 | 11.8 |
| Adj. PAT | 40,334 | 46,262 | 48,551 | 37,716 | 42,262 | 46,874 | 6.9 | 9.5 | 3.6 |
| Adj. EPS | 140.4 | 161.0 | 169.0 | 131.3 | 147.1 | 163.2 | 6.9 | 9.5 | 3.6 |
| Module capacity | 26,700 | 28,400 | 28,400 | 19,700 | 25,700 | 25,700 | 35.5 | 10.5 | 10.5 |
| Module production | 12,179 | 18,100 | 18,981 | 9,518 | 12,258 | 14,891 | 28.0 | 47.7 | 27.5 |
| Module realization | 18.9 | 18.1 | 18.7 | 19.6 | 19.1 | 18.7 | (3.6) | (5.3) | 0.0 |
| DCR Mix in domestic revenue (%) | 24.6 | 36.6 | 59.5 | 49.5 | 59.5 | 69.3 | (2495) bps | (2289) bps | (971) bps |

Source: Anand Rathi Research

Fig 11 – Sharp Rise in Commissioning of Capacities

Source: Company, Anand Rathi Research

Fig 12 – Share of DCR Revenue in Domestic Revenue

Source: Company, Anand Rathi Research

Fig 13 – PER Chart

Source: Bloomberg, Anand Rathi Research

Risks

- Oversupply concerns in modules and cells; thereby exerting pricing pressure
- Policy uncertainty – delay in PPAs signings, US stance on renewable energy, etc.

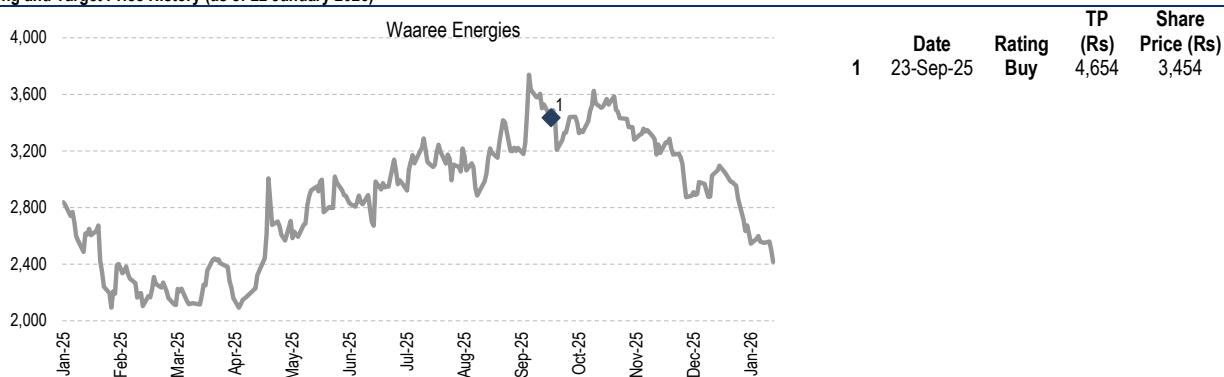
Appendix

Analyst Certification

The views expressed in this Research Report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. The research analysts are bound by stringent internal regulations and also legal and statutory requirements of the Securities and Exchange Board of India (hereinafter "SEBI") and the analysts' compensation are completely delinked from all the other companies and/or entities of Anand Rathi, and have no bearing whatsoever on any recommendation that they have given in the Research Report.

Important Disclosures on subject companies

Rating and Target Price History (as of 22 January 2026)



Anand Rathi Ratings Definitions

Analysts' ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid Caps & Small Caps as described in the Ratings Table below:

Ratings Guide (12 months)

| | Buy | Hold | Sell |
|------------------------------------|------|-------|------|
| Large Caps (Top 100 companies) | >15% | 0-15% | <0% |
| Mid Caps (101st-250th company) | >20% | 0-20% | <0% |
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