

Rinkle Vira
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Issue Details

Issue Details	
Issue Size (Value in ` million, Upper Band)	4,900
Fresh Issue (No. of Shares in Lakhs)	125.4
Offer for Sale (No. of Shares in Lakhs)	14.2
Bid/Issue opens on	23-Sept-25
Bid/Issue closes on	25-Sept-25
Face Value	Rs. 5
Price Band	Rs 333-351
Minimum Lot	42

Objects of the Issue:

- **Fresh Issue: ₹ 4,400 Million**
 - Investment in the Subsidiary, KSPL for part financing the establishment of the Pandhurana Project & General Purpose.
- **Offer for sale: ₹ 500 Million**

Book Running Lead Managers	
Nuvama Wealth Management Ltd, SBI Capital Markets Ltd	
Registrar to the Offer	
MUFG Intime India Pvt Ltd	

Capital Structure (` Million)	Aggregate Value
Authorized share Capital	450
Subscribed paid up Capital (Pre-Offer)	371
Paid up capital (Post - Offer)	433

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	78.7%	65.7%
Public	21.3%	34.3%
Total	100%	100%

Financials

Particulars (Rs. In Million)	FY25	FY24	FY23
Revenue from operations	5,448	5,010	2,325
Operating expenses	4,355	4,322	2,110
EBITDA	1,092	689	215
Other Income	63	45	26
Depreciation	2	4	2
EBIT	1,153	729	238
Interest	62	68	59
Share in Profit/Loss in JV	(24.9)	22.3	14.1
PBT	1,066	684	193
Tax	296	167	45
Consolidated PAT	771	517	148
EPS	10.4	7.0	2.0
Ratio	FY25	FY24	FY23
EBITDAM	20.1%	13.7%	9.2%
PATM	14.1%	10.3%	6.4%
Sales growth	8.7%	115.5%	-

Sector- EPC (Solar power projects)

Company Description

Incorporated in 2013, Solarworld Energy Solutions Ltd operates in the solar energy sector, specializing in engineering, procurement, and construction (EPC) services for solar power projects. Established in 2013, it provides comprehensive, end-to-end solutions tailored to public sector undertakings (PSUs) and commercial and industrial (C&I) clients.

The company's operational capabilities are demonstrated by its portfolio of projects, including completed projects with an aggregate capacity of 253.67 MW AC (336.17 MW DC) and ongoing projects with capacities of 765 MW AC (994 MW DC) for EPC services, alongside 325 MW / 650 MWh for battery energy storage systems (BESS) as of July 31, 2025.

The company offers operations and maintenance (O&M) services under both the CAPEX and RESCO models, tailored to customer requirements. These services provide comprehensive, forward-integrated lifecycle support to ensure the sustained performance and reliability of solar power assets. As of March 31, 2025, approximately 95% of EPC projects include bundled O&M contracts ranging from two to five years. Solar power projects under these models are generally classified as ground-mounted or rooftop installations, addressing diverse customer needs and site conditions. The CAPEX model significantly dominates revenue generation, while the RESCO model accounts for a minimal share.

Solarworld has a track record of delivering successful projects for both PSUs and C&I Clients. Its customer mix includes key customers such as SJVN Green Energy Limited, Haldiram Snacks Private Limited, Ethnic Food Manufacturing Private Limited and Samiksha Solarworld Private Limited. While the government projects are often awarded through a reverse bidding process, the Company has also cultivated a presence in the private sector solar power projects. For private sector solar power projects, it relies on in-house marketing teams which actively engage with potential clients, tailoring solar solutions to meet their specific energy requirements. The company's proactive approach has enabled it to establish a strong connection with the clients thereby ensuring presence in the private sector. Since 2014, it has completed 46 projects in 9 states till July 2025. As of March 31, 2025, it had an order book worth Rs. 17005 million.

Valuation:

SolarWorld Energy Solutions Limited, is a solar energy solutions provider specializing in engineering, procurement, and construction (EPC) services for solar power projects. It provides comprehensive, end-to-end, and cost-efficient solar power installation solutions customized to the requirements of public sector and commercial and industrial clients. Its operational strength is underpinned by robust execution capabilities, as evidenced by a portfolio of completed projects that have reached commercial operation and a pipeline of ongoing projects currently under order or execution.

On the valuation front, based on annualized FY25 earnings, the company is seeking a P/E of 39.6 times, and a post-issue market capitalization of approximately Rs 30,422 million, making the issue appears to be fully priced. The company operates within a highly competitive and fragmented market landscape. The growth of the solar sector in India is predominantly driven by strong government support, evidenced by an aggressive and sustained tendering approach therefore company would capitalize profitability in long run. Hence, we assign **Subscribe for long term** rating for the issue.

Company Overview

Solarworld Energy Solutions Ltd., established in 2013, specializes in providing end-to-end solar energy solutions, focusing on engineering, procurement, and construction (EPC) services for both public sector undertakings (PSUs) and commercial & industrial (C&I) clients. The company has demonstrated strong execution capabilities, with Completed Projects totaling 253.67 MW AC / 336.17 MW DC and Ongoing Projects of 765 MW AC / 994 MW DC for EPC and 325 MW / 650 MWh for BESS as of July 31, 2025.

SESL delivers solutions through two models: CAPEX and RESCO. Under the CAPEX model, the company provides turnkey solar projects with ownership retained by the customer, covering land evaluation, project design, procurement, installation, transmission setup, and O&M services. The RESCO model allows customers to access solar power without upfront capital investment, with SESL retaining ownership and selling power via long-term PPAs. Operations & Maintenance (O&M) services are offered under both models, ensuring full lifecycle support; ~95% of EPC projects as of March 31, 2025, include bundled O&M contracts of 2–5 years. Projects are categorized into ground-mounted and rooftop installations, with CAPEX projects forming the majority of revenue.

In 2024, The company entered an Equity Co-operation Agreement with ZNSHINE PV-Tech Co. Ltd., a tier-1 solar panel supplier, to establish an operational manufacturing facility from July 21, 2025. The collaboration involves equity contribution of Rs. 10 million and quasi-capital debt of up to Rs. 1,500 million, enabling backward integration of in-house components.

Solarworld has a proven track record across government and private sectors, serving key clients including SJVN Green Energy Ltd., Haldiram Snacks Pvt. Ltd., Ethnic Food Manufacturing Pvt. Ltd., and Samiksha Solarworld Pvt. Ltd. Since 2014, it has completed 46 projects across nine states. The company had an order book of Rs. 1,700.55 crore as of March 31, 2025, reflecting its strong market presence and execution capabilities.

Particulars	Financial year ended March 31, 2025	Percentage of total revenue from operations (%)	Financial year ended March 31, 2024	Percentage of total revenue from operations (%)	Financial year ended March 31, 2023	Percentage of total revenue from operations (%)
Revenue from CAPEX model	₹ 4,779	87.73	₹ 4,960	99.0%	₹ 2,298	98.87%
Revenue from RESCO model*	₹ 7	0.12	₹ 8	0.15%	₹ 9	39.0%

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
All Indian solar installed capacity (GW)	105.7	81.8	66.8
Annual capacity additions (GW)	23.8	15.0	12.8
O&M service for solar (Rs billion)	6.6	4.6	3.5
EPC service for solar (Rs billion)	493.8	356.2	269.2

Business Operations

Solar power projects are categorized into the following types:

- a) **Ground mounted projects:** These comprise solar power projects which are installed on land parcels and have historically had a capacity ranging from 10MW - 260MW. Our ground mounted projects are utility scale and are typically setup to meet the power supply obligations of our customers under their various power purchase agreements (“PPAs”) entered into by our customers with PSUs and C&I Clients. These ground mounted projects are also setup for captive power consumption by our customers which are typically large C&I Clients as they allow our customers to substitute their power supply requirements from large power distribution companies with such captive power plants.
- b) **Rooftop project:** These comprise solar power projects which are installed on rooftops of buildings and structures and have historically had a capacity ranging from 100 KW – 2 MW. These are typically set up for customers who require power to meet their captive industrial energy requirements. The use of captive power from our rooftop projects provides our customers with substantial savings in power costs and allows them to offset their carbon footprint.

EPC

Telangana Project – 10MW



First rooftop solar project – 500KW



Uttar Pradesh project – 105MW



O&M

Particulars	As of March 31, 2025(₹ in millions)	% of Revenue (2025)	As of March 31, 2024(₹ in millions)	% of Revenue (2024)	As of March 31, 2023(₹ in millions)	% of Revenue (2023)
Sale – engineering, procurement and construction project (EPC)	4,779	87.7%	4,960	99.0%	2,298	98.9%
Sale of products	611	11.2%	3	0.1%	4	0.2%
Sale of services (operation and maintenance and other services)	57	1.0%	44	0.9%	22	1.0%
Sale of scrap	1	0.0%	3	0.1%	-	-
Total	5,448	100%	5,010	100%	2,325	100%

Strengths:

- Established track record and strong in-house execution capabilities for end-to-end solar EPC solutions

The company’s success is anchored in its strong in-house execution capabilities and comprehensive end-to-end EPC solutions, covering site survey, design, procurement, installation, commissioning, and O&M. Since inception, it has executed 46 completed projects totaling 253.67 MW AC / 336.17 MW DC and is currently executing six EPC projects of 765 MW AC / 994 MW DC, along with two BESS projects of 325 MW / 650 MWh through its subsidiary, Solarworld BESS One Private Limited. Its portfolio spans small rooftop systems to large ground-mounted projects across multiple geographies, including award-winning installations such as the SJVN-Gurhah project in Uttar Pradesh, recognized by MERCOM as the “Best Large-Scale Solar Project in 2024.” The execution team, supported by advanced tools like PVSYST, AutoCAD, drones, and ERP systems, ensures precision in design and timely delivery. As of July 31, 2025, the company employed 14 design professionals, 37 execution specialists, and an O&M team of 61 managing projects nationwide to maximize uptime and output. A rigorous multi-stage screening process ensures technical, commercial, and financial discipline in project execution, complemented by integrated procurement practices and strong O&M capabilities.

Looking ahead, the company plans to establish dedicated R&D facilities at upcoming manufacturing units, focusing on advanced solar technologies such as TopCon, HJT, and AI-driven process innovations. By collaborating with research institutions and universities, the company aims to drive continuous improvement, enhance operational agility, and strengthen its long-term competitive positioning in the solar energy sector.

- Strong financial performance driven by asset light business model

The Company operates on an asset-light business model under the CAPEX framework, wherein customers undertake real estate acquisition. This approach minimizes capital expenditure and fixed costs, while enabling flexibility, scalability, and the ability to provide customized solutions. The relatively short duration of EPC contracts, typically ranging from 11 to 18 months, further supports low working capital requirements and efficient asset utilization. As a result, the Company achieves a high asset turnover ratio and a strong fixed asset turnover, driving profitability and operational agility.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations (A)	5,448	5,010	2,325
Average of Gross block of fixed assets (B)	205	21	6
Fixed asset turnover ratio (A/B)	27	233	145

The Company has demonstrated robust financial performance, with total income increasing at a CAGR of 53.12% from ₹2,350.52 million in Fiscal 2023 to ₹5,510.85 million in Fiscal 2025. EBITDA expanded from ₹228.76 million in Fiscal 2023 to ₹1,067.47 million in Fiscal 2025, while profit after tax grew at a CAGR of 127.89%, rising from ₹148.36 million in Fiscal 2023 to ₹770.48 million in Fiscal 2025. The PBT margin improved from 8.32% in Fiscal 2023 to 19.57% in Fiscal 2025, underscoring the Company’s efficient execution and disciplined working capital management.

Growth and profitability are underpinned by a robust risk management framework. The Company prioritizes projects that have achieved financial closure, reducing counterparty risk. Its disciplined bidding strategy incorporates comprehensive risk assessments, evaluating geographic exposure, market potential, and geopolitical factors to safeguard returns. Operational efficiency is further enhanced by some of the lowest overhead costs in the industry, supported by practices such as requiring advance payments for deliverables and benefiting from shorter payment cycles with customers compared to suppliers. These strategies provide financial flexibility, mitigate risks, and enable the Company to respond quickly to evolving market dynamics, positioning it strongly in the solar EPC sector.

- Strong customer relationships built on reliable delivery of projects with a significant focus on quality.

Particulars	No. of Projects	Contract Value (₹ million)	Amount Billed till July 31, 2025 (₹ million)	Outstanding Order Value (₹ million)	Capacity
EPC	6	17,535	5,553	11,982	765 MW AC / 994 MW DC
BESS	2	12,717	-	12,717	325 MW / 650 MWh
O&M	36	649	69	579	985 MW AC / 1,291 MW DC
Total	44	30,901	5,623	25,278	-

Particulars	No. of projects in Fiscal 2025	Contract value (in ₹ million) of projects in Fiscal 2025	No. of projects in Fiscal 2024	Contract value (in ₹ million) of projects in Fiscal 2024	No. of projects in Fiscal 2023	Contract value (in ₹ million) of projects in Fiscal 2023	Capacity awarded during the last three years
EPC	1	9,211	3	7,488	2	6,039	862 MW AC
BESS	1	4,653	Nil	Nil	Nil	Nil	125 MW/250 MWh
O&M	1	138	3	298	2	31	862 MW AC
Total		14,002		7786		6,070	

As of July 31, 2025, the company’s Order Book stood at ₹11,981.75 million for EPC projects and ₹579.39 million for O&M projects, corresponding to cumulative capacities of 985 MW (DC) and 1,291 MW (DC), respectively. Since April 1, 2024, the company has secured strategic orders, including:

- A 125 MW / 250 MWh standalone battery energy storage system (BESS) from Rajasthan Rajya Vidyut Utpadan Nigam Limited, valued at ₹4,653.00 million; and
- A 200 MW / 400 MWh standalone BESS from Gujarat Urja Vikas Nigam Limited, valued at ₹8,064.00 million.

The Order Book has exhibited a robust CAGR, growing from ₹5,350.06 million as of March 31, 2023, to ₹25,278.14 million as of July 31, 2025, providing clear visibility on future cash flows. This growth is underpinned by the company’s extensive industry experience, rigorous adherence to quality standards, and strong project execution capabilities.

Since incorporation, the company has secured orders from public sector undertakings (PSUs) totaling ₹39,816.40 million. Key projects include SJVN – Parasan, SGEL – Gurhah, SGEL – Gujrai (Uttar Pradesh), SGEL – Kutch (Gujarat), SGEL – Sonitpur (Assam), NTPC REL – Bikaner (Rajasthan), Vindhyachal Project, RRVUNL – Kota (Rajasthan), and GUVNL – Veloda (Gujarat). The company’s emphasis on quality execution and proactive customer engagement has been a cornerstone of its operations, fostering long-term client relationships and repeat orders. Notably, during Fiscal 2025, Fiscal 2024, and Fiscal 2023, projects executed for repeat customers accounted for 50%, 99.67%, and 100% of the total commissioned solar capacity, respectively. Diversification of the customer base has also contributed to a balanced order distribution. The company operates in a supportive regulatory environment, with complementary central and state government policies driving the adoption of solar energy. Coupled with the increasing cost competitiveness of solar power, these factors have contributed to a surge in solar installations. Capacity additions are expected to remain strong over the next five years, driven by an expanding project pipeline under existing and new tendering schemes, continued technological advancements, and the integration of mixed resource models.

➤ Strong customer relationships built on reliable delivery of projects with a significant focus on quality

The company provides a comprehensive suite of customized solutions for solar power projects, catering to leading corporates such as Haldiram Snacks Private Limited, Ethnic Food Manufacturing, Moon Beverages Private Limited, Harrshiv Healthy Foods, and SJVN Green Energy Limited. Through a consultative approach, solutions are precisely tailored to meet specific customer requirements, enhancing the efficiency and cost-effectiveness of solar energy systems. The company’s strong focus on quality and customer satisfaction is evidenced by a robust track record of repeat business, with repeat customers accounting for 793 MW/DC of the total 1,330 MW/DC solar capacity orders procured (excluding BESS orders) as of July 31, 2025. Maintaining strong relationships with both customers and suppliers underpins the business model, with the company’s integrated network connecting clients to key stakeholders, thereby streamlining engagement, reducing the number of service providers, and improving supply chain visibility. By overseeing the complete supply chain, the company achieves a competitive advantage through cost-effective and efficient solutions. Additionally, collaboration with reputed third-party engineering consultants, contractors, and certified engineers reinforces the quality of services delivered. Ongoing training and development programs for engineers and subcontractors ensure the company remains at the forefront of industry trends and technological innovation, supporting long-term client relationships and sustaining market success.

Revenue from customers	Fiscal 2025	Percentage of total revenue from operations (%)	Fiscal 2024	Percentage of total revenue from operations (%)	Fiscal 2023	Percentage of total revenue from operations (%)
Top customer*	₹ 4,314	79%	₹ 4,567.5	91.16	₹ 2,045.3	87.98
Top 10 customers	₹ 5,446	99.9%	₹ 5,007.4	99.95	₹ 2,324.6	100
Total revenue from operations	₹ 5,448	100	₹ 5,010.2	100	₹ 2,324.6	100

➤ Experienced management team and qualified personnel with significant industry experience

The company is led by a highly experienced management team with extensive expertise in the solar EPC industry and a strong track record in executing large-scale solar power projects. Collectively, the Promoters, Directors, Key Managerial Personnel, and Senior Management bring substantial experience across management, operations, finance, and project execution, providing a significant competitive advantage. The Board of Directors plays a pivotal role in supporting the management team, enabling the development and implementation of focused strategies that reinforce the company’s market position. Kartik Teltia, Promoter and Managing Director, has over a decade of experience in the solar energy sector and has been instrumental in shaping the company’s vision for renewable energy solutions. Under his leadership, the company has expanded its solar project portfolio, adopting modern technologies and sustainable energy practices, and has successfully executed large-scale projects, establishing itself as a key player in the renewable energy market. Rishabh Jain, Promoter and Whole-time Director, brings over ten years of experience in financial management and strategic operations. He oversees critical business functions and plays a central role in strategic decision-making, contributing to the company’s growth and operational efficiency.

The Key Managerial Personnel and Senior Management team collectively offer extensive expertise across finance, compliance, business expansion, project management, and engineering, having held senior positions at global firms in sectors such as manufacturing, power, and cement. Their deep knowledge in business development, supply chain management, and operations has supported the growth of leading companies in the energy and electrical sectors. As of July 31, 2025, the company's workforce comprises 277 permanent employees who benefit from the leadership's industry knowledge, local market expertise, and project execution capabilities. Continuous learning and development initiatives ensure employees remain abreast of market trends, emerging technologies, and innovations. The combined experience and leadership of the executive team provide a sustainable competitive advantage, enabling the company to attract high-quality talent and execute its strategic growth initiatives effectively.

Key Strategies:

➤ **Invest in manufacturing capabilities for solar modules, BESS and solar PV TopCon cell**

India's solar sector continues to witness robust growth, primarily driven by strong government support, demonstrated through aggressive tendering activity, supportive central and state-level policies, and the growing cost competitiveness of solar power. These factors have resulted in a significant rise in solar capacity additions across the country. To capitalize on this industry momentum and the expected growth in demand for solar EPC solutions, the Company has embarked on a comprehensive capacity expansion strategy:

- **Module Manufacturing (Haridwar, Uttarakhand):** A modern facility for TopCon solar modules with an annual capacity of 1.2 GW has been established through an Equity Co-operation Agreement with ZNSHINE PV-Tech Co. Limited, a Bloomberg NEF Tier-1 supplier.
- **Battery Energy Storage Systems (BESS):** The Company is setting up a 2 GW BESS production line in Haridwar. Land and building have been acquired at Roorkee, civil work and equipment testing have been completed, and procurement of balance equipment is in progress.
- **Cell Manufacturing (Pandhurana, Madhya Pradesh):** Plans are underway to establish a 1.2 GW TopCon solar PV cell facility, partly funded through Net Proceeds and Pre-IPO Proceeds, via its subsidiary Kartik Solarworld Private Limited. An MoU with ZNSHINE PV-Tech Co. Limited, signed in September 2024, underpins the collaboration for this facility.

The expansion program is funded through a mix of debt, internal accruals, and IPO proceeds, ensuring a balanced capital structure. Integration of TopCon module, BESS, and PV cell manufacturing with the Company's EPC operations is expected to deliver the following benefits:

- **Supply Security:** In-house manufacturing ensures consistent availability of key components.
- **Cost Efficiency:** Reduced dependency on external suppliers lowers procurement costs and supports margin expansion.
- **Operational Synergies:** Integrated operations enhance execution efficiency and project quality.
- **Revenue Diversification:** BESS capacity enables participation in the fast-growing energy storage market, while module manufacturing enhances export potential.

Overall, these backward integration initiatives are expected to strengthen the Company's competitive positioning, enhance profitability, and support sustainable long-term growth in both the domestic and international solar markets.

➤ **Grow their customer base by diversifying into new geographies and maintain relationships with key customers and other stakeholders**

India's solar power capacity is expected to witness a strong surge, reaching 170–180 GW between Fiscal 2026 and Fiscal 2030, significantly outpacing the ~85 GW capacity additions recorded during Fiscal 2019 to Fiscal 2025. This accelerated growth will be driven by a robust pipeline of projects under existing schemes, new tendering programs, advancements in solar technology, and adoption of hybrid and mixed-resource models. EPC services for solar power in India are largely dominated by third-party service providers, accounting for approximately 40–45% of the market, underscoring the growth potential for established players with proven execution capabilities.

Against this backdrop, the Company is well positioned to scale its operations by leveraging its strong track record, experienced management and execution teams, and focus on performance efficiency, quality, and customer satisfaction. The Company intends to expand its customer base across both existing and new geographies by investing in business development, tendering, and marketing functions to improve its ability to identify, evaluate, and win new projects. At the same time, it will continue to strengthen and leverage its relationships with existing customers and key stakeholders, including engineers, suppliers, and consultants, to drive repeat business and cost efficiencies. By offering an integrated EPC model that streamlines processes for customers, the Company seeks to reduce project complexity and cost for clients, thereby reinforcing its position as a reliable EPC partner.

The Company is pursuing a two-pronged growth strategy. First, it is targeting large-scale ground-mounted projects, particularly those awarded under ongoing and upcoming PSU-led EPC tenders. Current and pipeline projects include SJVN-Parasan, SGEL-Gurhah, SGEL-Gujrai in Uttar Pradesh; SGEL-Kutch in Gujarat; SGEL-Sonitpur in Assam; and NTPC REL-Bikaner in Rajasthan. In addition, the Company is developing BESS projects such as GUVNL-Veloda in Gujarat and RRVUNL-Kota in Rajasthan. Beyond government-led projects, the Company is also actively targeting C&I clients and large private independent power producers (IPPs). To further strengthen its position, the Company is collaborating with government agencies and large corporations, enabling access to bulk orders and long-term O&M contracts, which provide revenue visibility and economies of scale.

Second, the Company aims to capture opportunities in underserved domestic market segments, such as rural electrification, commercial rooftop projects, and solar-powered microgrids. By delivering customized solar solutions for these niche markets, the Company expects to diversify its revenue streams and tap into new high-growth segments within the renewable energy sector. Together, these initiatives are expected to enhance the Company's market presence, execution capabilities, and revenue base, positioning it to capture a meaningful share of India's next wave of solar and renewable energy expansion.

➤ Exploring opportunities to expand portfolio and scale their operations

The company is strategically positioned to capitalize on the rising domestic demand for renewable energy in India, where existing players are unable to fully meet requirements. As of July 2024, solar energy contributed ~50.2% of the renewable energy mix (including large hydro), with capacity additions of ~97 GW between fiscals 2018 and 2026 (till July 2025), reflecting a ~26% CAGR on a low base. Leveraging strong execution capabilities, the company plans to expand its presence across IPPs, PSUs, and the growing domestic solar market.

Its strategy centers on developing cost-efficient, ready-to-use solar projects for large IPPs, including PSUs, thereby addressing diverse customer requirements while supporting India's clean energy transition. By targeting underserved domestic segments, the company aims to drive wider adoption of solar power solutions and reduce barriers to entry. Looking ahead, growth will be underpinned by innovation, strategic partnerships, and investments in advanced technologies, enabling the company to strengthen its market share while contributing to India's clean energy goals and delivering long-term economic and environmental value for stakeholders.

➤ Establish strong research and development capabilities to drive innovation and technological advancement

The company is focused on driving innovation and technological advancement in the renewable energy sector by strengthening its research and development (R&D) capabilities. Dedicated R&D facilities are proposed at all upcoming manufacturing units, with a mandate to advance product development, optimize processes, and integrate modern technologies to reinforce the company's competitive position in the solar energy market. A key R&D objective is the development of high-efficiency solar panels and advanced energy storage solutions offering superior performance and durability. The company is prioritizing next-generation technologies such as Tunnel Oxide Passivated Contact (TopCon) and Heterojunction (HJT) solar panels to address the growing demand for advanced, high-efficiency solutions. These innovations are expected to position the company as a market leader catering to environmentally conscious consumers and sustainability-focused investors.

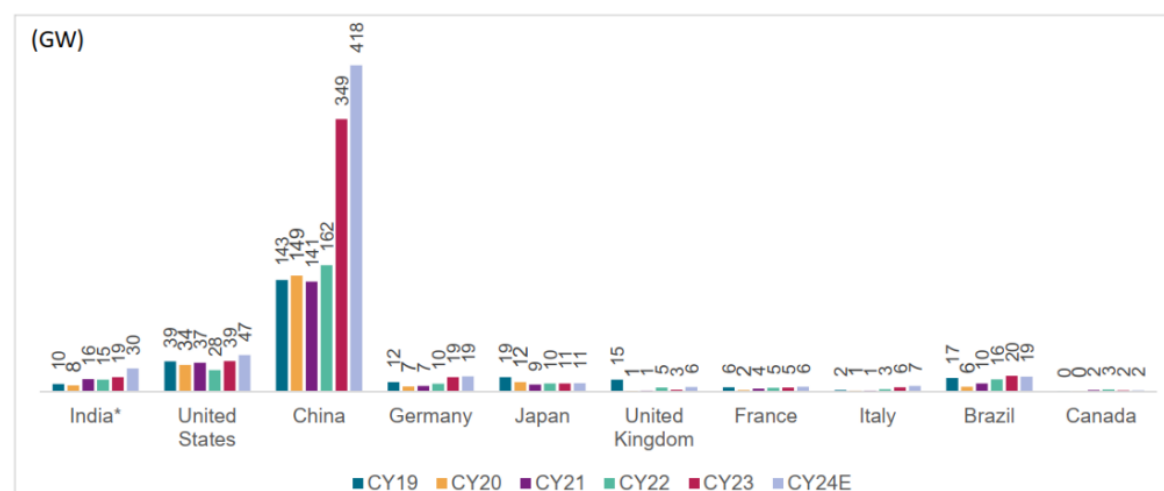
The solar cell industry has evolved from polycrystalline silicon—valued for cost-effectiveness but constrained by limited efficiency—to single-crystal cells, which offer higher efficiency, durability, and space optimization. With continued advancements, TopCon and HJT technologies are emerging as the future of photovoltaic cells, enhancing efficiency, degradation resistance, and long-term reliability. Aligned with its innovation agenda, the company is also committed to sustainable manufacturing practices. Its R&D efforts are designed to minimize the environmental impact of production by developing eco-friendly products and adopting industry best practices in environmental standards. This dual emphasis on performance and sustainability is expected to appeal to a growing customer base that values environmental responsibility. Through continuous technological upgrades and the introduction of advanced solar products, the company aims to accelerate the adoption of solar power in India. This approach will contribute to environmental conservation while providing cost-effective and sustainable energy solutions, strengthening the company's long-term growth trajectory in the renewable energy sector.

Industry Snapshot:

➤ Overview of Renewable Energy sector in India

RE Capacity additions in India compared to major economies

Globally, India ranks fourth in total RE, wind as well as solar installations. India has become the second largest RE market in the Asia Pacific region after China. As per IEA RE 2024, China is estimated to add ~418 GW of RE capacity followed by USA with ~47 GW of RE capacity. During the same period, Germany and Brazil is estimated to add around ~19 GW of RE capacity. As per MNRE India added ~30 GW during the fiscal 2025. Thus, as against the 63% of the global RE capacity added by China, India added around ~4.5% during the fiscal 2024.



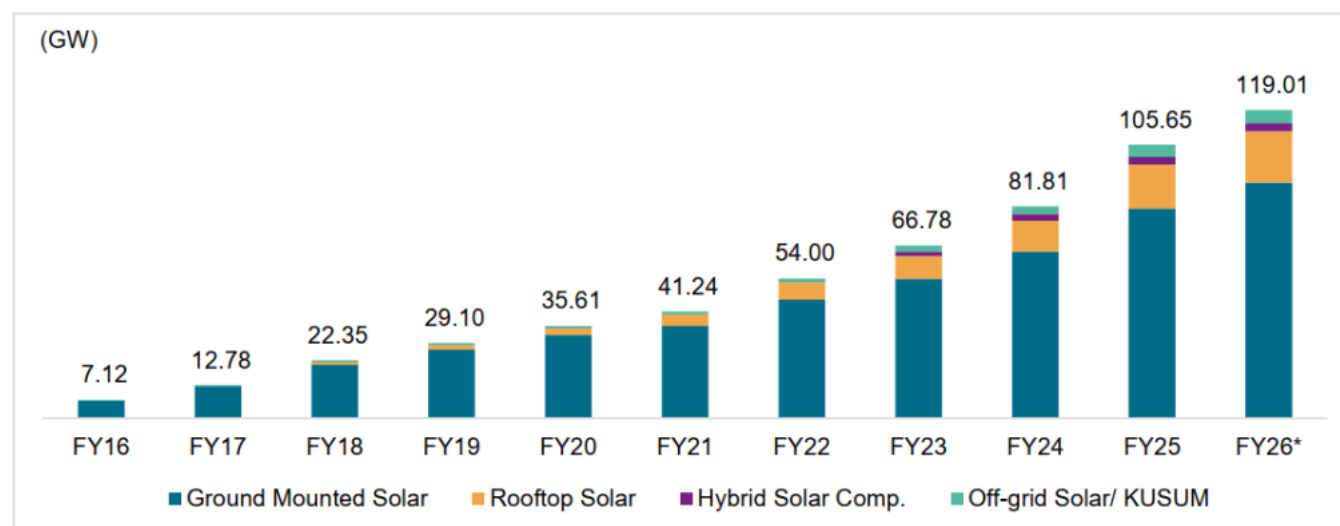
*India FY, Rest CY; Source: MNRE, IRENA, Crisil Intelligence

Assessments on Solar capacity additions in India

In the renewable energy basket (including large hydro) as of July 2024, solar energy accounted for a share of ~50.2%. Growth in the solar power sector over the last six years has been robust. As much as ~97 GW capacity has been added in the segment over fiscals 2018-26 (till July 2025), registering a CAGR of ~26%, although on a low base. Despite the second wave of COVID 19 pandemic, fiscal 2022 witnessed solar capacity additions of ~14 GW. In a relief to developers, the MNRE provided total extension of seven-and-a-half months for the projects affected by the first and second waves of pandemic. This is estimated to have delayed commissioning in fiscal 2022, leading to a spillover into fiscals 2023 and 2024. In fiscal 2023, solar capacity additions stood at ~13 GW, with ~2.2 GW coming from rooftop solar projects. Similarly, in fiscal 2024, solar capacity additions stood at ~15 GW, with ~3 GW coming

from grid connected rooftop solar projects. In fiscal 2025, ~24 GW solar capacity was added in India and in 4 months of fiscal 2026 (till July 2025) ~13 GW has been added. The Govt imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar policies. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat's solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar policies. During fiscals 2018-2026 (as of July 2025), ~97 GW of solar capacity has been commissioned. Despite the second pandemic wave, ~14 GW of solar capacity was added in fiscal 2022. The momentum continued in fiscal 2023, 2024 and 2025, with robust solar capacity additions of ~13 GW, ~15 GW and ~23.8 GW, respectively and ~13 GW in 4M FY2026. India's solar capacity commissioned till January 2024 was 74.31 GW which rose to 100.33 GW in January 2025 and 119.01 GW in July 2025. India is committed to become carbon neutral by 2070. By 2030, India aims to achieve a total of 500 GW of non-fossil fuel capacity addition, with 280 GW of it coming from solar energy.

Trend in cumulative solar capacity installation in India



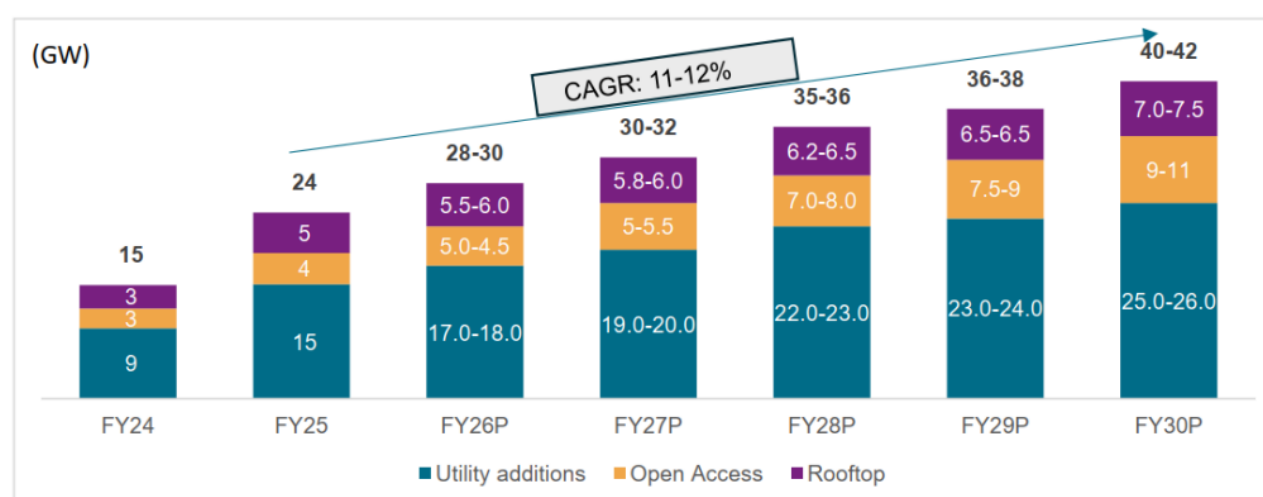
*As of July 2025, Source: MNRE, CEA, Crisil Intelligence

Outlook on Solar capacity additions in India

Solar sector growth in India primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Some of the key catalysts include technological advancements, affordable financing, supportive policies, thrust on go green initiatives/sustainability targets, cost optimisation due to increased grid electricity tariffs, subsidy initiative (specially in rooftop solar) and various incentives such as ISTS charge waiver. Crisil Intelligence expects 170-180 GW of solar capacity additions across all segments over fiscal 2026-2030. This will be driven by additions under:

- NSM: The entire NSM Phase II Batch II Tranche I of 3,000 MW has been commissioned. Under NSM Phase II, Batch III, and Batch IV, SECI through its state specific VGF has tendered out ~7 GW of capacities, most of which has been completed.
- Other central schemes: SECI has also started tendering projects outside the JNNSM Batch programme. It has initiated the ISTS scheme, wherein projects are planned for connection with the ISTS grid directly. Under this, SECI has already tendered and allocated ~40 GW (including hybrid).
- State solar policies: ~48 GW of projects are under construction and are expected to be commissioned over the fiscal 2026-2030 based on tendered capacities by states at the end of June 2025.
- PSUs: The CPSU programme under JNNSM has been extended to 12 GW in February 2019. The government is also encouraging cash-rich PSUs to set up renewable energy projects. NTPC has already commissioned a total of over ~3.7 GW of capacities as of fiscal 2025. It has a target of installing ~35 GW of renewable energy capacities by fiscal 2028. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC, defence organizations, and governmental establishments are also expected to contribute to this addition.
- Rooftop solar projects: Crisil Intelligence expects 30-35 GW of rooftop solar projects (under the capex and opex mode) to be commissioned by fiscal 2030, led by PM Surya Ghar Yojana and industrial and commercial consumers under net/gross metering schemes of various state.
- Open-access solar projects: Crisil Intelligence expects 33-37 GW of open-access solar projects (under the capex and opex mode) to be commissioned by fiscal 2029, led by green energy open access rules 2022, sustainability initiatives/RE 100 targets of the corporate consumers, better tariff structures and policies of states such as Uttar Pradesh and Karnataka, which are more long term in nature.

Year wise expected solar capacity addition

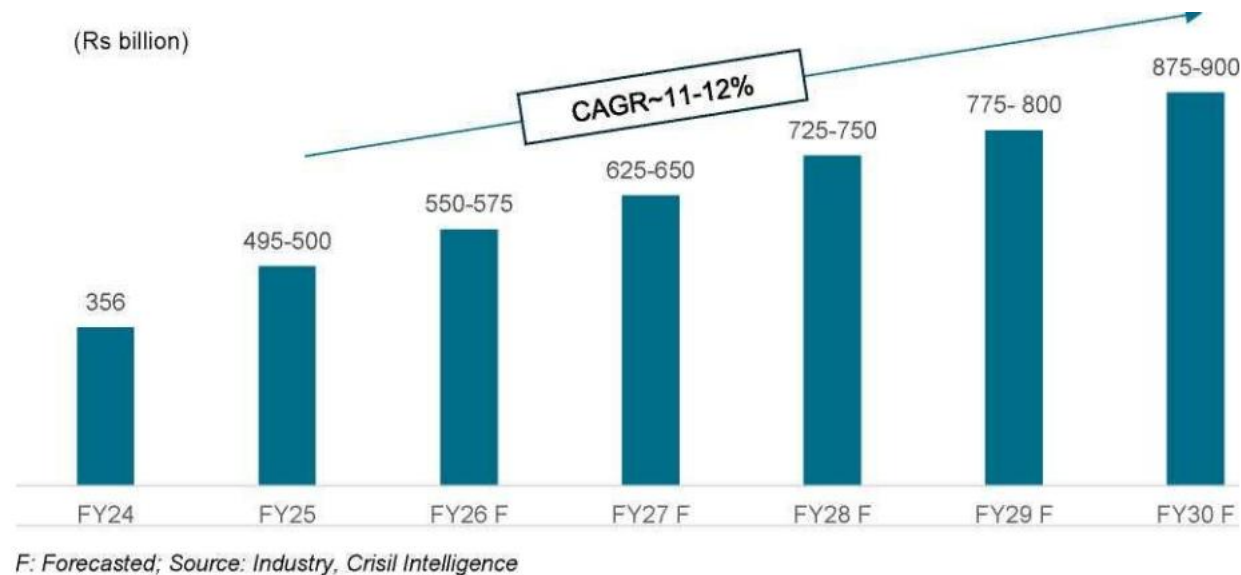


P: Projected; Source: Crisil Intelligence

Overview on Indian Solar EPC market

Crisil Intelligence foresees a surge in solar power capacity, reaching 170-180 GW from fiscal 2026 to 2030, significantly surpassing the ~85 GW added between fiscal 2019 and 2025. Crisil Intelligence expects capacity additions to grow over the next five years led by strong pipeline build-up under existing schemes and new tendering schemes, improvement in technology and mixed resource models. EPC services for Solar energy are dominated by third-party service providers in the country (~40-45%). A solar EPC cost typically ranges from Rs. 45,000 -50,000/kW.

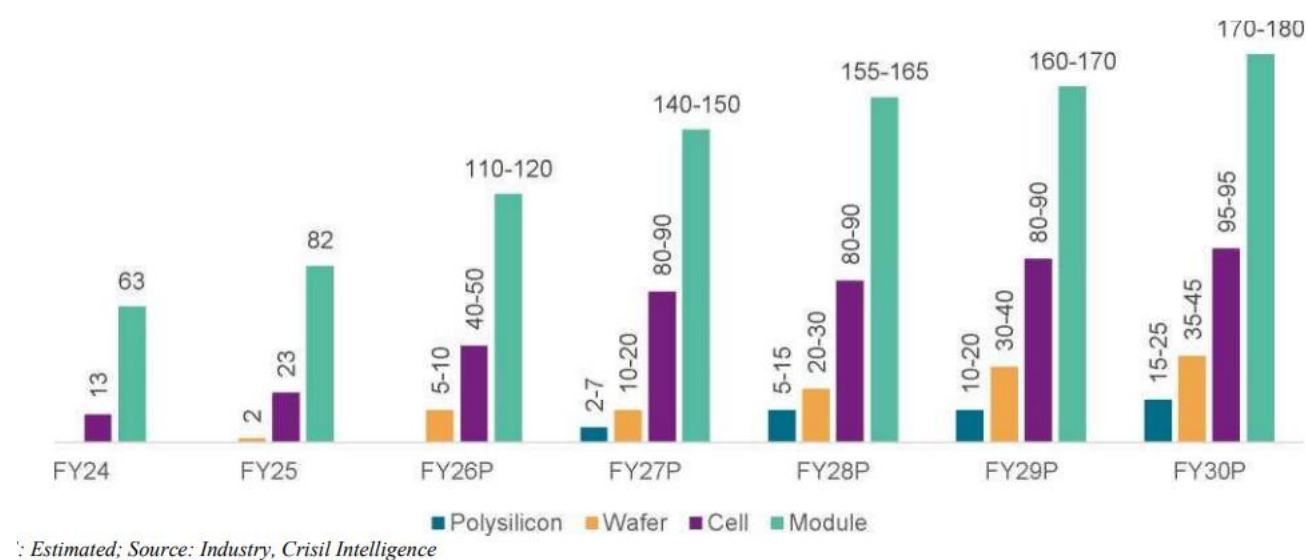
Third Party Solar EPC Market India



➤ Outlook on solar module and cell manufacturing

India aims to build its presence across all stages of PV manufacturing over the next two to three years. In November 2020, the GoI introduced the PLI scheme for manufacturing high-efficiency solar PV modules with a financial outlay of Rs 45 billion. It later enhanced the outlay by Rs 195 billion under the Union Budget for fiscal 2023. In May 2021, the IREDA issued a tender to set up 10 GW of high-efficiency solar module manufacturing capacities. The total PLI granted across the three final awardees (Reliance, Shirdi Sai Electricals and Adani) was Rs 44.55 billion, which would lead to the setting up of 8,737 MW of PLI-linked capacity. The second bid conducted by SECI under PLI scheme concluded in February 2023. A total capacity of 39.6 GW of domestic Solar PV module manufacturing capacity has been awarded to 11 companies, with a total outlay of Rs 140 billion. As per the government estimates, manufacturing capacity totaling 7.4 GW is expected to become operational by October 2024, 16.8 GW by April 2025 and the balance 15.4 GW by April 2026. Considering the two tranches together, the total domestic solar PV module manufacturing capacity allocated under the PLI Scheme is 48,337 MW, with a cumulative support of more than Rs. 185 billion by the Government. Crisil Intelligence expects solar PV manufacturing Capacity to reach 170-180 GW by fiscal 2030, with full integration from polysilicon to modules expected to account for ~25% of capacities, largely driven by PLIs. Achieving this is expected to require an investment of Rs 1.20-1.30 trillion by fiscal 2030. Crisil Intelligence expects module manufacturing capacity to grow twice by fiscal 2030 with ~25% of the capacity to be fully integrated and integrated units to come only post fiscal 2025. Gujarat will be at the epicenter of additions with ~55-60% additions in the next 5 fiscals

Current and projected manufacturing capacity, GW



Comparison with listed entity

Name of the company	Face Value (₹ per share)	Revenue from operations (₹ in millions)	Basic EPS	P/E	RONW (%)	NAV (₹)	P/BV (x)
Solarworld Energy Solutions Ltd	5	5447	8.8	39.4	40.2%	41.6	8.4
Listed Peers							
Sterling & Wilson Renewable Energy Ltd	1	63,018	3.4	70.7	8.7%	42.5	6.4
KPI Green Energy Ltd	5	17,354	16.2	29.6	18.7%	133.5	3.6
Waaree Renewable Technologies Ltd	2	15,977	22.1	49.4	65.2%	43.6	25.0
Oriana Power Ltd	10	9,871	79.3	33.9	47.5%	254.7	10.5

*Note – 1) P/E, P/BV Ratio has been computed based on the closing market price of equity shares on NSE on Sept 19, 2025, other Financial highlights as 31st March 2025.

2) P/BV, NAV, EPS, P/E of the Solarworld Energy is calculated on EPS of FY25, and post issue no. of equity shares issued.

Key Risk:

- **Customer Concentration Risk:** For Fiscals 2025, 2024, and 2023, the Company derived 79.19%, 91.16%, and 87.98%, respectively, of its revenue from a single key customer, SJVN Green Energy Limited. Such significant dependence on one customer exposes the Company to a high degree of concentration risk. Any reduction in orders, delay in payments, or termination of contracts by this customer could materially and adversely impact the Company's business operations, financial performance, and future growth prospects.
- **Project Execution Risk:** The Company's installation and construction activities are subject to risks of cost overruns, delays, and project completion uncertainties. Factors such as adverse site conditions, supply chain disruptions, shortage of skilled labor, design changes, or delays in regulatory approvals could increase project timelines and costs. Such execution challenges may adversely affect the Company's operational efficiency, profitability, and customer relationships, thereby impacting overall business performance.
- **Fixed-Price Contract Risk:** The Company enters into fixed-price EPC contracts, where revenues are predetermined irrespective of actual project costs incurred. Any inaccurate estimation of costs at the bidding stage, or inability to effectively manage supplier and subcontractor relationships, may result in higher-than-expected construction costs and increased working capital requirements. Such cost overruns could materially and adversely impact the Company's financial condition, cash flows, operating margins, and overall results of operations.
- **Supply Chain Risk:** The Company's operations are dependent on the timely availability and quality of key raw materials and components sourced from suppliers. Any restrictions in supply, delays in procurement, or defects in quality could disrupt project schedules and increase costs. Such disruptions may impair the Company's ability to deliver projects on time and at profitable margins, which could have a material adverse effect on its business operations, financial condition, and results of operations.

Valuation:

SolarWorld Energy Solutions Limited, is a solar energy solutions provider specializing in engineering, procurement, and construction (EPC) services for solar power projects. It provides comprehensive, end-to-end, and cost-efficient solar power installation solutions customized to the requirements of public sector and commercial and industrial clients. Its operational strength is underpinned by robust execution capabilities, as evidenced by a portfolio of completed projects that have reached commercial operation and a pipeline of ongoing projects currently under order or execution.

On the valuation front, based on annualized FY25 earnings, the company is seeking a P/E of 39.6 times, and a post-issue market capitalization of approximately Rs 30,422 million, making the issue appears to be fully priced. The company operates within a highly competitive and fragmented market landscape. The growth of the solar sector in India is predominantly driven by strong government support, evidenced by an aggressive and sustained tendering approach therefore company would capitalize profitability in long run. Hence, we assign **Subscribe for long term** rating for the issue.

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Mid Caps (101st-250th company)	>20%	0-20%	<0%
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