Waaree Energies Limited (WEL)

Sensex	80,221
Nifty	24,472

ISSUE DETAILS	
Issue Size (₹ bn)	₹42.8 – 43.2 Bn
Fresh Issue (No. of Shares in mn)	23.95
Offer for Sale (No. of Shares in Mn)	4.8
Bid/Issue opens on	21st Oct. 2024
Bid/Issue closes on	23rd Oct. 2024
Face Value	10
Price Band	₹1,427 – 1,503
Lot Size	9 Shares and multiples thereof
Book Running Lead Managers	Axis Capital, IIFL Securities, Jefferies, Nomura, SBI Capital
Registrar to issue	Link Intime Pvt. Ltd.

Listing: BSE & NSE

Indicative Activity	
Finalisation of Basis of Allotment	24th Oct. 24
Refunds/Unblocking ASBA Fund	25th Oct. 24
Credit of equity shares to DP A/c	25th Oct. 24
Trading commences	28th Oct. 24

Shareholding	
Promoters	72%
Others	28%
Total	100%
Promoters	64%
Public	36%
Total	100%

Company Background

Waaree Energies Limited (WEL) is the largest manufacturer of solar PV modules in India with the largest aggregate installed capacity of 12 GW, as of June 30, 2024. The company commenced operations in 2007 focusing on solar PV module manufacturing with an aim to provide quality, cost-effective sustainable energy solutions across markets, and aid in reducing carbon foot-print paving the way for sustainable energy thereby improving quality of life. It has significantly expanded its total installed capacity from 4 GW in FY22 to 12 GW, as of June 30, 2024.

It has over 16 years of experience in the solar energy industry and provides comprehensive energy solutions for utility scale, commercial and residential sectors. Company currently operates through four manufacturing facilities in India (i) the Surat Facility (ii) the Tumb Facility (iii) the Nandigram Facility (iv) and the Chikhli Facility, all in Gujarat, India. All of these facilities are equipped to manufacture all of company's PV module product portfolio. Its product portfolio of solar energy products consists of Solar PV modules: (i) multicrystalline modules; (ii) monocrystalline modules; and (iii) TOPCon modules.

Company's sales and revenue channels consists of (i) Direct Sales: to Utilities and Enterprises. (ii) Export Sales: It includes solar PV module sales to international customers as well as international EPC revenue. (iii) Retail Sales: (comprising franchisee sales) It includes solar PV module sales through extensive franchisee network focused on rooftop and MSME customer business vertical as well as franchisee EPC revenue. (iv) Other Revenue: Sales from operations, which includes EPC services to domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale.

Company focuses on backward integration strategy and will further enhance our operations and increase profitability by integrating each stage of the production process to achieve cost savings and improve profit margins.

Additionally, it is in the process of commissioning 1.3 GW at Indosolar Facility, setting-up a fully integrated 6 GW facility for the manufacture of ingots, wafer, solar cells and PV modules which is expected to commence commercial operations in FY27, considering international expansion through setting up plant in Boston, USA. Based on market conditions, the company may plan to add another 5 GW of manufacturing capacity to further strengthen its market position.

(₹ Mn)	Waaree Energies Ltd.				Websol Energy Systems Ltd.				Premier Energies Ltd.			
	FY22	FY23	FY24	Q1FY25	FY22	FY23	FY24	Q1FY25	FY22	FY23	FY24	Q1FY25
Revenue	**28,543**	**67,509**	**1,13,976**	**34,089**	**2,132**	**172**	**259**	**1,116**	**7,429**	**14,285**	**31,438**	**16,574**
EBITDA	**2,025**	**9,441**	**18,096**	**6,400**	**310**	**-99**	**-66**	**442**	**537**	**1,129**	**5,053**	**3,697**
EBITDA Margin	*7%*	*14%*	*16%*	*19%*	*14.5%*	*NA*	*NA*	*39.6%*	*7.2%*	*7.9%*	*16.1%*	*22.3%*
PAT	**797**	**5,003**	**12,744**	**4,011**	**97**	**-237**	**-1,210**	**229**	**-144**	**-133**	**2,314**	**1,982**
PAT Margin	*3%*	*7%*	*11%*	*12%*	*4.5%*	*NA*	*NA*	*20.5%*	-	-	*7.4%*	*12.0%*
Order Book	**3,280**	**18,060**	**19,926**	**16,660**	**-**	**-**	**-**	**-**	**3,170**	**9,860**	**54,332**	**57,790**
Market Share												
Domestic	77%	32%	42%	61%	100%	89%	100%	-	99%	99%	86%	100%
Export	23%	68%	58%	39%	-	11%	-	-	1%	31%	1%	0%
Return Ratio												
RoACE	23.5%	48.8%	37.0%	9.6%	7.2%	-11.7%	-17.7%	-	3.8%	6.4%	30.1%	16.5%
RoE	17.7%	26.3%	30.3%	8.8%	5.1%	-12.4%	-112.3%	-	-3.6%	-3.1%	35.8%	23.4%
Leverage Ratio												
D / E Ratio	0.72x	0.15x	0.08x	0.06x	0.22x	0.15x	1.7x	-	1.23x	1.96x	2.29x	1.52x

Source: RHP, Way2Wealth Research

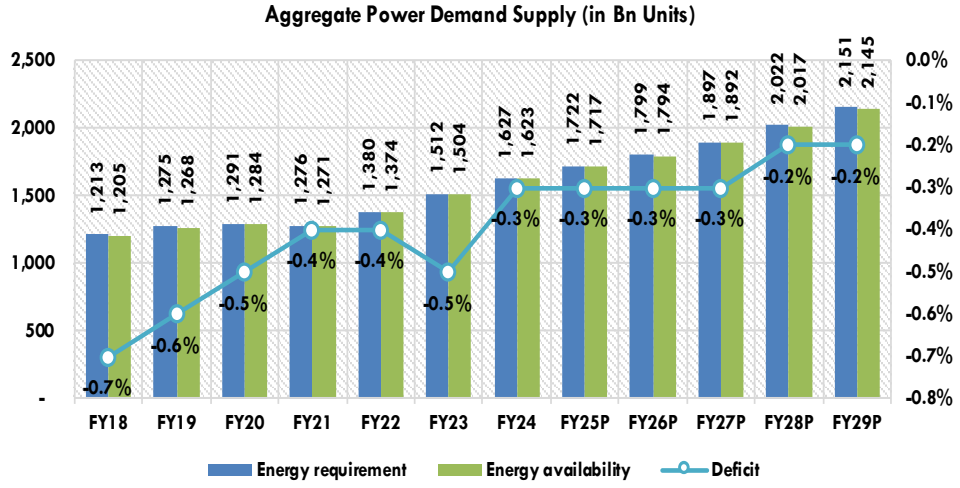
INDUSTRY OVERVIEW

Domestic Power Demand – Supply Gap

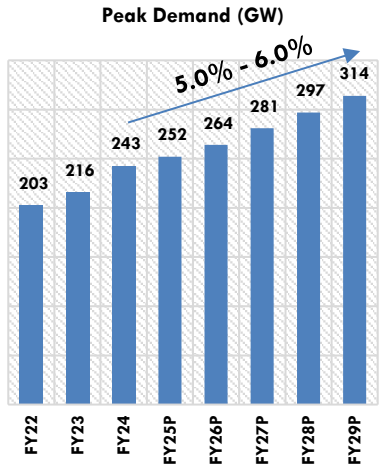
India's electricity requirement has risen at a CAGR of approximately 5.0% between FY18 and FY24, while power availability rose at approximately 5.1% CAGR.

Peak demand reached record high levels of 250 GW in during May 2024 (FY25), amid intense summers across several regions of the country.

Peak demand is expected to grow annually at approximately 5.3% over FY24 to FY29 to ~314 GW by FY29 with expected persistent high temperatures, rising urbanisation, economic growth and infrastructure push leading to higher power consumption.



Peak Demand to grow at 5-6% CAGR

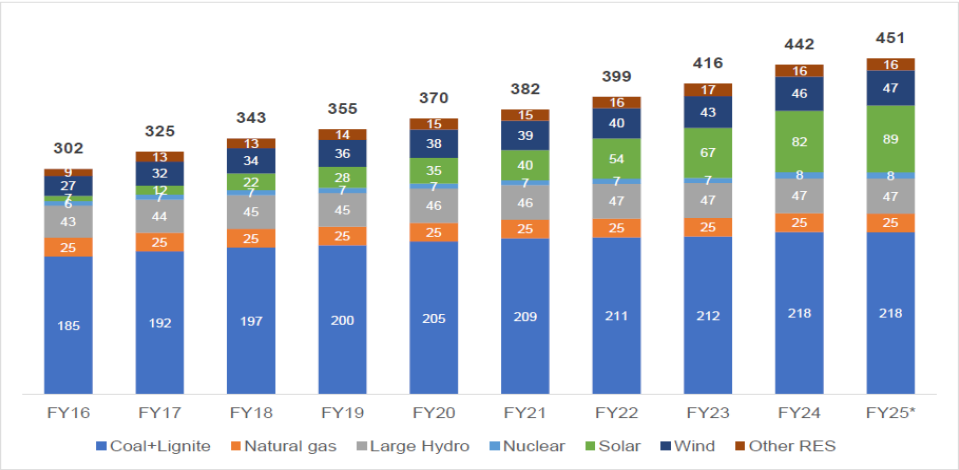


Source: RHP

Domestic Fuel-wise Installed Capacity (GW)

India's total installed generation capacity at the end of August 2024 was 451 GW, of which approximately 99 GW of capacity was added over FY18 to FY24. The overall installed generation capacity has grown at a CAGR of 6.0% over FY14 to FY24.

Since, FY18, out of total 108 GW added till FY25P, approximately 67 GW was solely added through Solar Power capacity addition.



Solar capacity addition is strongest; Capacity nearly doubled in last four years

Source: RHP

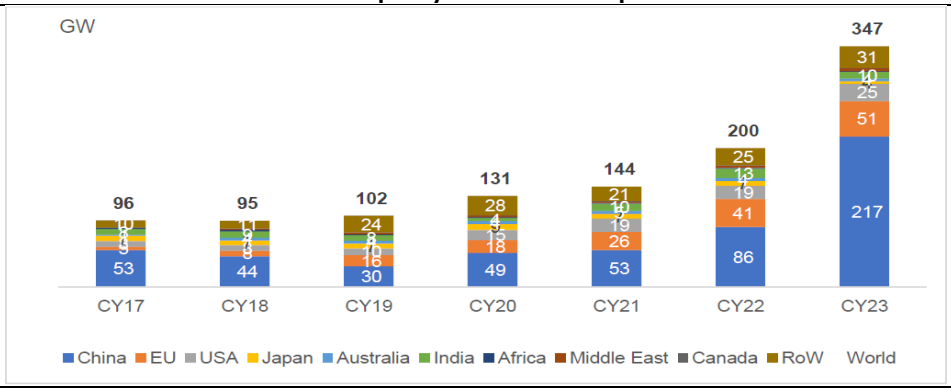
Solar Power – Global

Global Solar Capacity Additions

Globally, ~347 GW of solar PV capacity was added in 2023, taking the installed capacity to 1,411 GW, which is a ~33% increase over FY22. China continued to lead the market with total cumulative capacity of ~609 GW, whereas the US came in second with ~138 GW, followed by Japan at ~89 GW.

China continues to dominate the solar PV market, accounting for about 43% of the global installed capacity, while key European countries control about 18% of the total solar PV installed capacity.

Annual Solar Capacity Addition in major countries



Solar PV Capacity (2023)

Country	Installed Capacity (MW)	Capacity Additions (MW)
China	6,09,351	2,16,889
EU	2,54,868	51,114
USA	1,37,725	24,844
Japan	89,077	4,011
Australia	32,609	3,725
India	72,767	9,719
Africa	12,353	792
Middle East	17,882	4,534
Canada	5,884	445
RoW	1,78,623	30,791

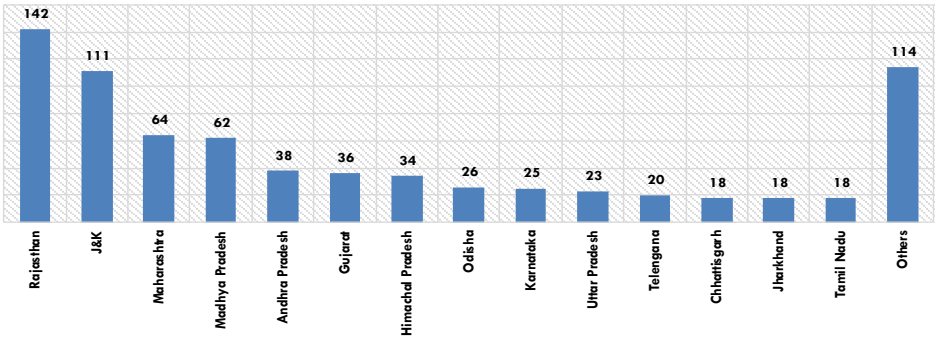
Source: RHP

Solar Power has greatest potential for capacity addition

Solar energy potential is the greatest in India amongst all the commercially available renewable energy sources.

As per an assessment by the National Institute of Solar Energy ("NISE") and a report by MNRE, the top five states with the highest solar PV potential are Rajasthan, Jammu & Kashmir, Maharashtra, Madhya Pradesh and Andhra Pradesh.

Solar Potential (GWp)



Large headroom in Solar Energy for capacity expansion

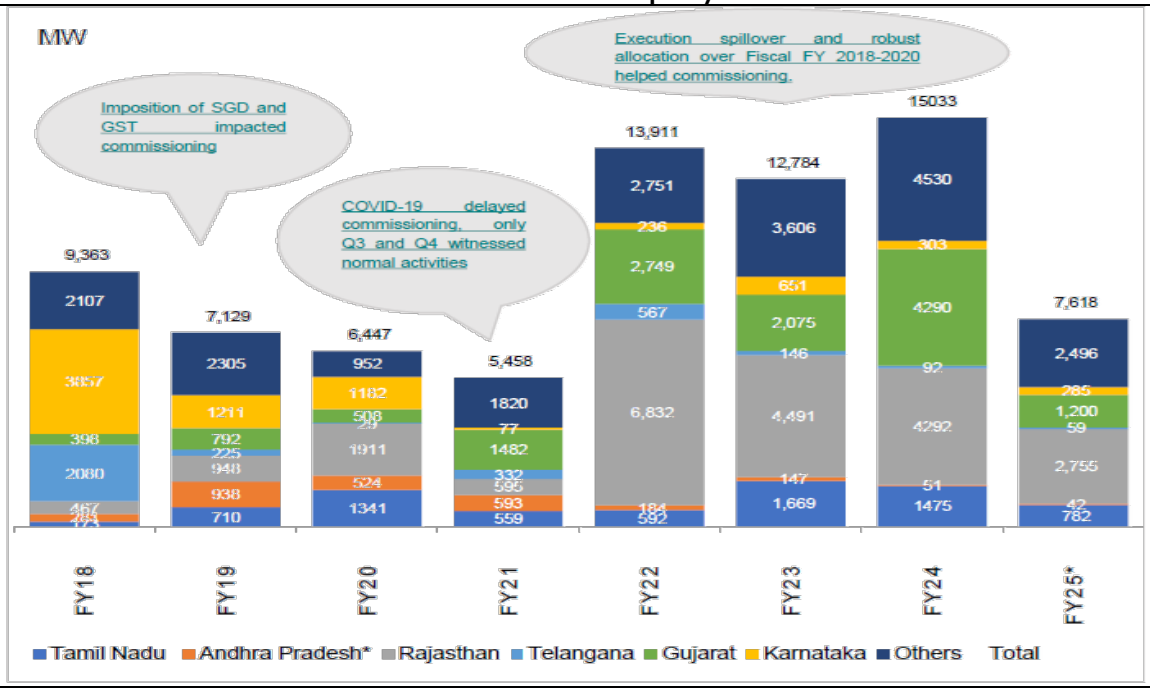
Source: RHP

Robust pick-up in Solar Additions in FY23; Momentum to continues

Only Gujarat and Rajasthan had state solar policies until FY12. 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 polices.

This led to ~70 GW of solar capacity addition higher than expectations for commissioning of 60 - 65 GW, during FY18 – 24.

State-wise contribution to capacity addition



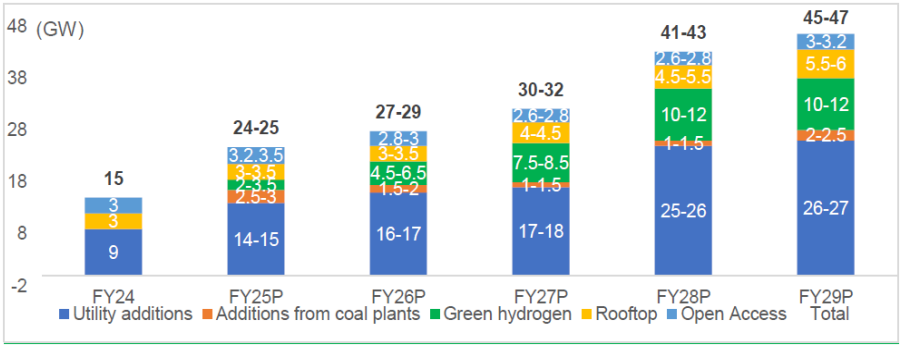
Source : RHP

Outlook – Solar Energy Capacity Addition in India

FY25 is projected to witness 16 GW to 18 GW of solar projects, including 3.1 GW to 3.3 GW of open access projects.

- **State Solar Policies –** ~24 GW of projects are under construction and are expected to be commissioned over the FY25 to FY29.
- **Rooftop solar Projects –** CRISIL MI&A-Consulting expects 20 GW - 22 GW of rooftop solar projects (under the capex and opex mode) to be commissioned by FY29.
- **PSUs –** Govt. of India encouraging PSUs to set up renewable energy projects. Group NTPC (NTPC Ltd.) commissioned 3,618 MW as on June 30, 2024 and outsourced projects are 5,273 MW. Similarly, under construction capacity is 9,214 MW for the Group and 8,810 MW on outsource basis. It has a target of installing approximately 60 GW of renewable energy capacities by FY32. Similarly, NHPC Limited had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by FY30. Other PSUs such as NLC India Limited, defence organizations, and governmental establishments are also expected to contribute to this addition.
- **Open-access solar projects –** CRISIL MI&A-Consulting expects 13 GW - 15 GW of open-access solar projects (under the capex and opex mode) to be commissioned by FY29, led by green energy open access rules 2022.

Solar capacity addition of 137-142 GW expected over FY25-29P



Source: RHP, Way 2 Wealth

PV Module Manufacturing

Global Manufacturers

Over the past decade, there has been a significant geographical transformation in solar PV manufacturing capacity and production. China reinforced its dominant position as a manufacturer of wafers, cells, and modules by increasing its share of global polysilicon production capacity nearly three times. China's role in supply chain becomes more critical as it holds more than 75% of cells and module lines, leading to high dependence from a global supply chain perspective.

Parameter	LONGi Solar	Trina Solar	Jinko Solar	JA Solar	Canadian Solar	Risen Energy
No. of Manucturing Factories	8 in China	4 in China, 1 each in Thailand and Vietnam	14 in China, Vietnam, Malaysia, USA	12 in China and Vietnam	20 in Canada, China, Brazil, Thailand and Vietnam	4 in China, 1 in Malaysia
Experience in PV module manufacturing	23 years	26 years	17 years	18 years	22 years	21 years
Operational capacity 2015	NA	5.1 GW Modules, 3.7 GW Cells	4.7 GW Modules 3.0 GW Cells	4.0 GW Modules 4.0 GW Cells	4.3 GW Modules 2.7 GW Cells	NA
Operational capacity (as on Dec-23)	120 GW modules, 80 GW cells,170 GW wafers	95 GW modules 75 GW cells 55 GW wafers 7 GW trackers	110 GW modules 90 GW cells 85 GW wafers	40 GW modules 56 GW cells 45 GW wafers	57 GW modules 19.8 GW cells 20 GW wafers	25.1 GW modules
Under-construction capacity	150 GW modules, 100 GW cells, 200 GW wafers	30 GW modules 25 GW cells 6.5 GW wafers	20 GW modules 40 GW cells 35 GW wafers	10 GW modules 30 GW cells 30 GW wafers	42.2 GW modules 40.2 GW cells 30 GW wafers 30 GW ingots	16 GW modules 19 GW cells
Product shipments (CY23)	125.42 wafers 67.52 GW modules	65.21 GW modules	54 GW modules 2.1 GW cells and wafers	57 GW modules and cells	30.7 GW modules	16 GW modules
Key products and services	Solar PV modules, Wafers,Solutions for C&I, :Utitlity and foortop use	Solar PV modules, solar trackers, utility solutions, EPCM services	Solar PV modules energy storage systems, C&I and rooftop solutions	Solar PV modules, energy storage systems for domestic and C&I use	Solar PV modules, energy storage, inverters, EPC	Solar PV modules, energy storage systems, EPC services
Key technology offered	TOPCon, Mono-PERC, bi-facial, hair-cut cells	Bi-facial PERC, TOPCon, HJT, half-cut cells	Half-cell, bi-facial and tilling ribbon technologies, PERC and TOPCon	TOPCon, Mono PERC, bi-facial module, half-cut cells	TOPCon Bifacial and Monofacial, HJT modules, Dual Cell PERC	Mono pERC, bi-facial PERC, bi-facial HJT modules, TOPCon
Key Financials (CY23) - Revenue	$28.5 bn	$24.9 bn	$16 bn	$17.9 bn	$7.6 bn	$4.8 bn
Key Financials (CY23) - Net Profit	$2.4 bn	$1.2 bn	$2.687 bn	$1.5 bn	$213 mn	$218 mn

Source: RHP

Domestic Manufacturers

India's cumulative module manufacturing nameplate capacity has reached ~ 63 GW in FY24 and the cumulative cell manufacturing capacity is about ~ 13 GW.

Regarding ingots/wafer manufacturing, Adani Solar in December 2022 introduced a large-sized monocrystalline silicon ingot in its Mundra (Gujarat) facility. This development led the company to become India's first manufacturer of monocrystalline silicon ingots, capable of producing M10 (182mm) and M12 (210mm) size wafers.

Currently there are no manufacturers for domestic polysilicon manufacturing, but it is expected that under the PLI scheme the winners would setup the first of the future polysilicon production capacities within the next two-three years through integrated factories.

Module Manufacturer	Installed Capacity (MW)
Waaree Energies	12,000
Adani Mundra PV	4,000
ReNew Power	4,000
Saatvik	3,800
Vikram Solar	3,500
Renewsys	2,750
Goldi Solar	2,500
Premier Energies	2,400
Rayzon	1,500
Emmvee Photovoltaic	3,500
Solex	1,200
Grew Energy	1,200
Pixon Green Energy	1,000

Parameter	Waaree Energies	Vikram Solar	Adani Mundra Solar PV	Premier Energies	Websol Energy Systems	RenewSys India	Emmvee Photovoltaic	Alpex Solar
Number of Manufacturing Factories	4 in Gujarat	1 each in West Bengal and Tamil Nadu	1 in Gujarat	2 in Telangana	1 in West Bengal	1 each in Karnataka, Telangana and Maharashtra	2 in Karnataka	1 each in HP and UP
Experience in PV module manufacturing	16 years	17 years	8 years	26 years	~ 30 year	12 years	16 years	18 years
Operational capacity (as on Jun-24)	12 GW Modules	3.5 GW modules	4 GW cells and modules	4.1 GW modules, 2 GW Cells	550 MW Module 1.8 GW Cells	2.75 GW modules, ~0.1 GW cells	3.5 GW modules	848 MW modules
Under construction capacity	6 GW Modules 5.4 GW Cells Proposed - 6 GW modules, 6 GW cells, 6 GW Ingot Wafer capacity	Proposed 7 GW Module and 3 GW integrated cells & modules	10 GW cell and module	1 GW modules, 1 GW cells	1.2 GW Cells	2 GW Modules ~1.9 GW	1.75 GW including 1.5 GW wafer-to-module capacity	300 MW
NABL Accredited Lab	For modules	For modules	-	-	-	For encapsulants and backsheets	-	-
Enlisted Capacity as ALMM List Sep 24	11,919 MW	2,250 MW	4067 MW	2561 MW	NA	1636 MW	2,692 MW	248 MW
Market share as a % of total enlisted capacity as per ALMM List Sep 24	21.09%	7.20%	6.74%	4.53%	NA	2.90%	4.76%	0.44%
Key Products and services	Solar PV modules, Inverters, Batteries, EPC Services, rooftop solutions, O&M Services, and solar water pumps	Solar PV modules, EPC services, Solar O&M services, and water pumps	Solar PV cells and modules, EPC services, O&M services	Solar PV cells and modules, EPC services, O&M services, and water pumps	Solar PV cells and modules	Solar PV modules and cells	Modules, EPC, rooftop solutions, and solar water heater solutions	Solar modules, EPC services, Water Pumps
Cumulative Installed Capacity in EPC	1000+ MW	1420 MW	NA	650+ MW	NA	NA	NA	NA
Key Technologies Offered	TOPCon, Mono and Poly Crystalline PV modules, Mono PERC, Bifacial Flexible modules, BIPV	TOPCon, Mono PERC, Mono-facial & Bifacial, Poly-Si Modules	TOPCon, Multi crystalline, Mono PERC and Bifacial modules	TOPCon, Polycrystalline Si cells, mono PERC, poly Si modules	Monofacial Mono PERC, Bifacial PERC Modules	TOPCon, Mono/Multi PERC, Bi-facial	TOPCon, Mono pERC, Polycrystalline modules, bi-facial module	TOPCon, Monocrystalline, Polycrystalline Modules

Source : RHP

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 ₹45bn. It later enhanced the outlay by ₹195bn under the Union Budget for FY23.

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 ₹44.6bn, 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 ₹140bn. 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.

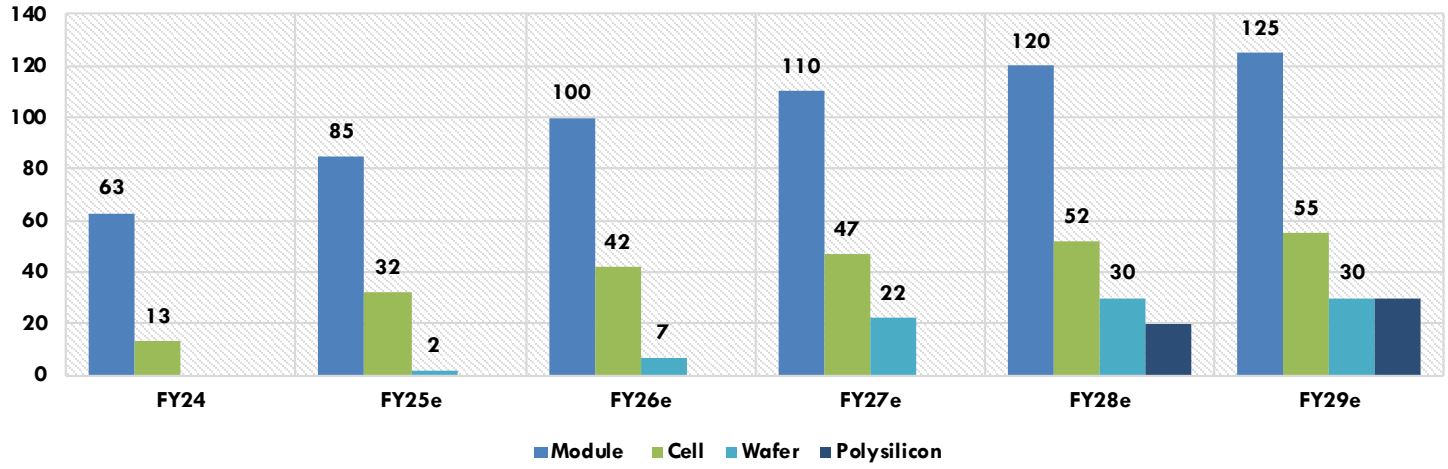
Considering the two tranches together, the total domestic solar PV module manufacturing capacity allocated under the PLI Scheme is 48,337 MW, with a cumulative support of more than ₹185bn by the Government.

India is expected to add around 175-180 GW of solar capacity over FY25 to FY30. Considering the average module price of $ 0.22/Wp, this capacity addition provides a total opportunity of approximately $ 38 - 40 bn (₹3-3.2tn) over FY25-FY30.

Capacity awarded (in MW) under PLI scheme (Tranche I and II)

Player	Polysilicon	Wafer	Cells	Modules
Shirdi Sai Electricals Ltd.	4,000	4,000	4,000	4,000
Reliance New Energy Solar Ltd.	4,000	4,000	4,000	4,000
Adani Enterprises Pvt. Ltd.	737	737	737	737
Total PLI Tranch I	8,737	8,737	8,737	8,737
Indosol	6,000	6,000	6,000	6,000
Reliance	6,000	6,000	6,000	6,000
First Solar	3,400	3,400	3,400	3,400
Waaree		6,000	6,000	6,000
Avaada		3,000	3,000	3,000
ReNew		4,800	4,800	4,800
JSW		1,000	1,000	1,000
Grew		2,000	2,000	2,000
Vikram			2,400	2,400
AMPIN			1,000	1,000
Tata Power Solar			4,000	4,000
Total PLI Tranche II	15,400	32,200	39,600	39,600
Total PLI Tranche I + II	24,137	40,937	48,337	48,337

Domestic Manufacturing Capacity Projections (MW)



Source: RHP

Waaree Energies Ltd.

Waaree Energies Ltd. is the largest manufacturer of solar PV modules in India with the largest aggregate installed capacity of 12 GW, as of June 30, 2024. Over the years it has developed a track record of manufacturing quality and technologically advanced solar PV modules at its certified manufacturing facilities.

Company operates out of five manufacturing facilities in India spread over an area of 143 acres. It has one factory each located at Surat ("Surat Facility"), Tumb ("Tumb Facility"), Nandigram ("Nandigram Facility"), Chakli ("Chikhli Facility") in Gujarat, India and the IndoSolar Facility, in Noida, Uttar Pradesh.

Our sales and revenue channels include:

(i) **Direct Sales:** to Utilities and Enterprises.

(ii) **Export Sales:** It includes solar PV module sales to international customers as well as international EPC revenue

(iii) **Retail Sales:** (comprising franchisee sales) It includes solar PV module sales through extensive franchisee network focused on rooftop and MSME customer business vertical as well as franchisee EPC revenue.

(iv) **Other Revenue:** Sales from operations, which includes EPC services to domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale.

Manufacturing Capabilities

Company currently operates through four manufacturing facilities in India (i) the Surat Facility (ii) the Tumb Facility (iii) the Nandigram Facility (iv) and the Chikhli Facility, all in Gujarat, India. All of these facilities are equipped to manufacture all of company's PV module product portfolio.

As of June 30, 2024, aggregate installed manufacturing capacity for PV modules was 12 GW.

	FY22				FY23				FY24				Q1FY25			
Location	Installed Capacity (GW)	Effective Installed Capacity (GW)	Actual Production (GW)	Utilization	Installed Capacity (GW)	Effective Installed Capacity (GW)	Actual Production (GW)	Utilization	Installed Capacity (GW)	Effective Installed Capacity (GW)	Actual Production (GW)	Utilization	Installed Capacity (GW)	Effective Installed Capacity (GW)	Actual Production (GW)	Utilization
Surat	0.5	0.5	0.2	47.30%	0.2	0.4	0.1	16.70%	0.2	0.2	0	10.80%	0.2	0.1	-	6.10%
Tumb	1	1	0.4	44.40%	1	1	0.4	39.20%	1	1	0.6	54.50%	1	0.3	0.1	53.50%
Nandigram	0.5	0.5	0.3	49.00%	1.3	0.6	0.3	59.80%	1.1	1.1	0.6	51.90%	1.1	0.3	0.2	72.30%
Chikli	2	0.1	0	35.00%	6.5	4.5	1.8	40.60%	9.7	8.7	3.6	41.90%	9.7	2.5	1.1	42.00%
Indosolar	0	0	-	0.00%	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%
Total	4	2.1	1	46.20%	9	6.5	2.6	40.50%	12	11	4.8	43.40%	12	3.1	1.4	45.00%

Source: RHP

Expansion Plans

Expansion Plans	Details
Backward Integration	Implemention of capacity expansion for backward integration into solar cell manufacturing with addition of 5.4 GW capacity at Chikhli Facility which is expected to be operational by FY25.
International Capacity Addition	Plans are in place to expand solar PV module manufacturing capabilities outside India with the establishment of up to 1.6 GW facility in Houston, Texas in the USA which can be further expanded to 3 GW of solar module manufacturing by FY26 and 5 GW of solar module manufacturing by FY27.
Backward Integratoin under PLI	Company has provided with an outlay of ₹19.2bn under the PLI Scheme awarded by the GoI. Under which backward integration capabilities would be set up, by setting-up a fully integrated 6 GW facility for the manufacture of ingots, wafer, solar cells and PV modules in Odisha, expected to commence operations in the FY27.
Domestic Capacity Expansion	Based on market conditions, the company may expand its presence by establishing a 5 GW solar cell manufacturing facility by FY27 to supply solar cells for the manufacture of solar modules to receive incentives under the Inflation Reduction Act.

Ongoing and Proposed Expansion Plans

Particulars	Existing	Phase - I (Ongoing)	Phase - II		Total
			Domestic	United States	
Solar PV module capacity (GW)	13.3	-	6	1.6	20.9
Solar Cell capacity (GW)	-	5.4	6	-	11.4
Ingot-Wafer capacity (GW)	-	-	6	-	6
Commencement / Expected date of commercial operations	-	FY25	FY27	FY25	-

Source: RHP

Product Portfolio

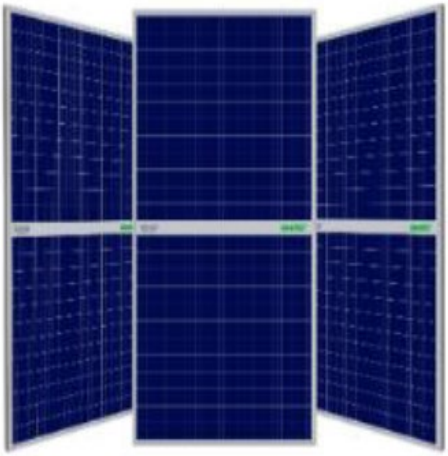
Company's product portfolio of solar energy products consists of Solar PV modules: (i) multicrystalline modules; (ii) monocrystalline modules; and (iii) TOPCon modules.

Multicrystalline technology – Multicrystalline technology is the process of using multiple crystals in a single solar cell, which are essentially silicon wafers formed by making very thin slices of silicon boules or ingots.

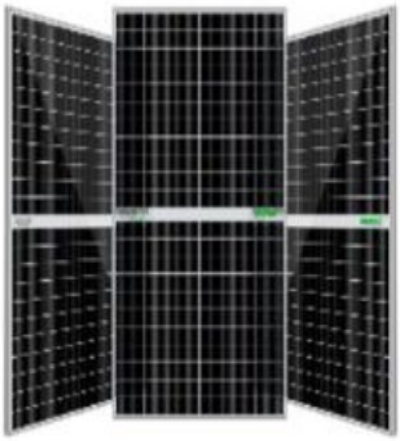
Monocrystalline technology – Monocrystalline technology is an advanced technology used to increase the efficiency of standard solar modules. The electrons that form an electric current have greater room to move because the cells are made up on a single crystal.

TOPCon technology – TOPCon technology is a significant improvement in the manufacture of solar PV cells. This involved incorporation of a thin tunnel oxide layer, which passivates the surface, limiting recombination losses and increasing the efficiency of the solar cell.

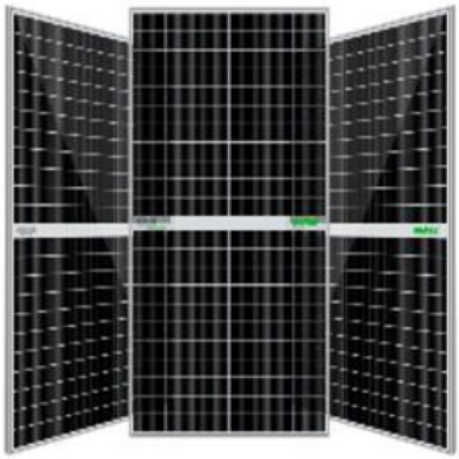
Poly Aditya Series 250Wp-350 Wp



Mono Perc Arka Series 315 Wp-400 Wp



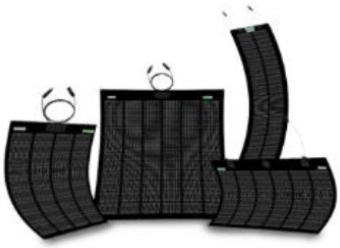
Bifacial AHNAY Series Bi-25-380 to Bi-68-665



Source: RHP

Other Products

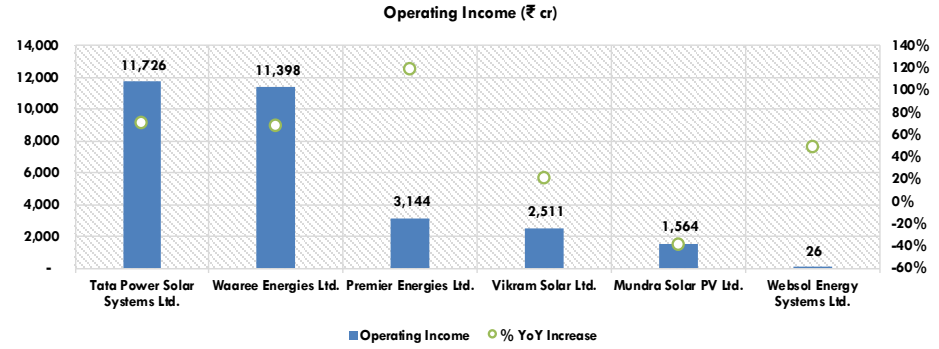
The company also manufactures flexible solar modules, solar street lamps, solar mobile charger, solar bag, etc.

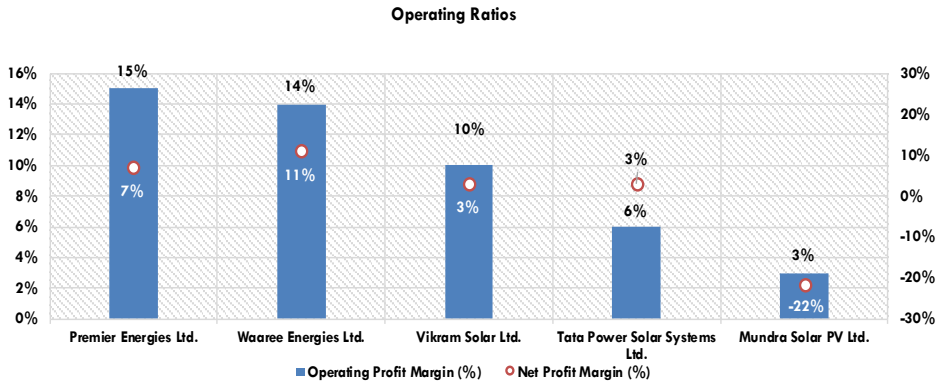
Flexible Solar Module	Solar Street Lamp	Solar Mobile Charger	Solar Bag
			

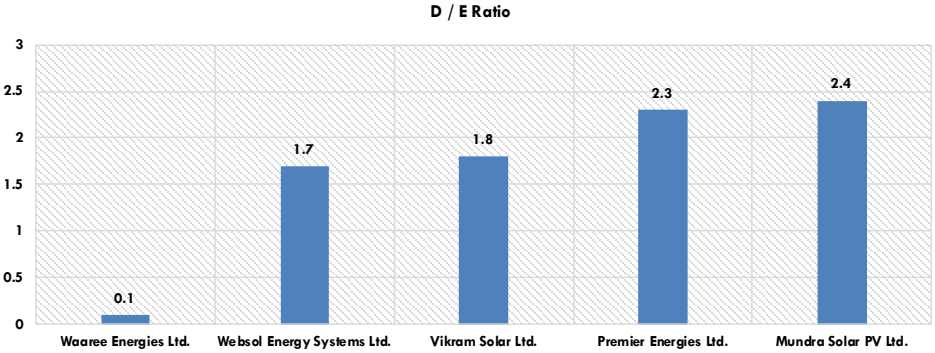
Management Profile	Details
Hitesh Chimanlal Doshi (Chairman)	Holds a bachelor's degree in commerce from the University of Mumbai. Additionally, he holds a doctorate in professional entrepreneurship in business project management from the European Continental University. He has been associated with our Company since October 1999 and is currently responsible for, overseeing company's financial performance, investments and other business ventures, providing strategic advice to the Board, developing and executing our Company's business strategies and establishing policies and legal guidelines.
Viren Chimanlal Doshi (Whole-Time Director)	Holds a bachelor's degree in commerce from the University of Mumbai and has been admitted to the Institute of Chartered Accountants of India as a member. He has been associated with the coompany since April 1, 2011 as the director in Waaree Group. He is currently responsible for, inter alia, leading company's short and long-term strategy and setting strategic goals.
Amit Paithankar (CEO)	He has been associated with the company since March 1, 2024. He holds a bachelor's degree of engineering (electrical branch) from V. J. Technical Institute and a master's degree in business administration (Global) from London School of Business and Finance. He also holds a doctor of philosophy (technology) in electrical engineering from Veermata Jijabai Technological Institute. He was previously associated with Emerson Electric Company (India) Private Limited as MD South Asia and VP advanced design center.
Sonal Shrivastava (CFO)	She has been associated with the company since September 3, 2024. She holds a bachelor's degree of science engineering (chemical) from Vinoba Bhave University and a master's degree of management studies from the Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She was previously associated with Sugati Holdings Private Limited, Duet Capital SA, Vedanta Limited, Lafarge India Limited, Suzlon Energy Limited and Holcim Services (South Asia) Limited in various capacities

Source: RHP

Operating Income.







(₹ Mn)	Waaree Energies Ltd.				Websol Energy Systems Ltd.				Premier Energies Ltd.			
	FY22	FY23	FY24	Q1FY25	FY22	FY23	FY24	Q1FY25	FY22	FY23	FY24	Q1FY25
Revenue	**28,543**	**67,509**	**1,13,976**	**34,089**	**2,132**	**172**	**259**	**1,116**	**7,429**	**14,285**	**31,438**	**16,574**
EBITDA	**2,025**	**9,441**	**18,096**	**6,400**	**310**	**-99**	**-66**	**442**	**537**	**1,129**	**5,053**	**3,697**
EBITDA Margin	*7%*	*14%*	*16%*	*19%*	*14.5%*	*NA*	*NA*	*39.6%*	*7.2%*	*7.9%*	*16.1%*	*22.3%*
PAT	**797**	**5,003**	**12,744**	**4,011**	**97**	**-237**	**-1,210**	**229**	**-144**	**-133**	**2,314**	**1,982**
PAT Margin	*3%*	*7%*	*11%*	*12%*	*4.5%*	*NA*	*NA*	*20.5%*	-	-	*7.4%*	*12.0%*
Order Book (MW)	**3,280**	**18,060**	**19,926**	**16,660**	**-**	**-**	**-**	**-**	**3,170**	**9,860**	**54,332**	**57,790**
Market Share												
Domestic	77%	32%	42%	61%	100%	89%	100%	-	99%	99%	86%	100%
Export	23%	68%	58%	39%	-	11%	-	-	1%	31%	1%	0%
Return Ratio												
RoACE	23.5%	48.8%	37.0%	9.6%	7.2%	-11.7%	-17.7%	-	3.8%	6.4%	30.1%	16.5%
RoE	17.7%	26.3%	30.3%	8.8%	5.1%	-12.4%	-112.3%	-	-3.6%	-3.1%	35.8%	23.4%
Leverage Ratio												
D / E Ratio	0.72x	0.15x	0.08x	0.06x	0.22x	0.15x	1.7x	-	1.23x	1.96x	2.29x	1.52x

Source : RHP

Financials

(₹bn)

Particulars	FY22	FY23	FY24	% YoY	Q1FY24	Q1FY25	% YoY
Revenue	28.5	67.5	114.0	*68.8%*	33.3	34.1	*2.4%*
Cost of Material	17.9	59.0	83.6	*41.7%*	25.4	18.0	*-29.2%*
Purchases of stock-in-trade	4.6	2.6	9.7	*270.3%*	0.7	2.1	*190.3%*
Changes in inventories	0.6	-10.1	-5.6	*-44.2%*	0.4	5.1	*1305.9%*
Other Manu. & EPS Expense	0.7	1.7	2.5	*53.7%*	0.6	0.7	*11.8%*
COGS	23.9	53.2	90.1	*69.5%*	27.0	25.8	*-4.5%*
Gross Profit	**4.7**	**14.3**	**23.8**	***66.2%***	**6.2**	**8.3**	***32.6%***
Gross Profit Margin	*16.3%*	*21.2%*	*20.9%*	*33 bps*	*18.7%*	*24.2%*	*-551 bps*
Employee Expense	0.6	1.2	1.8	*43.1%*	0.3	0.6	*96.2%*
Other Expenses	3.0	4.8	6.3	*32.8%*	1.2	2.1	*70.5%*
Operating Expenses	3.5	6.0	8.1	*34.9%*	1.6	2.7	*75.9%*
EBITDA	**1.1**	**8.3**	**15.7**	***88.6%***	**4.7**	**5.5**	***18.2%***
EBITDA Margin	*3.9%*	*12.4%*	*13.8%*	*-145 bps*	*14.0%*	*16.2%*	*-216 bps*
Depre. And Amort.	0.4	1.6	2.8	*68.6%*	0.6	0.8	*33.2%*
EBIT	**0.7**	**6.7**	**13.0**	***93.5%***	**4.1**	**4.8**	***16.1%***
Interest Cost	0.4	0.8	1.4	*70.1%*	0.4	0.3	*-15.9%*
Other Income	0.9	1.1	2.4	*114.8%*	0.9	0.9	*0.9%*
Profit Before Tax	1.2	7.0	13.9	*99.6%*	4.6	5.3	*16.0%*
Tax Expense	0.4	1.8	4.6	*160.0%*	1.2	1.3	*8.7%*
Profit After Tax	**0.8**	**5.2**	**9.3**	***79.1%***	**3.4**	**4.0**	***18.6%***
Gross Profit Margin	*2.8%*	*7.7%*	*8.2%*	*-47 bps*	*10.2%*	*11.8%*	*-160 bps*
Extraordinary Items		-0.2	3.4		-	-	
Reported PAT	**0.8**	**5.0**	**12.7**	***154.7%***	**3.4**	**4.0**	***18.6%***
EPS	**3.8**	**21.6**	**47.9**		**13.6**	**14.9**	

Source: RHP

Particulars	FY22	FY23	FY24	Q1FY25
Assets				
Non-current assets				
Property, plant and equipment	5.6	9.9	11.5	11.5
Capital work-in-progress	1.2	5.4	13.4	16.1
Right of use assets	0.5	1.0	2.9	4.4
Investment property	0.0	0.0	0.0	0.0
Intangible assets	0.1	0.1	0.1	0.1
Intangible assets under development	0.0	0.0	0.0	0.0
Goodwill on consolidation	0.1	0.1	0.1	0.1
Financial assets	0.6	1.7	1.1	2.1
Deferred tax assets	0.2	0.1	0.8	0.8
Income tax assets (net)	0.0	0.0	0.0	0.0
Other non-current assets	0.7	1.1	3.1	2.1
Total non-current assets	**8.9**	**19.4**	**33.0**	**37.1**
Current assets				
Inventories	5.4	27.1	25.9	26.6
Financial assets				
Current investments	1.3	0.3	0.7	0.1
Trade receivables	0.9	3.1	9.7	10.9
Cash and cash equivalents	1.4	2.5	1.2	2.0
Bank balances other than cash and cash eq	2.3	14.8	36.6	35.9
Loans	0.2	0.1	0.2	0.2
Other financial assets	0.5	0.5	0.8	0.6
Other current assets	1.5	6.2	5.0	6.5
Assets held for Sale	-	0.1	0.0	-
Total current assets	**13.4**	**54.8**	**80.1**	**82.8**
Total Assets	**22.4**	**74.2**	**113.1**	**119.9**
Equity and liabilities				
Equity				
Equity share capital	2.0	2.4	2.6	2.6
Other equity	2.3	16.0	38.2	42.2
Equity attributable to owners of the parent c	4.3	18.4	40.9	44.8
Non controlling interest	0.1	0.2	0.6	0.7
Total equity	**4.4**	**18.6**	**41.5**	**45.5**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1.9	1.5	1.0	0.9
Lease liabilities	0.4	0.4	2.1	2.2
Other financial liabilities	-	-	0.5	0.5
Long-term provisions	0.4	0.7	1.1	1.2
Deferred tax liabilities (net)	0.3	0.5	0.4	0.4
Other non-current liabilities	0.0	3.3	12.4	9.6
Total non-current liabilities	**3.0**	**6.3**	**17.4**	**14.9**
Current liabilities				
Financial liabilities				
Borrowings	1.2	1.3	2.1	1.7
Lease Liabilities	0.1	0.1	0.3	0.3
Trade payables	-	-	-	-
Total Outstanding to MSME	0.1	0.7	1.0	0.6
Total Outstanding to Other than MSME	5.3	13.7	13.8	18.0
Supplier's credit / Letter of credit - Accep	0.6	5.9	5.4	3.9
Other financial liabilities	0.9	3.0	5.1	4.9
Provisions	0.0	0.3	2.2	2.1
Other current liabilities	6.6	23.6	21.4	24.3
Current tax liabilities (net)	0.2	0.9	2.9	3.8
Total current liabilities	**15.0**	**49.3**	**54.2**	**59.5**
Total equity and liabilities	**22.4**	**74.2**	**113.1**	**119.9**

Source: RHP

Key Risks

Competitive Industry Landscape; Chinese Import

Indian solar PV manufacturing sector remains highly competitive, with domestic as well as international players looking to strengthen their position in one of the world's largest solar power market. Given the economies of scale and advanced manufacturing capabilities, the Chinese players have, domestic manufacturers would face competition from Chinese companies.

Dependence on Government Support

As Power sector remains one of the highly regulated market and company's expansion plans are largely aligned with Government capex plans, various proposed project are dependent on various government subsidies. Thus, in the event such exceptional situations such as subsidies do not materialize or government does not approve the entire subsidy amount, the company may face challenged in terms of managing its working capital and may impact its cash-flows / financials.

Dependence on Government Support

As export sales constitute significant share of overall revenue pie, any changes in government policies of end-use market countries may impact demand situation, realizations, etc.

Valuation and Outlook

India's power sector is poised for robust growth driven by strong energy demand and government's focus on reducing demand-supply gap. Solar power is believed to be the key source of incremental energy generation with maximum potential for expansion which would help in meeting government's ambitious targets.

Waaree Energies Ltd. is well poised to benefit out of emerging demand for PV Solar modules and focus on localization under the 'Make In India' drive. As the company is the largest domestic PV module manufacturer, its strong brand presence, economies of scale and healthy clientele relationships would support the company to maintain its growth momentum.
Further capacity expansion plans both domestic as well as international would help in strengthening company's market position at the global level, while commercialization of backward integration plant will aid in margin expansion over the coming years.
Keeping in view multiple growth drivers in place such as strong structural tailwinds, robust future expansion plans and likely support from government policies will make this company worth adding to the portfolio. On the higher price band, the company is valued at ~31x FY24 P/E multiple. Thus, we recommend investors to 'SUBSCRIBE' to the IPO and may hold the script from longer term perspective.

Disclaimer

Analyst Certification: I, Prasad Hase, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Prasad Hase, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement: Waaree Energies Limited (WEL) as on 22nd October 2024

Name of the Security	**Waaree Energies Limited (WEL)**
Name of the analyst	Prasad Hase
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.