



IPO NOTE

ACME SOLAR HOLDINGS LIMITED



Rating:
May Subscribe
(For Long Term)



ISSUE OFFER

Issue Opens on	NOV 06, 2024
Issue Close on	NOV 08, 2024
Total IPO size (cr)	₹2,900.00
Fresh issue (cr)	₹2,395.00
Offer For Sale (cr)	₹505.00
Price Band (INR)	275-289
Market Lot	51
Face Value (INR)	₹2
Listing At	NSE, BSE
Market Capitalization (cr)	17486.81

ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 75%;"></div>	75%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 10%;"></div>	10%

PROMOTER HOLDING %

Pre Issue	Post Issue
100.00%	83.42 %

INDICATIVE TIMETABLE

Basis of Allotment	11-11-2024
Refunds/Unblocking ASBA Fund	12-11-2024
Credit of Share to Demat A/c	12-11-2024
Listing Date	13-11-2024

ACME Solar Holdings Limited is a renewable energy company in India with a portfolio of solar, wind, hybrid and firm and dispatchable renewable energy ("FDRE") projects.

OBJECTS OF THE ISSUE

- Payment of borrowings
- General Corporate purposes.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Equity Share Capital	104.4	104.4	104.4
Net Worth	2590.87	1930.46	2009.15
RoNW %	26.93%	(0.17%)	3.25%
Revenue	1319.25	1294.90	1487.90
Operating Profit Margin %	82.56%	90.55%	83.36%
Net Loss of the year	697.78	(3.15)	62.01

FINANCIAL RATIOS OF FY24



D/E



P/E



Asset Turnover

OUTLOOK & VALUATION

- Operates in the renewable energy sector with a diversified portfolio across various power generation sources.
- After a dip in profitability in FY23, the company recently demonstrated exceptional growth with strong margins.
- The debt-to-equity ratio remains significantly high.
- IPO valuation appears reasonable.
- Suitable for long-term investors prepared for potential listing volatility.



COMPANY PROFILE

- One of the largest renewable energy independent power producers (“IPP”) in India and among the top 10 renewable energy players in India in terms of operational capacity.
- It diversified and expanded its portfolio from solar power projects to become an integrated renewable energy company in India.
- It has an aggregate Operational Project capacity of 1,340 MW (1,826 MWp) solar power projects; Under Construction Contracted Project capacity of 3,250 MW including solar power projects of 1,500 MW (2,192 243 MWp), wind power projects of 150 MW, hybrid projects of 1,030 MW and FDRE projects of 570 MW.



COMPETITIVE STRATEGIES

- Expand and diversify its portfolio to continue to maintain its leadership position.
- Continue to invest in and improve its integrated business model.
- Focus on technology upgrades to improve the efficiency and longevity of its projects.
- Continue to diversify its funding sources.



KEY CONCERNS

- Rely on highly competitive renewable energy power project auctions.
- For revenue dependent on its Power Purchase Agreements.
- Restrictions on renewable energy equipment imports may increase its costs.
- It incurred loss for the year of ₹ 31.74 million in Fiscal 2023.
- It operate in a capital intensive industry and has high debt to equity ratio.



KEY STRENGTHS

- Large renewable energy player well positioned to capitalize on strong industry tailwinds.
- End-to-end value chain capabilities.
- An expansive portfolio diversified across different renewable energy technologies .
- Long-term stable cash flows.
- Access to diversified sources of funding .
- Design and value engineering leading to higher efficiencies .

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (Basic)	NAV	P/E	TOTAL INCOME (In CR.)	RoNW (%)
ACME Solar Holdings Limited	12.55	49.61	21.63	1,319.25	26.93%
Peer Group					
Adani Green Energy Limited	6.21	85.86	291.7x	9,220	7.22%
ReNew Energy Global PLC	9.94	332.16	48.8x	8,194	3.07%


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CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Ms. Sheetal Duraphe Email: compliance@swastika.co.in Phone: (0731) 6644 241

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