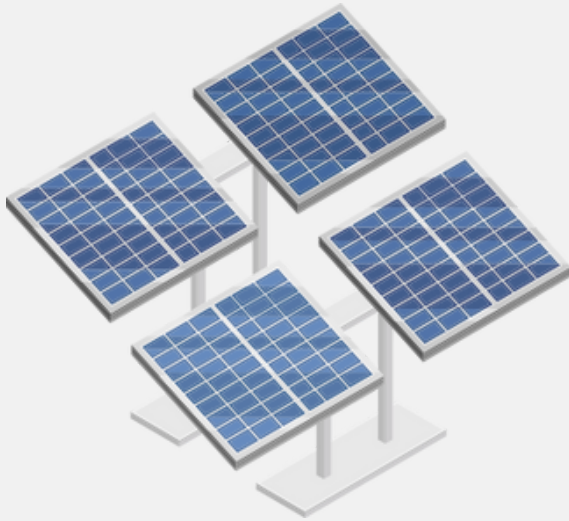




IPO DETAILS

#IPOlogy

WAAREE ENERGIES LIMITED



 **ISSUE OPEN**

21st October, 2024

 **ISSUE CLOSE**

23rd October, 2024

Min. Lot Size
9 shares

Issue Price Band
₹1,427 - ₹1,503

Issue Size

Fresh Issue:
2.4 Cr Eq shares
(₹3600.00 Cr)

OFS:
0.48 Cr Eq shares
(₹721.44 Cr)

Face Value

₹10

Industry

Electric Equipments

Listing at

NSE, BSE

RATING

Subscribe

OPEN ACCOUNT

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



WAAREE ENERGIES LIMITED

Rationale

Considering the TTM-June 24 EPS of Rs 46.55 on a post-issue basis, company is set to list at a P/E of approximately ~32x with a market cap of Rs 43,178.66 Cr, whereas its peers, Websol Energy System Ltd and Premier Energies Ltd, are trading at P/E ratios of approximately ~669x and ~222x, respectively.

We assign "Subscribe" rating to this IPO as the company is the Largest solar PV module manufacturer in India and Also, it is available at reasonable valuation as compared to its peers.

Objectives of the issue

Part finance the cost of establishing the 6GW of Ingot Wafer, Solar Cell and Solar PV Module manufacturing facility in Odisha, India by way of an investment in wholly owned subsidiary, Sangam Solar One Private Limited ("Project").

General corporate purposes.

Company Overview

Waaree Energies Ltd is the largest manufacturer of solar PV modules in India

The company's portfolio of solar energy products consists of the following PV modules: (i) multicrystalline modules; (ii) monocrystalline modules; and (iii) TopCon modules, comprising flexible modules, which includes bifacial modules (Mono PERC) (framed and unframed), and building integrated photo voltaic (BIPV) modules.

The company's sales and revenue channels include (i) Direct Sales to Utilities and Enterprises, (ii) Export Sales (iii) Retail Sales and (iv) Others.

In FY 24, Direct Sales to Utilities and Enterprises channel contributed 31%, Export Sales channel contributed 58%, Retail Sales channel contributed 10% and other channels contributed 1% to the Revenue.

The company has a pending order book of solar PV modules of 16.66 GW as of June 30, 2024.

The company operates five manufacturing facilities in India spread over an area of 143.01 acres. One factory each located at Surat, Tumb, Nandigram and Chikhli in Gujarat and the IndoSolar Facility, in Noida, Uttar Pradesh.

The company has 21.09% Market share as a percentage of total enlisted capacity as per ALMM List Sep 24.

The company has an an aggregate installed capacity of 12 GW, as of June 30, 2024.



Pan-India and Global Distribution Leader

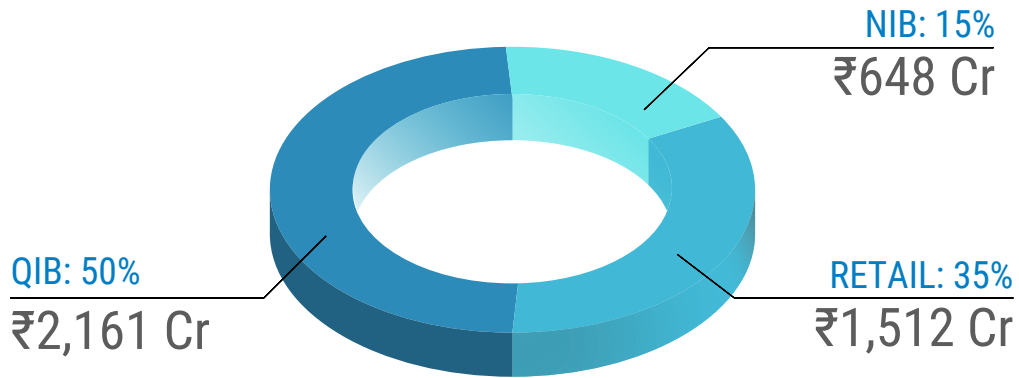
The company not only supplies its products pan India but also to United States, Canada, Italy, Hong Kong, Turkey and Vietnam.



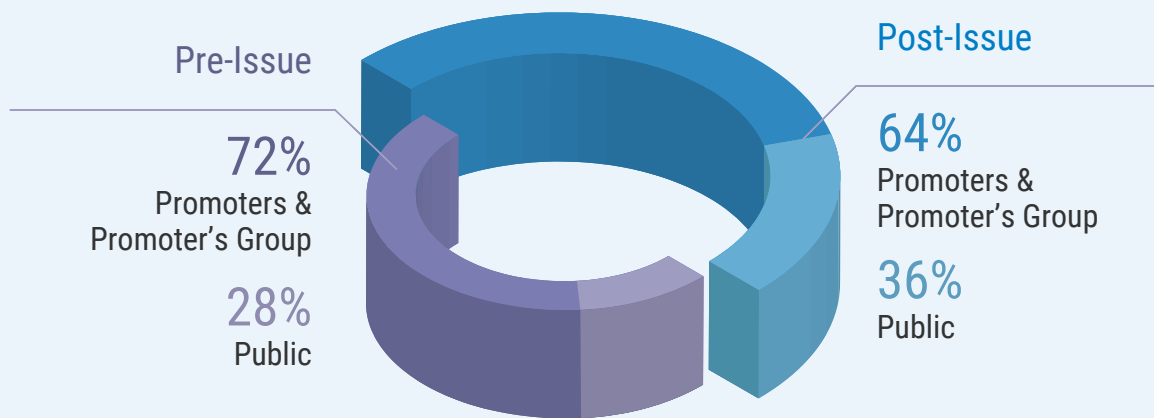
WAAREE ENERGIES LIMITED

Issue Details

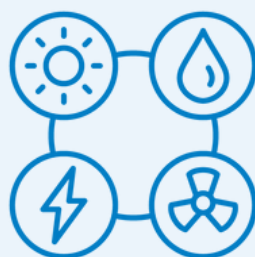
Issue Break-Up



Shareholding Pattern

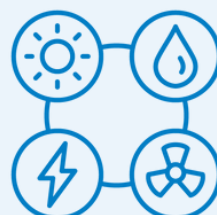


Capital Structure (in ₹ Cr.)



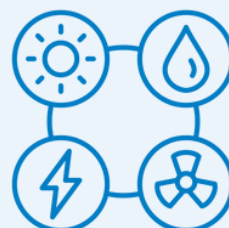
500 Cr

Authorised Equity
Share Capital



263 Cr

Paid-Up Capital
(Pre-Offer)



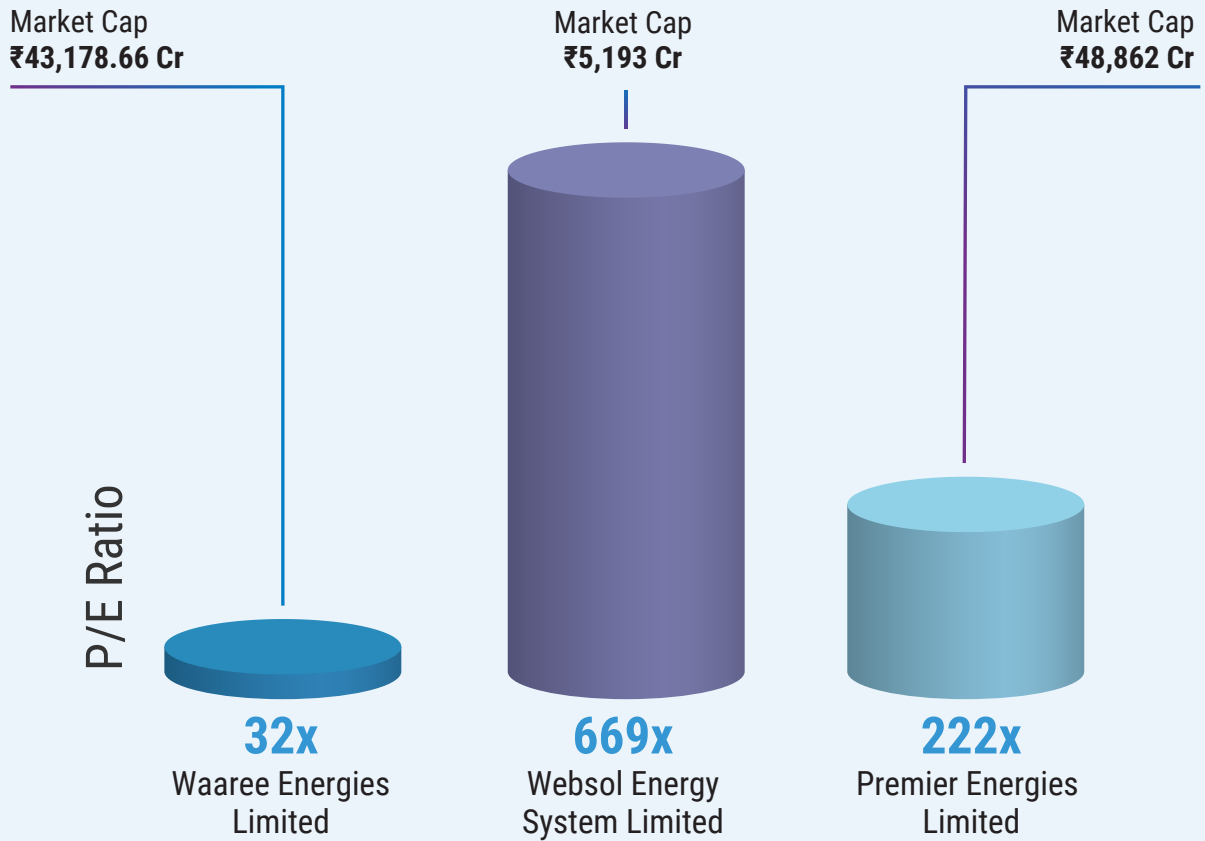
287 Cr

Paid-Up Capital
(Post-Offer)



WAAREE ENERGIES LIMITED

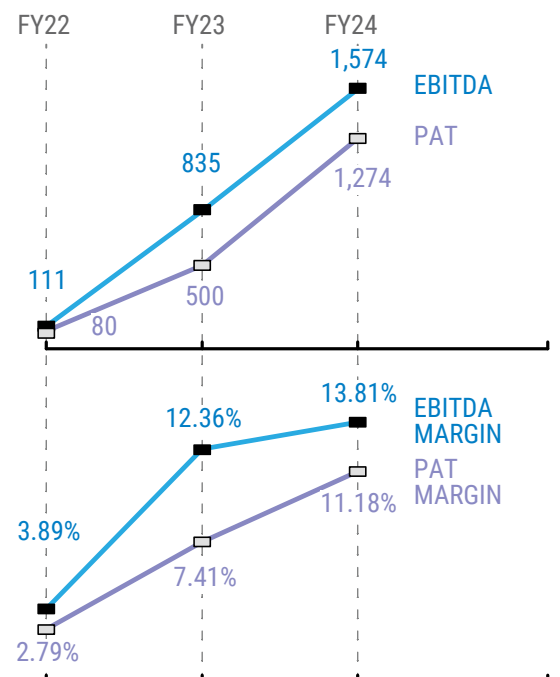
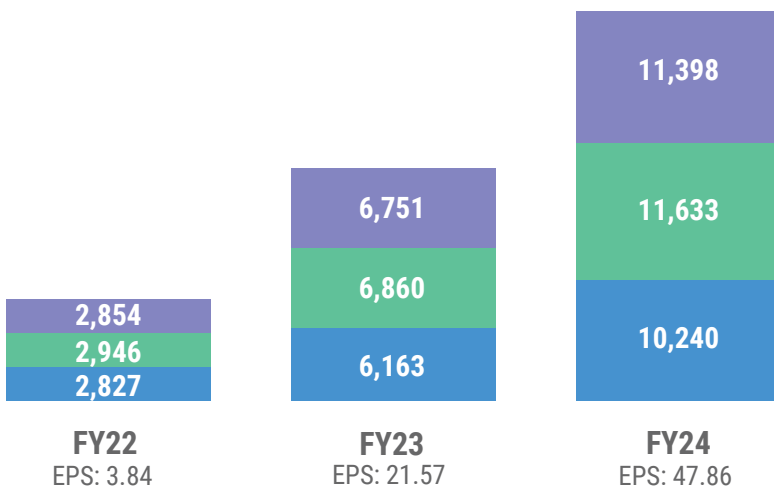
Valuations and Peer Comparison



Market Cap data of listed securities as on October 17, 2024

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





WAAREE ENERGIES LIMITED

Business Insights



Competitive Strengths

- Largest solar PV module manufacturer in India well positioned to capture industry tailwinds and growth prospects for solar energy in India and globally .
- Diversified base of global and Indian customers with a substantial order book.
- Advanced manufacturing facilities with global accreditations.
- Extensive pan-India retail network.
- Consistent track record of financial performance in the last three Fiscals and the three months ended June 30, 2024.
- Experienced senior management team with demonstrated execution capabilities and a committed employee base.



Risks

- The business is dependent on certain key customers and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on business, financial condition, results of operations and cash flows.
- Company's export sales make operations subject to risks and uncertainties of various international markets, in particular the United States. Further, revenue from operations is significantly dependent on export sales and there is no assurance that company may be able to continue export sales going forward.

Promoters and Management Details

Hitesh Chimanlal Doshi- Chairman and Managing Director

Viren Chimanlal Doshi - Whole-time Director

Hitesh Pranjivan Mehta - Whole-time Director

Dr. Arvind Ananthanarayanan - Non-Executive Director

Research Disclaimer <https://bit.ly/2RK2tzc>



Business Strategy

- Implement strategic backward integration to enhance operations and increase profitability.
- Maintain leadership position in the utility and enterprise modules sales market with continued capacity expansion in India and abroad.
- Comparative cost of solar module facilities executed in the past.
- Focus on technology upgrades to manufacture high quality modules.
- Continue to grow and diversify export markets.
- Continue focus on maintaining leadership position in commercial and industrial, and residential business verticals.
- Continue to scale operations through organic and inorganic expansion opportunities.

