



IPO Note

Waaree Energies Limited

Recommendation: **APPLY!**

Company Background -

- **Incorporation:** Waaree Energies Limited was originally formed and incorporated as “Anmol Fluid Connectors Private Limited” on Dec 18, 1990. The registered office is located at Mumbai, Maharashtra.
- **Business Activity:** The company is engaged in the manufacturing of solar PV modules and provide EPC and O&M services as well.
- **Revenue Stream:** The major revenue stream for the company is from solar PV modules through direct sales enterprises.
- **Human Resource:** The company had 1,752 full-time employees and 7,773 contract labours as of June 30, 2024.

Objects 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

Promoters Name -

Hitesh Chimanlal Doshi, Viren Chimanlal Doshi, Pankaj Chimanlal Doshi and Waaree Sustainable Finance Private Limited

Rationale for recommendation -

- ✓ The PE ratio is 26.98 post issue which makes it fairly priced.
- ✓ The top line, bottom line and profitability margins have seen sudden increase in FY2023 but that should not be a major concern.
- ✓ They are the largest manufacturer of solar PV modules.
- ✓ They have many expansion plans in the upcoming years.
- ✓ They also plan to enter green energy space.
- ✓ They have a strong presence in the United States.
- ✓ The company has vast experience in the industry.
- ✓ The management overview is satisfactory.
- ✓ The solar industry is growing and solar PV modules have a high demand.

IPO Details

Opening Date	Oct 21, 2024
Closing Date	Oct 23, 2024
Allotment Date	Oct 24, 2024
Listing Date	Oct 28, 2024
Stock Exchange	BSE, NSE
Lot Size	9 Shares
Issue Price Per Share	₹1,427 to ₹1,503
Issue Size	4,321.44 Cr.
Fresh Issue	3,600 Cr.
Offer for Sale	721.44 Cr.
Application Amt	₹ 13,527 – ₹ 1,89,378 (9 to 126 shares)

INDUSTRY – Solar Industry

Avg. PE ratio as per RHP – 151.13

KPI's	KPIs (In Crores)			
	FY 22	FY 23	FY 24	Jun-24
Revenue	2,854.27	6,750.87	11,397.6	3,408.90
EBITDA	110.95	834.64	1,574.42	552.48
Net Profit	79.65	500.28	1,274.38	401.13
RoCE	9.15%	26.92%	22.03%	8.43%
ROE	18.63%	27.21%	31.18%	8.94%
P/E	391.41	69.68	31.40	24.73*

*Annualized

Promoter Share Holding Pattern

Pre-Issue	Post Issue
71.80%	64.30%

Valuation Parameters

Particulars	Pre-Issue	Post Issue
EPS	47.86	55.71
BVPS	155.45	176.21
P/E	31.40	26.98
P/BV	9.67	8.53
Mkt Cap (In Cr)	39,578.66	43,178.66

Lead Managers -

1. Axis Capital Limited
2. IIFL Securities Limited
3. Jefferies India Private Limited
4. Nomura Financial Advisory and Securities (India) Private Limited
5. SBI Capital Markets Limited
6. Intensive Fiscal Services Private Limited
7. ITI Capital Limited

Registrar -

Link Intime India Private Limited

Business Overview –

Waaree Energies Limited is engaged in the manufacturing of solar PV modules. solar PV modules are currently manufactured using multicrystalline cell technology, monocrystalline cell technology and emerging technologies such as Tunnel Oxide Passivated Contact (“TopCon”) which helps reduce energy loss and enhances overall efficiency. They have the largest aggregate installed capacity of 12 GW, as of June 30, 2024.

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

Order Book: They have an order book of solar PV modules of 16.6 GW which included domestic orders, export orders, and franchisee orders and 3.75 GW of orders for their Subsidiary, Waaree Solar Americas Inc. located in the United States.

Manufacturing Unit and Capacity Utilization: They have 5 manufacturing facilities in India each located at Surat, Tumb, Nandigram and Chikhli, all in Gujarat and they have commissioned 1.3GW IndoSolar facility located in Noida, Uttar Pradesh. The average capacity utilization remains at 46.15%, 40.46%, and 43.37% for FY2022, 2023 and 2024 respectively.

Product Portfolio -

The 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.



All in One Solar Street Light



Solar Mobile Charger



Waaree Solar Bag VX

Revenue Bifurcation -

(Amt in Cr.)

Particulars	FY 2022		FY 2023		FY 2024	
	Amt	%	Amt	%	Amt	%
Direct Sales to Utilities and Enterprises	1,596.34	55.93	1,316.81	19.51	3,581.42	31.42
Export Sales	657.82	23.05	4,616.54	68.38	6,569.10	57.64
Retail Sales	582.52	20.41	672.49	9.96	1,157.08	10.15
Other revenue from operations	17.58	0.62	145.03	2.15	90.02	0.79
Total	2,854.27	100.00	6,750.87	100.00	11,397.61	100.00

Subsidiaries -

1. Waaree Clean Energy Solutions Private Limited (**WCESPL**)
2. Waaree Power Private Limited (**WPPL**)
3. Waaneep Solar One Private Limited (**WSPL**)
4. Sangam Solar One Private Limited (**SSPL**)
5. Waaree Energy Storage Solutions Private Limited (**WESSPL**)
6. Waaree Forever Energies Private Limited (**WFEPL**)
7. Waaree Green Aluminium Private Limited (**WGAPL**)
8. Rasila International Pte. Limited (**RIPL**)
9. Waaree Renewable Technologies Limited (**WRTL**)
10. Waaree Solar Americas Inc. (**Waaree Americas**)
11. Indosolar Limited (**Indosolar**)
12. Waaree Energies Middle East FZE (**WEME**)
13. Waasang Solar One Private Limited (“**WSOPL**”)
14. Sunsational Solar Private Limited (**SSPL**)
15. Sunsational Energy Private Limited (“**SEPL**”)

Competition -

1. **Market Competition:** The Solar industry is highly competitive. The competition depends on various factors, such as the quality of solar products, price and technical expertise.
2. **Geographic Competition:** The company faces competition from organized as well as unorganized players in both domestic as well as international market.
3. **Barriers to entry:** Moderate barriers to entry.
4. **Threat of Substitutes:** High threat of substitutes.
5. **Bargaining power of Suppliers:** The bargaining power is slightly high with the suppliers.
6. **Bargaining Power of Buyers:** The bargaining power is high with the customers.

Business Strategies -

1. The company intends to focus on backward integration strategy to achieve cost savings and improve profit margins. For this they have commenced increasing capacity at Chikhli Facility which is expected to be operational by the end of Fiscal 2025.
2. They are also setting-up a fully integrated 6 GW facility for the manufacture of ingots, wafer, solar cells and solar PV modules which is expected to commence commercial operations in Fiscal 2027 for which they are using part of net proceeds.
3. The company intends to upgrade the technology in existing manufacturing facilities, gradually phasing out production of multicrystalline modules driven by demand for advanced technologies and products and focus on increasing manufacturing of higher efficiency Mono PERC modules as well as other modules with emerging technology such as TopCon.
4. United States being their biggest export market, they are expanding global manufacturing presence, with the establishment of up to 1.6 GW facility in Houston, Texas in USA to manufacture solar PV modules which can be further expanded by an additional 1.4 GW subject to market conditions to a total of 3 GW installed capacity by Fiscal 2026 and 5 GW of solar module manufacturing facility by Fiscal 2027
5. They intend to strategically focus on states with high growth potential for rooftop business vertical, particularly Delhi, Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu.
6. They have entered into a term sheet dated July 26, 2024 with Dhari Solar Park Private Limited, their Group Company for the acquisition of a 36 MWp solar power project (yet to be commissioned), pursuant to a business transfer. This will be funded entirely by internal accruals.
7. They intend to expand their operations in green energy space by undertaking backward integration – polysilicon to module manufacturing, and manufacturing of green-hydrogen-electrolyser. They are planning to set up a Gigawatt scale electrolyser manufacturing facility based on most suitable technology (preferably Alkaline technology) to facilitate green energy transition.

Risk Factors -

The company is dependent on top 10 customers for majority of their revenue generation which contributed to 42.78%, 65.90% and 56.77% for FY2022, 2023 and 2024 respectively.

The company import their material requirements for manufacturing solar PV modules and is mostly dependent on China which contributed towards 80.23%, 34.46% and 54.08% of their cost of imports for FY2022, 2023 and 2024 respectively.

The company has 23 outstanding cases against it for criminal and tax matters amounting to Rs. 25.20 Cr and they have filed 4 cases regarding criminal and civil matters amounting to Rs. 32.20 Cr.

The subsidiaries have 39 cases against it for tax matters amounting to Rs. 0.11 Cr. and have filed 1 case regarding criminal matter amounting to Rs. 0.68 Cr.

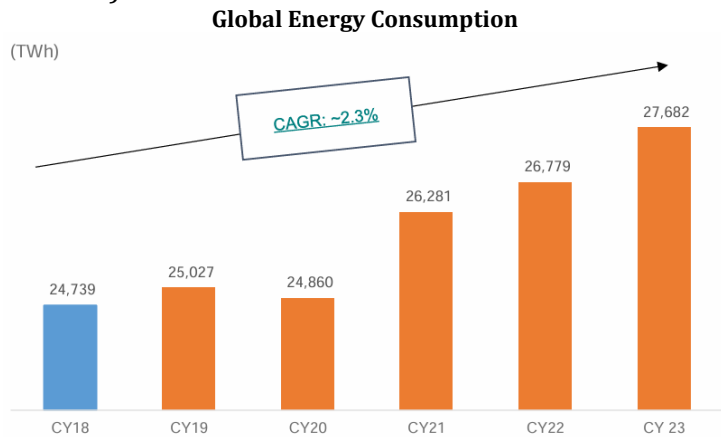
The promoters/ directors have 10 cases against them regarding criminal and tax matters amounting to Rs. 0.32 Cr.

The company has contingent liabilities of Rs. 173.49 cr.

INDUSTRY OVERVIEW

Global Solar Power Market -

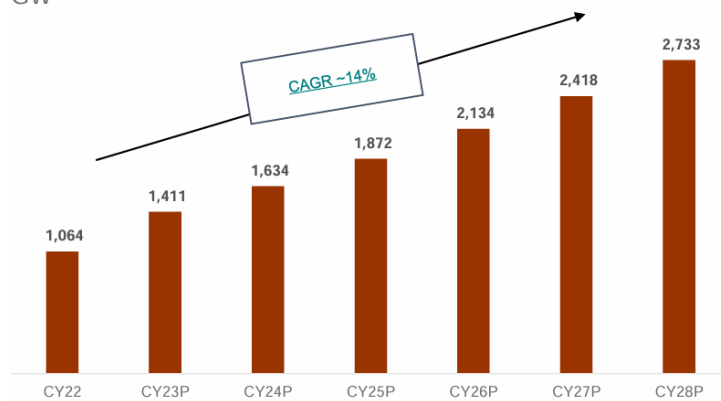
Global electricity demand grew by approximately 3.4% (+903 TWh) in 2023, similar to the average growth of 2.3% in the last five years (CAGR from 2019 to 2023).



(Source:RHP)

The IEA predicts that the global cumulative solar PV capacity would triple by 2028, surpassing natural gas by 2026 and coal by 2027.

Projected growth in global installed capacity base in solar PV GW



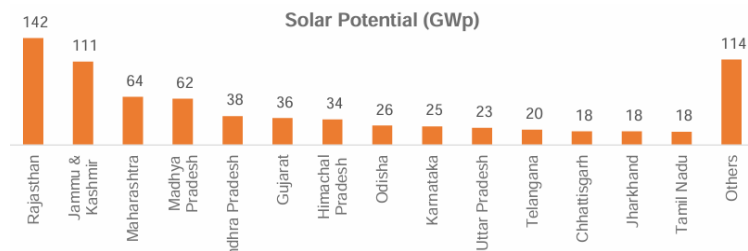
(Source:RHP)

Global Solar Module Manufacturing -

The global solar PV manufacturing capacity is projected to approach nearly 1,000 GW by 2024 a capacity sufficient to cater to the expected annual demand of nearly approximately 650 GW by the year 2030 as projected by International Energy Agency (“IEA”). In 2022, global solar PV manufacturing capacity increased by over 70% to reach almost 450 GW, with China accounting for over 95% of new facilities throughout the supply chain. Governments in the US, Europe and India have already begun to prioritise solar PV supply chain diversification, implementing policies such as India’s PLI scheme and the US IRA to provide direct financial incentives for domestic manufacturers to increase their competitiveness with Chinese counterparts.

Indian Solar Energy Capacity Additions -

India is endowed with vast solar energy potential. About 5,000 trillion kWh per year of energy is incident over the land area, with most parts receiving 4kWh to 7 kWh per square meter per day. Solar PV power can effectively be harnessed, with a huge scalability potential in India.

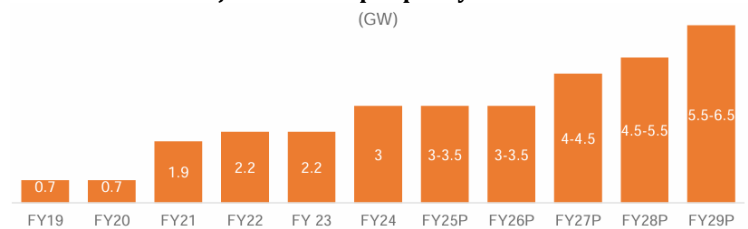


(Source:RHP)

Rooftop Solar PV Capacity additions in India -

CRISIL MI&A Consulting expects 20 GW to 22 GW of projects to be commissioned under the solar rooftop segment over the next five Fiscals (2025-2029), mainly led by industrial and commercial space of approximately 12 GW to 14 GW under net/gross metering schemes of various states; and the balance from GW added by residential rooftop consumers.

Projected rooftop capacity additions



(Source:RHP)

Indian Solar Module Manufacturing -

CRISIL MI&A Consulting expects solar PV manufacturing Capacity to reach 125 GW by Fiscal 2029, with full integration from polysilicon to modules expected to account for 30% of capacities, largely driven by PLIs. Achieving this is expected to require an investment of ₹17 trillion by Fiscal 2029. CRISIL MI&A Consulting expects module manufacturing capacity to grow twice by Fiscal 2029 with approximately 25% of the capacity to be fully integrated and integrated units to come only subsequent to Fiscal 2025. Gujarat will be at the epicentre of additions with approximately 55% to 60% additions in the next five Fiscals.

Key Management -

- The overall management of the company is satisfactory.
- The promoter and management has good experience.



Key Management Persons Name -	Hitesh Chimanlal Doshi
Age	57
Designation and No. of experience	Promoter, Chairman and Managing Director, 22+ years of experience in engineering industry.
Qualification	Bachelor's degree in commerce and Doctorate in professional entrepreneurship in business project management
Responsibility	Overseeing the Company's financial performance, investments and other business ventures, providing strategic advice to the Board, developing and executing business strategies and establishing policies and legal guidelines.
Other Directorships	All India Solar Industries Association, Indosolar Limited, Jito Digital Connect Limited etc.

Key Management Persons Name -	Viren Chimanlal Doshi
Age	55
Designation and No. of experience	Promoter and Whole-Time Director, 15+ years of experience in engineering industry
Qualification	Passed Higher Secondary exam
Responsibility	Responsible for overseeing the engineering, procurement and construction of the solar projects of the Company, its Subsidiaries and other companies within the group.
Other Directorship	Indosolar Limited, Omntec Waaree ATG Private Limited, Waaneep Solar One Private Limited etc.

Key Management Persons Name -	Hitesh Pranjivan Mehta
Age	59
Designation and No. of experience	Whole-Time Director, 23+ years of experience in the field of engineering, solar and oil industries
Qualification	Bachelor's degree in commerce, Member of ICAI
Responsibility	Responsible for leading Company's short and long-term strategy and setting strategic goals.
Other Directorships	Indosolar Limited, Saswata Solar Private Limited, Waaneep Solar One Private Limited etc.

Key Management Persons Name -	Arvind Ananthanarayanan
Age	42
Designation and No. of experience	Non-Executive Director, 18+ years of experience in applied physics
Qualification	Master's degree of science in physics and a Doctorate in philosophy (science)
Responsibility	Oversees the finance activities and performance of the Company
Previous Associations	Bhabha Atomic Research Centre

Key Management Persons Name -	Sujit Kumar Varma
Age	63
Designation and No. of experience	Independent Director, 35+ years of experience in banking industry
Qualification	Bachelor's degree in Arts
Other Directorships	Capri Global Asset Reconstruction Private Limited, Evyavan Assets Management Limited, L&T Metro Rail (Hyderabad) Limited etc.

Key Management Persons Name -	Rajender Mohan Malla
Age	71
Designation	Independent Director
Qualification	Bachelor's degree in commerce, Master's degree in business administration and certified associate of Indian Institute of Bankers
Other Directorships	Adani Airports Holdings Limited, Adani Capital Private Limited, Centillion Finance Private Limited etc.

Key Management Persons Name -	Jayesh Dhirajlal Shah
Age	59
Designation and No. of experience	Independent Director, 34+ years of experience in taxation, audit, project finance and compliance services
Qualification	Bachelor's degree in commerce and Chartered Accountant
Other Directorships	Indosolar Limited, Waaree Green Aluminium Private Limited and Waaree Technologies Limited

Key Management Persons Name -	Richa Manoj Goyal
Age	49
Designation	Independent Director
Qualification	Bachelor's degree in commerce, Bachelor's degree in law and Company Secretary
Other Directorships	Ami Organics Limited, Bazaar Style Retail Limited, Bikaji Foods International Limited etc.

FINANCIAL SNAPSHOT**Statement of Profit and Loss****Amt in Crores**

Particulars	FY 22	FY 23	FY 24	Jun-24
Revenue from Operations	2,854.27	6,750.873	11,397.61	3,408.90
Other Income	91.59	109.49	235.15	87.51
Total Income	2,945.85	6,860.36	11,632.76	3,496.41
Expenses				
Cost of Material Consumed	1,793.85	5,897.32	8,356.49	1,796.28
Purchase of Stock-in-trade	459.24	260.67	965.31	206.57
Changes in Inventories of WIP, Finished Goods & Stock in Trade	63.60	-1,006.90	-561.99	510.28
Other manufacturing and Engineering, Procurement and construction project Expense	71.73	165.26	254.05	69.24
Employee Benefit Expenses	56.91	123.79	177.15	63.33
Finance Cost	40.89	82.27	139.91	33.70
Depreciation and amortisation expense	43.27	164.13	276.81	75.77
Sales, administration and other expenses	297.99	476.10	632.18	210.73
Total Expenses	2,827.48	6,162.63	10,239.90	2,965.88
EBITDA	110.95	834.64	1,574.42	552.48
EBITDA Margin	3.89%	12.36%	13.81%	16.21%
Profit/(Loss) before tax and exceptional items	118.37	697.73	1,392.86	530.53
Exceptional Items	-	-20.58	341.34	-
Profit/(Loss) before tax	118.37	677.15	1,734.20	530.53
Tax Expense				
Current tax	33.90	167.71	539.47	137.40
Tax for earlier years	0.05	-0.26	-0.001	-12.03
Deferred Tax	4.78	9.43	-79.65	4.03
Total Tax	38.72	176.87	459.82	129.40
Profit/(Loss) for the year	79.65	500.28	1,274.38	401.13
Net Profit Margin	2.70%	7.29%	10.96%	11.47%

Statement of Assets and Liabilities**Amt in Crores**

Particulars	FY 22	FY 23	FY 24	Jun-24
EQUITY AND LIABILITIES				
1. Shareholders' funds				
Share Capital	197.14	243.37	262.96	263.14
Other Equity	230.51	1,595.04	3,824.85	4,221.61
Total Shareholder's Fund	427.65	1,838.41	4,087.81	4,484.75
Non-Controlling Interest	12.21	23.44	60.68	67.66
Total Equity	439.85	1,861.85	4,148.49	4,552.40
2. Non-current liabilities				
Financial Liabilities				
(i) Borrowings	188.97	145.83	102.60	93.48
(ii) Lease Liabilities	42.70	38.05	207.47	224.29
(ii) Other financial liabilities	-	-	51.33	48.79
Provisions	41.43	69.26	108.10	120.37
Deferred tax liabilities	26.41	47.94	37.10	36.84
Other non-current liabilities	0.41	327.75	1,235.49	964.02
Total Non-current liabilities	299.91	628.83	1,742.10	1,487.78
3. Current liabilities				
Financial Liabilities				
(i) Borrowings	124.11	127.65	214.72	167.76
(ii) Lease Liabilities	7.63	8.74	28.59	27.72
(iii) Trade Payables				
(a) Outstanding Dues to MSME	9.62	65.71	96.69	59.16
(b) Outstanding Dues to other than MSME	525.14	1,365.91	1,378.54	1,803.05
(iv) Supplier's credit/ LOC - Acceptances	57.71	585.78	538.59	388.18
(v) Other Financial Liabilities	88.11	298.66	509.31	490.14
Provisions	1.65	27.90	224.51	207.97

Particulars	FY 22	FY 23	FY 24	Jun-24
Other current liabilities	663.94	2,363.47	2,142.37	2,425.25
Current Tax Liabilities (net)	19.73	85.41	289.82	380.08
Total Current liabilities	1,497.63	4,929.24	5,423.14	5,949.29
Total Liabilities	1,797.55	5,558.07	7,165.24	7,437.08
Total Equity and Liabilities	2,237.40	7,419.92	11,313.73	11,989.48
ASSETS				
1. Non-current assets				
Property, Plant and Equipment	564.83	991.22	1,149.35	1,145.39
Capital work-in-progress	122.66	537.04	1,341.29	1,610.17
Right-to-use assets	46.52	100.19	287.03	443.17
Investment Property	0.35	0.35	0.35	0.35
Intangible Assets	6.58	7.17	6.78	6.66
Intangible assets under development	1.10	0.15	0.15	0.15
Goodwill on consolidation	6.34	6.34	6.34	6.34
Financial Assets				
(i) Current Investments	10.00	-	-	-
(ii) Trade Receivables	4.49	-	-	-
(iii) Security Deposit	5.42	9.90	23.11	21.84
(iv) Other financial assets	36.05	157.41	90.88	187.34
Deferred Tax Assets	18.03	14.28	83.21	78.76
Income Tax Assets (Net)	1.48	0.07	0.09	0.15
Other non-current assets	69.40	112.87	312.07	209.50
Total Non-Current assets	893.23	1,936.98	3,300.64	3,709.82
2. Current assets				
Inventories	538.17	2,708.87	2,585.53	2,663.68
Financial Assets				
(i) Current Investments	133.16	31.06	71.15	12.06
(ii) Trade receivables	92.52	312.61	971.39	1,090.53
(iii) Cash and cash equivalents	139.19	253.65	121.39	195.66
(iv) Bank balances other than (ii)	227.18	1,482.76	3,657.78	3,590.00
(v) Loans	16.06	13.67	24.66	20.78
(vi) Other financial assets	45.61	53.49	76.38	55.82
Other Current Assets	152.28	620.03	504.34	651.12
Assets classified as held for sale	-	6.80	0.47	-
Total Current assets	1,344.17	5,482.94	8,013.08	8,279.66
Total Assets	2,237.40	7,419.92	11,313.72	11,989.48

Cash Flow Statement

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Jun-24
Net Cash Flow from Operating Activities	700.86	1,560.23	2,305.02	458.20
Net Cash Flow from Investing Activities	-674.86	-2,093.82	-3,340.25	-297.88
Net Cash Flow from Financing Activities	98.52	642.48	909.18	-92.89

Key Ratios

Per Share Data	FY 22	FY 23	FY 24	Valuation Ratios (x)	FY 22	FY 23	FY 24
Diluted EPS	3.84	21.57	47.86	EV/EBITDA	3.37	0.45	0.40
BV per share	21.69	75.54	155.45	Market Cap / Sales	15.13	6.40	3.79
Operating Ratios				P/E	391.41	69.68	31.40
EBITDA Margins	3.89%	12.36%	13.81%	Price to Book Value	69.29	19.90	9.67
PAT Margins	2.70%	7.29%	10.96%	Solvency Ratios			
Inventory days	68.82	146.46	82.80	Debt / Equity	0.73	0.15	0.08
Debtor days	11.83	16.90	31.11	Current Ratio	0.90	1.11	1.48
Creditor days	78.49	71.37	62.35	Quick Ratio	0.54	0.56	1.00
Return Ratios				Asset Turnover	1.28	0.91	1.01
RoCE	9.15%	26.92%	22.03%	Interest Coverage Ratio	1.66	3.99	17.14
RoE	18.63%	27.21%	31.18%				

FINANCIAL ANALYSIS –

1. The top line has seen sudden increase by 136.52% in FY2023 and there was an increase of 68.83% in FY2024 which was due to an increase in sale of solar power products, sale of services and sale – EPC project. Also, their export sales increased and United States implementing tariff barriers to reduce their reliance on China. Also, their installed capacity increased from 4GW to 9 GW in FY2023 and 9 GW to 12 GW in FY2024 which helped them increase their production over the years.
2. The net profit growth has also increased over the years by 528.09% in FY2023 and by 154.73% in FY2024. The sudden increase should not be a major concern.
3. The PAT margin and EBITDA margin have also increased over the years and seen a sudden increase for FY2023.
4. The RoCE has seen a slight dip for FY2024 and RoE has increased consistently over the years.
5. The PE ratio has improved over the years.

PEER ANALYSIS

Particulars	Waaree Energies Limited			Websol Energy System Limited			Premier Energies Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	2.8%	7.7%	8.2%	4.4%	-117.1%	-451.0%	-1.9%	-0.9%	7.3%
EBITDA Margin	3.9%	12.4%	13.8%	14.7%	-60.8%	-416.7%	7.1%	7.8%	16.0%
RoCE	4.8%	22.4%	22.0%	7.6%	-13.2%	-54.3%	3.3%	5.7%	24.9%
ROE	18.1%	28.0%	22.5%	5.0%	-12.4%	-112.3%	-3.6%	-3.1%	35.8%
EPS (INR)	3.84	21.57	47.86	2.85	-6.28	-29.87	-0.56	-0.49	8.78
P/E	391.41	69.68	31.40	34.68	-	-	-	-	-

Interpretation –

- The company is not comparable to Websol Energy System as it is under loss for FY2023 and FY2024.
- The market cap of the company is less compared to Premier Energies Limited.
- The cash conversion cycle of the company is better than Premier Energies Limited.
- The NP Margin and EBITDA margin of the company had increased suddenly for FY2023 and similar increase was seen for Premier Energies for FY2024.
- As Oct 18, 2024, the PE ratio of the company is less than Premier Energies Limited.
- The RoCE and ROE is higher compared to Websol Energy System.

LEAD MANAGER TRACK RECORD -

The lead managers to the issue are Axis Capital Limited, IIFL Securities Limited, Jefferies India Private Limited, Nomura Financial Advisory and Securities (India) Private Limited, SBI Capital Markets Limited, Intensive Fiscal Services Private Limited and ITI Capital Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

Axis Capital Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bajaj Housing Finance Limited	6,560.00	70.00	Sep 16, 2024	139.90
2.	Bazaar Style Retail Limited	834.68	389.00	Sep 06, 2024	361.15
3.	Interarch Building Products Limited	600.29	900.00	Aug 26, 2024	1,612.85

The company has handled 42 mandates in the past three years (including the current year).

IIFL Securities Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bajaj Housing Finance Limited	6,560.00	70.00	Sep 16, 2024	139.90
2.	ECOS (India) Mobility & Hospitality Limited	601.20	334.00	Sep 04, 2024	459.70
3.	Unicommerce eSolutions Limited	276.57	108.00	Aug 13, 2024	217.05

The company has handled 35 mandates in the past three years (including the current year).

Jefferies India Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Emcure Pharmaceuticals Limited	1,952.03	1,008.00	Jul 10, 2024	1,479.05
2.	TBO Tek Limited	1,550.81	920.00	May 15, 2024	1,742.00
3.	Vodafone Idea Limited	18,000.00	11.00	Apr 25, 2023	9.12

The company has handled 7 mandates in the past three years (including the current year).

Nomura Financial Advisory and Securities (India) Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Aadhar Housing Finance Limited	3,000.00	315.00	May 15, 2024	458.20
2.	Indegene Limited	1,841.76	452.00	May 13, 2024	695.65
3.	Protean eGov Technologies Limited	490.33	792.00	Nov 13, 2023	1,964.30

The company has handled 6 mandates in the past three years (including the current year).

SBI Capital Markets Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bajaj Housing Finance Limited	6,560.00	70.00	Sep 16, 2024	164.99
2.	Ola Electric Mobility Limited	6,145.56	76.00	Aug 09, 2024	91.18
3.	Bansal Wire Industries Limited	745.00	256.00	Jul 10, 2024	428.10

The company has handled 22 mandates in the past three years (including the current year).

Intensive Fiscal Services Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bazaar Style Retail Limited	834.68	389.00	Sep 06, 2024	361.15
2.	Gopal Snacks Limited	650.00	401.00	Mar 14, 2024	444.70
3.	Yatharth Hospital and Trauma Care Services Limited	686.55	300.00	Aug 07, 2023	630.75

The company has handled 4 mandates in the past three years (including the current year).

ITI Capital Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Allied Blenders and Distillers Limited	1,500.00	281.00	Jul 02, 2024	334.00
2.	Suraj Estate Developers Limited	400.00	360.00	Dec 26, 2023	799.25
3.	Hariom Pipe Industries Limited	130.05	153.00	Apr 13, 2022	647.65

The company has handled 3 mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 16th Oct 2024.

As per the offer document, the above-mentioned mandates Gopal Snacks Limited and Suraj Estate Developers Limited have opened at a discount and the remaining all have opened at a premium on the listing day.

Recommendation -

Waaree Energies Limited has been in the industry since 1990 and has vast experience in the industry. The management overview of the company is satisfactory.

The P/E on a post-IPO basis is around 26.98 times which makes it fairly priced compared to its peer's average PE.

The company's top line, bottom line and profitability margins of the company has seen a sudden increase in FY2023 but that should not be a major concern. The peer company Premier Energies had also seen an increase in FY2024.

The company is the largest manufacturer of solar PV modules in India with the largest aggregate installed capacity of 12 GW as of June 2024. The company has many expansion plans in the upcoming years (Refer to business strategy section).

Thus, investors can **APPLY** to this IPO.

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