



SOLARWORLD ENERGY SOLUTIONS LIMITED

BUSINESS MODEL

- Core Business:** End-to-end solar energy solutions focusing on EPC (Engineering, Procurement, and Construction) services
- Operations:** Project design, equipment procurement, installation, commissioning and O&M services for solar power projects
- Project Types:** Ground-mounted and rooftop solar installations for PSUs and commercial & industrial clients
- Execution Capabilities:** Completed projects of 253.67 MW AC/336.17 MW DC; ongoing projects of 765 MW AC/994 MW DC
- Backward Integration:** Solar panel manufacturing operational; upcoming 1.2 GW solar cell manufacturing facility

ADVANTAGES OF SOLARWORLD ENERGY SOLUTIONS

Dual Business Models

CAPEX model (customer-owned) and RESCO model (company-owned with PPA) offering flexibility to clients

Integrated Value Chain

Backward integration into manufacturing enhances margins and ensures supply security

Technical Expertise

Strong project execution capabilities with 336.17 MW DC completed projects and expanding portfolio

High Growth Sector

Positioned in rapidly growing solar energy sector with strong government policy support

REVENUE MODEL

- EPC Services:** Turnkey solar project construction contracts (₹477.93 Cr in FY25)
- Product Sales:** Solar panels/modules and cells (₹61.05 Cr in FY25)
- O&M Services:** Post-commissioning support under multi-year contracts (₹5.70 Cr in FY25)
- Project Execution:**
- CAPEX Model: Turnkey solutions with customer ownership
 - RESCO Model: Company installs, owns & operates projects, selling power via long-term PPAs
- O&M Services:** Bundled with ~95% of EPC projects for 2-5 year periods

IPO DETAILS

Total Offer Size:	₹490 Cr
Fresh Issue:	₹440 Cr
Offer for Sale:	₹50 Cr
Market Cap:	₹2,602 Cr
Issue Type:	Book Building

Face Value:	₹5 per share
Share Price:	₹351
EPS (FY25):	₹10.68
P/E Ratio:	33.8x
Listing:	NSE & BSE

*Based on Red Herring Prospectus dated September 17, 2025.

FINANCIAL HIGHLIGHTS (FY23-25)

REVENUE FROM OPS.

₹544.77 Cr
(FY25)

PAT

₹77.05 Cr
(FY25)

ROE

40.27%
(FY25)

BUSINESS MODEL & OPERATIONS

SOLAR EPC SERVICES

End-to-End Solar Solutions

Solarworld Energy Solutions offers comprehensive turnkey solutions for solar power projects, established in 2013. The company specializes in:

- Engineering: Designing optimal solar plant layouts
- Procurement: Sourcing high-quality components
- Construction: Installation and commissioning
- Operations & Maintenance: Post-commissioning support

Completed Projects: 253.67 MW AC / 336.17 MW DC
Ongoing Projects: 765 MW AC / 994 MW DC
Battery Storage: 325 MW / 650 MWh

DELIVERY MODELS

01

CAPEX Model

Customer-owned solar projects where Solarworld provides end-to-end EPC services. Includes design, installation, commissioning, and grid connectivity. Plant ownership remains with the customer.

02

RESCO Model

Solarworld invests in, builds, owns, and operates the solar plant. Customers sign long-term PPAs (Power Purchase Agreements) to buy electricity at agreed rates with no upfront investment.

CLIENT SEGMENTS

Public Sector Undertakings

Major government clients including SJVN Green Energy Limited (key customer)

Commercial & Industrial

Private sector clients seeking renewable energy solutions for operational facilities

OPERATIONS & EXPANSION

OPERATIONS & MAINTENANCE SERVICES

Solarworld provides comprehensive O&M services to ensure long-term performance and reliability of solar power plants:

- 95% of EPC projects bundled with O&M services
- Service contracts ranging from 2-5 years
- Performance monitoring and optimization
- Preventive and corrective maintenance
- Provides stable, recurring revenue streams

MANUFACTURING EXPANSION

Solar Panel Manufacturing: Operational facility in partnership with ZNSHINE PV-Tech Co. Limited (July 21, 2025)

Upcoming 1.2 GW Solar Cell Facility: New TopCon cell manufacturing unit planned in Pandhurna, Madhya Pradesh (primary IPO objective)

Vertical Integration Strategy: Moving up the value chain to secure supply, improve margins, and capitalize on government incentives

BESS Capabilities: Expanding into Battery Energy Storage Systems with ongoing projects of 325 MW/650 MWh

COMPETITIVE ADVANTAGES



End-to-End Solutions



Dual Business Models



Vertical Integration

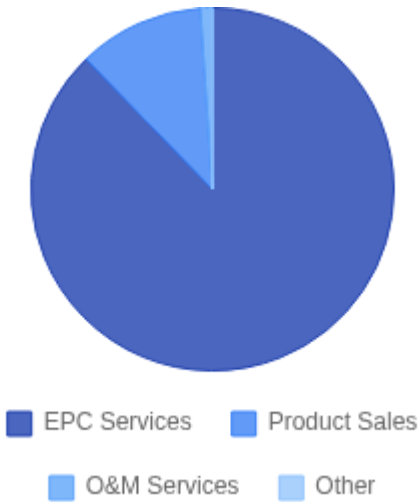


Execution Excellence

REVENUE MODEL

REVENUE STREAMS

Revenue Composition FY 2025



Source: Solarworld Energy Solutions RHP, September 2025

REVENUE MODEL DETAILS

KEY REVENUE SOURCES

- 1

EPC Services
₹477.93 crores (87.73%)
Turnkey solar project construction contracts under CAPEX and RESCO models. Core business segment with strong growth driven by government and C&I clients.
- 2

Product Sales
₹61.05 crores (11.21%)
Sale of solar panels and cells from manufacturing operations. Significant growth area with 19,530% YoY increase from FY24 following backward integration into manufacturing.
- 3

O&M Services
₹5.70 crores (1.05%)
Recurring revenue from operations and maintenance contracts, typically bundled with EPC projects for 2-5 year periods. 29% growth from FY24 with expanding installed base.
- 4

Other Revenue
₹0.09 crores (0.02%)
Ancillary income including sale of scrap materials from project operations.

BUSINESS MODEL INTEGRATION

- CAPEX Model:** One-time revenue recognition based on project completion milestones
- RESCO Model:** Long-term recurring revenue through PPAs with fixed tariff rates
- Vertical Integration:** Manufacturing capability now provides both internal supply security and external revenue stream
- Value Chain:** Moving up the value chain with planned manufacturing expansion to enhance margins and control

REVENUE SUMMARY (FY 2025)

₹544.77 Cr	9%	19.6%	14.1%	40.27%
Total Revenue	YoY Growth	EBITDA Margin	PAT Margin	ROE

INDIAN SOLAR INDUSTRY ANALYSIS

SOLAR ENERGY MARKET

India's Solar Capacity Growth (GW)



Source: Ministry of New & Renewable Energy, 2025

KEY MARKET INSIGHTS

Installed Capacity: 105.65 GW as of March 2025, with 23.8 GW added in FY25

2030 Target: Government targets 280 GW solar capacity as part of 500 GW non-fossil fuel goal

Future Growth: Expected addition of 170-180 GW new solar capacity over FY26-FY30

Total Addressable Market: Based on average cost of ₹4.5-5 Cr/MW, the 170-180 GW capacity addition represents a TAM of approximately ₹7.5-9.0 lakh Cr over next 5 years

Market Growth: Indian renewable energy market projected to grow at 8.1% CAGR (2025-2033)

POLICY SUPPORT

PLI Scheme

₹24,000 crore incentives for domestic manufacturing of high-efficiency modules

ALMM Listing

Approved List of Models & Manufacturers to promote domestic production

BCD on Imports

Basic Customs Duty on imported solar cells and modules

Net Metering

Supportive policies for rooftop solar installations across states

COMPETITIVE LANDSCAPE

MAJOR EPC PLAYERS

T1

Tier 1 Players (>12 GW)

Tata Power Solar, Sterling & Wilson Renewable Energy

Leading market position with strong execution capabilities and large-scale project experience

T2

Tier 2 Players (1-12 GW)

Waaree Renewables, L&T, Mahindra Susten, Jakson Green, Rays Power

Well-established players with growing portfolios and specialized capabilities

T3

Tier 3 Players (<1 GW)

Solarworld, KPI Green, Prozeal Infra, Gensol

Emerging players with specialized focus and growing capacity

MODULE MANUFACTURING

Total capacity: ~101 GW (Aug 2025)

- Waaree Energies
- Tata Power Solar
- Adani Solar (Mundra)
- ReNew Photovoltaic
- First Solar

CELL MANUFACTURING

Total capacity: ~25 GW (2025)

- Premier Energies
- Waaree Energies
- Tata Power Solar
- Adani Solar
- Jupiter Solar

TECHNOLOGY TRENDS

TopCon solar cell technology is becoming dominant, projected to capture 70-80% market share by 2025-26.

101 GW	25 GW	23.8 GW	40-45%
Module Capacity	Cell Capacity	Added in FY25	3rd Party EPC Share

MANAGEMENT & PROMOTERS

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

- KT

Kartik Teltia

Managing Director

Chartered Accountant with over 10 years of experience in the solar sector. Leads strategic initiatives and company operations.
- RJ

Rishabh Jain

Whole-time Director

Chartered Accountant with 10+ years of experience in finance and operations. Oversees day-to-day business activities.

NON-EXECUTIVE DIRECTORS

- Sushil Kumar Jain

Finance & Taxation Expert
- Mangal Chand Teltia

Business Development

INDEPENDENT DIRECTORS

- Ramakant Pattanaik

Ex-Indian Navy Vice Admiral
- Rini Chordia

IIT Delhi, ISB Graduate

KEY MANAGERIAL PERSONNEL

- MG

Mukut Goyal

Chief Financial Officer
- VB

Varsha Bharti

Company Secretary

PROMOTER GROUP

INDIVIDUAL PROMOTERS

- KT

Kartik Teltia

Managing Director & Key Promoter
- RJ

Rishabh Jain

Whole-time Director & Promoter
- MCT

Mangal Chand Teltia

Non-Executive Director & Promoter
- SKJ

Sushil Kumar Jain

Non-Executive Director & Promoter
- AJ

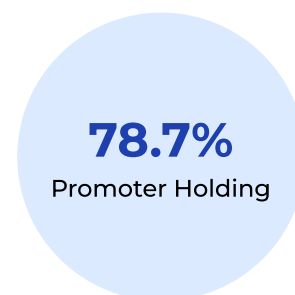
Anita Jain

Promoter

CORPORATE PROMOTERS

- Pioneer Facor IT Infradevelopers Private Limited
- Pioneer Securities Private Limited
- Pioneer Fincap Private Limited

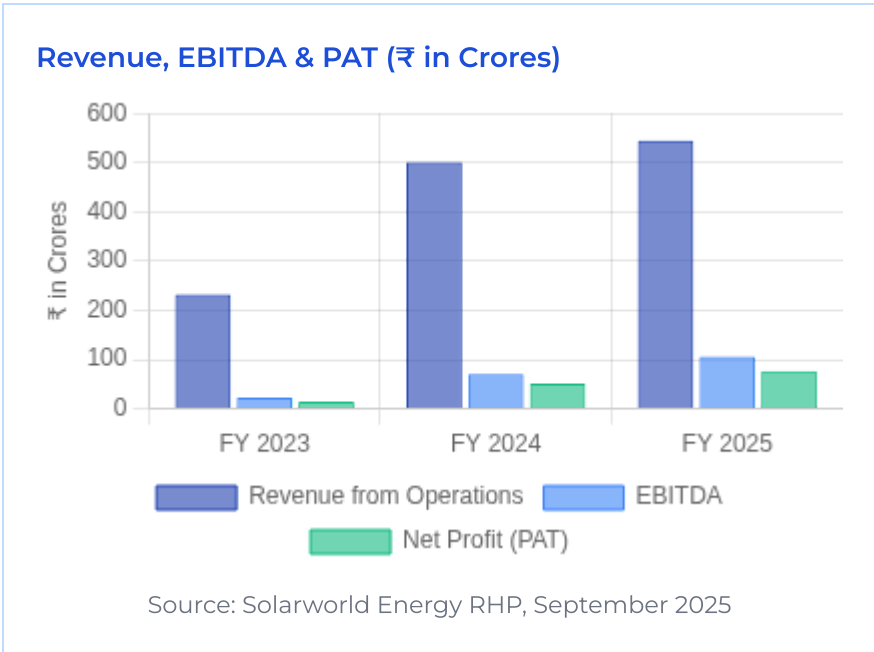
OWNERSHIP STRUCTURE



Promoters hold 58,339,886 Equity Shares
Out of total 74,137,042 pre-offer shares

FINANCIAL PERFORMANCE (FY23-FY25)

3-YEAR FINANCIAL SNAPSHOT



KEY METRICS

EBITDA MARGINS (%)

9.8%
(FY23)

14.2%
(FY24)

19.6%
(FY25)

KEY PERFORMANCE INDICATORS (FY25)

Return on Net Worth

40.27%

Revenue CAGR (FY23-25)

53.10%

PAT CAGR (FY23-25)

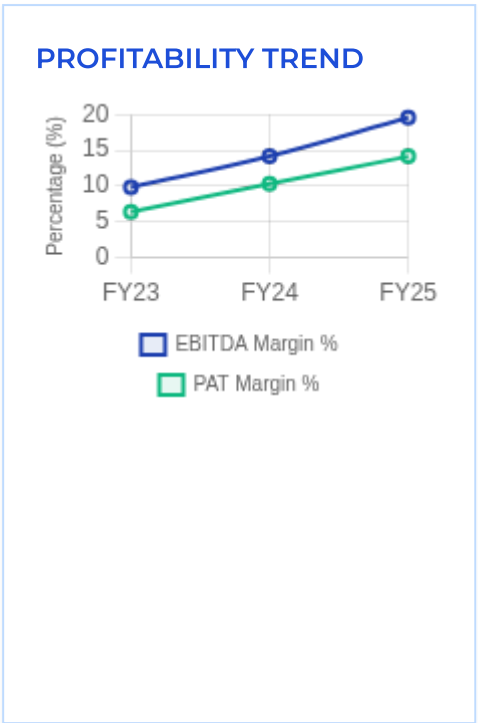
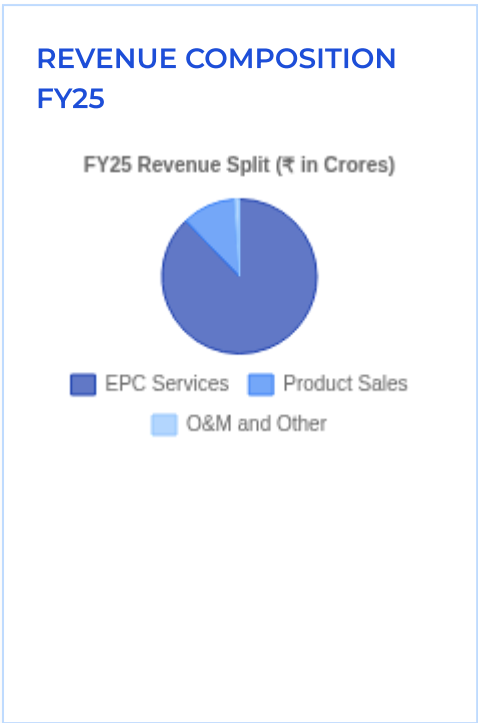
128.16%

Debt-Equity Ratio

0.37

DETAILED FINANCIAL PERFORMANCE (₹ IN CRORES)

Particulars	FY23	FY24	FY25
Revenue from Operations	232.46	501.02	544.77
YoY Growth (%)	-	115.53%	8.73%
EBITDA	22.88	71.09	106.75
EBITDA Margin (%)	9.84%	14.19%	19.59%
PAT	14.84	51.69	77.05
PAT Margin (%)	6.38%	10.32%	14.14%
Net Worth	21.91	73.60	309.07
Total Assets	120.43	155.02	598.02



FINANCIAL HIGHLIGHTS

- Strong revenue growth with 53.1% CAGR (FY23-25)
- EBITDA margin improved from 9.8% to 19.6%
- PAT grew at impressive 128.2% CAGR (FY23-25)
- Return on Net Worth stands at robust 40.27%
- Consistent improvement in operational efficiency
- Significant increase in net worth and total assets in FY25

KEY RISK FACTORS

CRITICAL INVESTMENT RISKS



Customer Concentration Risk

In FY25, 79.19% of revenue came from a single customer (SJVN Green Energy Limited). Loss of this key customer could severely impact business operations and financial performance.



Project Execution & Cost Risks

EPC projects face potential cost overruns, execution delays, performance guarantee failures, and unforeseen site challenges. These issues could significantly impact profitability and reputation.



Geographic Concentration

Historically, a large portion of business is from Uttar Pradesh. Regional policy changes, natural disasters, or market saturation in this area could adversely affect operations.

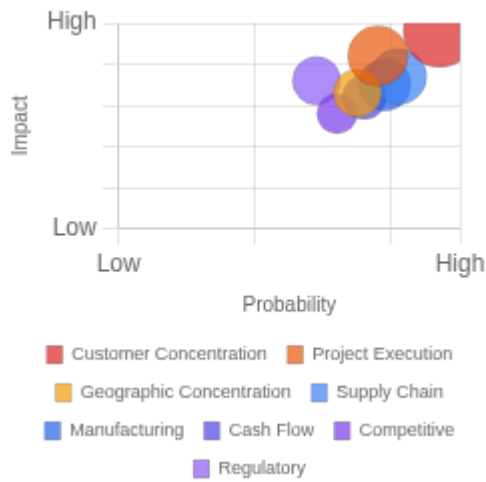


Supply Chain Vulnerability

High dependence on suppliers for modules, cells, and components. Raw material price volatility, supply disruptions, and import restrictions (especially from China) can impact costs and project timelines.

RISK ASSESSMENT

Risk Impact Matrix



Based on management disclosures and industry analysis

BANK GUARANTEES & CONTINGENT LIABILITIES

The company has significant exposure to:

- Performance guarantees on EPC contracts
- Bank guarantees for bid securities
- Warranties on installed systems
- Contingent liabilities related to ongoing projects

Any failure to meet contractual obligations could trigger these guarantees, impacting financial stability.

OTHER KEY RISKS

Property & Operational Risk

Main offices and facilities are on leasehold properties, creating potential business disruption risk if leases are not renewed on favorable terms.

Seasonal & Weather Impacts

Installation activities are affected by monsoons and extreme weather, potentially causing project delays and seasonal revenue fluctuations.

Technology Obsolescence

Rapid evolution of solar technology could render current equipment or manufacturing investments outdated before achieving ROI.

ADDITIONAL RISK CONSIDERATIONS

5

Manufacturing Inexperience

Limited experience in manufacturing; significant capex for new cell facility

6

Cash Flow Challenges

Historical negative operating cash flows; working capital mismatch risks

7

Competitive Intensity

Highly competitive EPC market with established players and thin margins

8

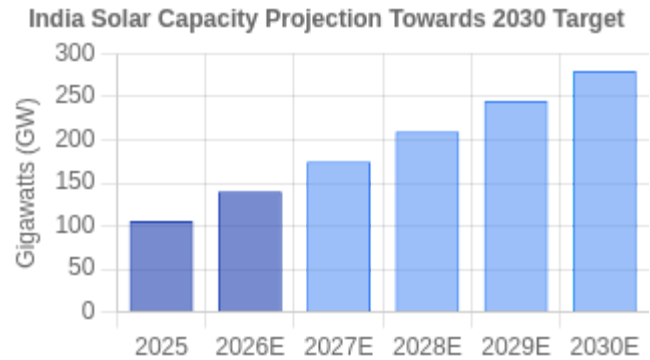
Regulatory Changes

Dependency on favorable government policies and incentives

GROWTH DRIVERS & OPPORTUNITIES

MARKET & POLICY DRIVERS

INDIA'S AMBITIOUS RENEWABLE TARGETS



Source: Ministry of New and Renewable Energy, CRISIL Research 2025

STRONG POLICY SUPPORT

PLI Scheme for Solar Manufacturing: Production-linked incentives promoting domestic manufacturing of cells and modules

ALMM Policy: Approved List of Models and Manufacturers providing market protection for domestic producers

Basic Customs Duty (BCD): 20% on solar modules, 20% on cells to reduce import dependence

BESS Integration Requirements: New tenders mandating battery storage components

Net Metering Policies: Favorable regulations for rooftop solar deployment

ADDRESSABLE MARKET SIZE

170-180
GW

New Solar Capacity
(FY26-FY30)

₹3-3.5
Lakh Cr

Addressable EPC Opportunity
(Third-Party EPC Market)

EPC services represent ~40-45% of total market, with expected 15% CAGR through 2030

COMPANY GROWTH STRATEGIES

VERTICAL INTEGRATION

- 01

MODULE MANUFACTURING
Operational facility in partnership with ZNSHINE PV-Tech - secures supply chain and enhances margins
- 02

CELL MANUFACTURING EXPANSION
Planned 1.2 GW TopCon cell facility in Pandhurana, MP - moving up value chain with higher technology
- 03

BATTERY ENERGY STORAGE SYSTEMS
Expansion into BESS with ongoing projects of 325 MW/650 MWh - addressing growing demand for storage solutions

CUSTOMER BASE DIVERSIFICATION

Recent expansion with orders from four new customers representing 88.54% of order book (as of July 31, 2025):



Reducing dependency on SJVN Green Energy Limited (previously >75% of revenue) and expanding geographic presence beyond Uttar Pradesh

TECHNOLOGY ADVANCEMENT

Solarworld is investing in TopCon cell technology, projected to capture 70-80% of global market by 2028:

TopCon Technology
Higher efficiency (23-24%) and better performance ratio compared to conventional modules

Smart O&M
AI/ML-driven operations & maintenance enhancing plant performance and reliability

Expanding O&M Business
Focus on recurring revenue through expanding O&M service contracts

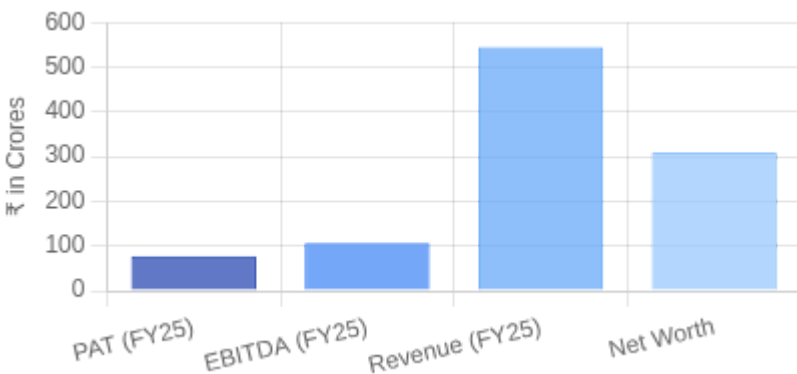
Factory Automation
Smart manufacturing techniques for quality and efficiency improvement

VALUATION ANALYSIS

IPO VALUATION HIGHLIGHTS

Issue Structure & Key Metrics

Offer Size:	₹490 Cr	Shares Outstanding:	7.41 Cr
Fresh Issue:	₹440 Cr	IPO Price:	₹351 per share
Offer for Sale:	₹50 Cr	Market Cap:	₹2,602 Cr



Source: Solarworld Energy Solutions RHP, September 2025

KEY FINANCIAL RATIOS

PROFITABILITY & EFFICIENCY METRICS

Earnings Per Share (FY25)	₹10.68
Return on Net Worth	40.27%
Net Asset Value Per Share	₹41.69
EBITDA Margin (FY25)	19.60%
P/E Ratio	33.8x

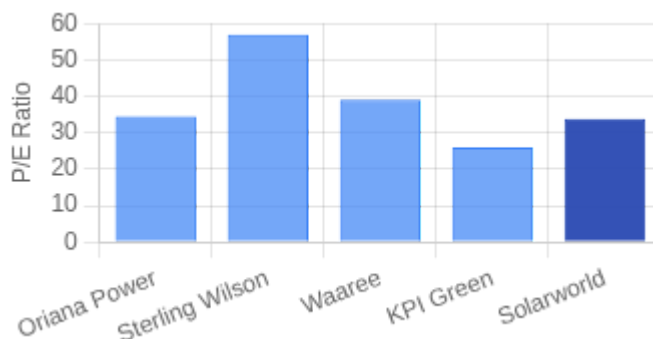
PEER P/E RANGE

26x	57x
Industry Low	Industry High

VALUATION INSIGHTS

- IPO Price:** ₹351 per share
- P/E Ratio:** 33.8x at IPO price (based on FY25 EPS)
- Growth Premium:** Company's rapid growth (43.8% revenue CAGR FY23-25) justifies premium multiple
- Return Metrics:** Strong ROE (40.27%) indicates operational efficiency and profitability
- Strategic Valuation:** Manufacturing expansion could drive future value creation beyond current financials

PEER COMPARISON



Comparison of P/E Multiples across Solar Energy Peers

ADDITIONAL VALUATION CONTEXT

KEY VALUE DRIVERS

- Backward integration into cell manufacturing
- Expansion into Battery Energy Storage Systems (BESS)
- Growing customer diversification (reducing concentration risk)
- Government policy incentives (PLI, ALMM)
- Potential higher margins through value chain integration

VALUATION CONSIDERATIONS

- Customer concentration (SJVN Green Energy dependence)
- Geographic concentration (Uttar Pradesh focus)
- Competitive intensity in solar EPC sector
- Execution risk in new manufacturing ventures
- Market positioning vs larger established players



PEER COMPARISON & INVESTMENT VIEW

PEER COMPARISON

Company	Market Cap (₹ Cr)	P/E Ratio	Revenue (₹ Cr)	PAT (₹ Cr)
Oriana Power	5,400	34.5	987	159
Sterling Wilson Renewables	6,324	57	6,302	86
Waaree Renewable Technologies Limited	11,380	39	1,597	229
KPI Green Energy	9,500	26	1,735	325
Solarworld Energy	2,600	33.8	551	77

Data as of latest available financials. Solarworld figures for FY2025. Based on proposed valuation of ₹351 per share.

INVESTORZONE VIEW

The company operates in the solar energy space which has excellent total addressable market potential, but faces huge competition in the sector. A significant concern is that until FY25, approximately 75% of revenue is derived from a single customer (SJVN), which presents a substantial concentration risk. The company is now attempting to diversify its customer base, but success remains to be seen. Additionally, most of its business currently comes from Uttar Pradesh, adding geographic concentration risk.

It's worth noting that the promoters are cashing out ₹50 Cr through the OFS component, which raises questions as future market conditions may become more challenging. In the solar space, there is minimal product differentiation - success primarily depends on execution capabilities and achieving economies of scale. At a pre-money P/E multiple of 33x, the valuation appears to be on the higher side compared to the company's risk profile and certain peers in the sector.

INVESTMENT CONSIDERATIONS

POSITIVES

- Strong revenue growth (43.8% CAGR over FY23-25)
- Impressive profitability (33.1% EBITDA margin)
- High return on net worth (40.3%)
- Backward integration into manufacturing
- Strong government policy support
- Robust solar capacity addition targets

CONCERNS

- High customer concentration (SJVN >75%)
- Geographic concentration (Uttar Pradesh)
- Large unproven manufacturing capex
- Supplier/raw material price volatility
- Intense competition in EPC space
- Execution risks for new manufacturing venture

DISCLAIMER

This report is for informational purposes only and not an offer to sell or buy any security. Information obtained from sources believed reliable cannot be guaranteed. InvestorZone makes no representations about accuracy or completeness. Opinions subject to change without notice. No reproduction without permission.

Please read the Red Herring Prospectus before investing. Investors should make decisions based on their specific objectives, risk tolerance, and financial situation.