

CMP: INR 187

Rating: BUY

Target Price: INR 364

Stock Info

BSE	500339
NSE	SOLARWORLD
Bloomberg	SOLARWOR:IN
Sector	Renewables
Face Value (INR)	2
Mkt Cap (INR Bn)	16.21
52w H/L (INR)	389/139
Avg yearly Vol (in 000')	5,431

Shareholding Pattern %

(As on Mar, 2026)

Promoters	65.77%
Public & Others	34.23%

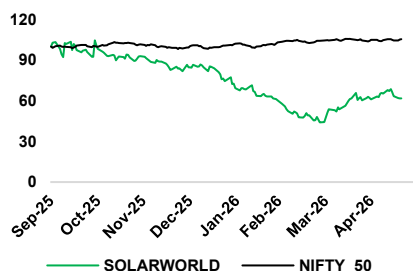
Stock Performance (%)

	1m	6m	12m
Solarworld: NSE	5.41	-30.5	-36.1
Nifty_50	-3.7	-9.2	-4.7

Valuation summary

Y/E Mar, Rs mn

	FY26A	FY27E	FY28E
Net Sales	13,762	27,795	31,634
EBIDTA	1,480	3,632	4,285
EBIDTA M	10.76%	13.07%	13.55%
Net Profit	1,205	2,524	3,096
Net Profit M	8.75%	9.08%	9.79%
Diluted EPS	16.70	34.99	42.91
PER, x	13.18	6.29	5.13
EV/EBIDTA, x	9.72	4.96	3.66
ROE, %	9.09%	17.67%	25.46%



Abhishek Jain

abhishek.jain@arihantcapital.com
022-42254872

Rohan Baranwal

rohan.baranwal@arihantcapital.com

Solarworld Energy Solutions Limited (SESL) is a renewable energy company focused on delivering end-to-end solar energy solutions, incorporated in 2013 and headquartered in Noida, Uttar Pradesh. The company operates across three verticals, solar and BESS EPC, O&M, primarily serving PSUs and C&I clients. Having scaled from small rooftop installations to a utility-scale EPC player with an order book of INR 28,130.42 Mn as of FY26, SESL is further strengthening its position through phased backward integration into solar module manufacturing with 1.55 GW ALMM approved facility and adding cell manufacturing in FY27, establishing a fully integrated cell-to-commissioned-project capability.

Investment Rationale

India's Structural Power Demand Creates a Multi-Year EPC Growth Opportunity: India's power sector is at a structural inflection point, moving from a state of severe under-capacity to a phase of accelerated clean energy-led build-out. Electricity consumption has grown at a 4.7% CAGR between FY2015-FY2025 and is expected to reach ~1,695 TWh by FY2025. CEA expects demand to grow at a 7% CAGR between FY2025-FY2030, which would effectively double consumption between FY26E and FY30E. Peak demand exceeded 229.71 GW in August 2025 and it is expected to reach 335 GW by FY30E. These are load projections supported by visible drivers, industrialization, electrification of mobility and a population moving up the income ladder. To bridge this gap, renewable capacity additions are expected to grow at 12% CAGR over next decade led by solar with 150-170 GW of additions between FY26-FY30. For every solar GW installed, it needs ~INR 4.5-5.0 bn of EPC spend. This is a simple, compounding opportunity for a well-positioned EPC player like Solarworld.

Order Book Depth and Bundled O&M Annuity Support Multi-Year Growth Visibility: The company's EPC order book is the best indicator of its strength which has grown ~5x from INR 5,350 Mn in FY23 to INR 28,130.42 Mn by FY26 (~78% CAGR). The order book consists of 7 EPC projects and 5 BESS orders and the O&M backlog of INR 579 Mn covering 1,291 MW under maintenance. Importantly, the company only bids on projects that are financially closed, meaning the client has already secured the funding, dramatically reducing the risk of delays or cancellations that are common in the industry. ~95% of EPC contracts are bundled with O&M for 2-5 years, with Solarworld simultaneously building a recurring annuity layer that scales automatically with every new project it commissions. With commissioned capacity building to ~1 GW by FY28E, the O&M segment alone is expected to convert INR 2,000-4,000 Mn of recurring annual revenue at structurally better margins of 30-40%, providing predictable cash flows even through changing market conditions.

Expanding Presence Across India's Emerging Renewable Storage Market: India's renewable energy market is increasingly shifting towards FDRE and RTC projects, where storage is integrated with solar power to ensure reliable supply. In February 2025, the Ministry of Power mandated storage integration of at least 2 hours for 10% of capacity in all new solar projects, which could create incremental BESS demand of ~14 GW / 28 GWh by 2030. CEA also estimates India's total storage requirement to exceed 47 GW by FY32E, supporting a long-term growth opportunity.

Outlook & Valuation: The company is transitioning from a mid-scale EPC contractor to end to end renewable energy solutions provider across solar EPC, BESS, and O&M. The business is supported by a healthy order book of INR 28,130.42 Mn as of Q3FY26, nearly 5x its FY23 level, with BESS already accounting for ~40.48% of the total order book at INR 11,389 Mn and expected to contribute ~50% of future revenues alongside solar EPC by FY27E. Near-term margin normalization to ~11% EBITDA in FY26E from 20% in FY25A reflects a mix shift toward larger utility-scale contracts and manufacturing ramp-up costs, not structural deterioration, as the 1.552 GW module line stabilizes, the 3.4 GW BESS assembly facility commissions by mid-2026, and the 1.2 GW cell facility at Pandhurana becomes operational by FY2027, backward integration benefits will expand EBITDA margins steadily to ~13.5% by FY28E, further supported by a growing O&M annuity commanding 30-40% margins. The company is being valued at 5x FY28E EV/EBITDA across both the Solar+BESS EPC and module manufacturing businesses. At the CMP of INR 187 per share, we initiate a "BUY" rating at a TP of INR 364, valued at an EV/EBITDA of 5.5x, implying an upside potential of ~94.7%.

Backward Integration Concluding the Value Chain from Cell to Commissioned Project:

Module and cell costs represent 55-60% of a typical solar EPC project's total cost. Controlling this critical input protects the company from market price volatility, eliminates intermediary margin, and enables competitive pricing in large fixed-price EPC tenders where material cost overruns directly erode profitability. The company has commissioned a 1.552 GW G12R TopCon solar module line at Roorkee, Uttarakhand in Q1FY26 and received ALMM certification for annual module capacity a crucial regulatory credential that qualifies its modules for use in government-tendered and PSU-linked projects. Phase-II is a 1.2 GW solar PV TopCon cell manufacturing facility at Pandhurana, Madhya Pradesh, with a total project cost of INR 5,752.99 Mn, expected to be operational by start of FY2027. Once live, SESL will complete a cell-to-module-to-project integration path, enabling it to capture value at each stage of the solar value chain. India's advanced n-type cell capacity currently stands at only ~9.2 GW against projected domestic demand of ~54 GW by FY2030E, implying a structural cell deficit of ~24 GW. The ALMM List-II mandate effective June 2026, which restricts government solar projects to approved domestic cell manufacturers, effectively creates a captive addressable market for compliant players like Solarworld making the cell facility both strategically and commercially critical.

Revenue Growth and Margin Expansion Driven by Scale, Mix Shift, and Backward Integration:

The company's financial profile is set to improve meaningfully as it transitions toward higher-value segments and internalizes its supply chain. Revenue is expected to grow at a staggering CAGR of ~63% over FY25-FY29E, scaling from INR 5,448 Mn in FY25 to INR 38,881 Mn by FY29E, driven by execution of the INR 28,130.42 mn order book, large utility-scale BESS contracts, and the ramp-up of the module manufacturing business. EBITDA margins, which peaked at 20.05% in FY25 due to a highly favorable project mix, are expected to normalize to a sustainable 11.11% in FY26E before expanding steadily to 14.62% by FY29E as scale benefits, cell manufacturing savings, and a growing high-margin O&M base all contribute. Currently expects baseline EPC EBITDA margins to be in the range of 9-11%, with expansion to 10-12% appearing achievable by FY27E as backward integration into modules and cells matures. With BESS and solar EPC each expected to contribute ~50% of future revenues, and O&M providing a structurally superior, recurring layer, the company's revenue mix is evolving toward higher-quality and more predictable earnings over the forecast period.

Solarworld Energy Services FY28E based implied valuation	Solar+BESS EPC	Module	Total
FY28E EBITDA (INR Mn)	3,905	880	4,785
EV/EBITDA (x)	5.2x	5.5x	5.4x
EV (INR Mn)	20,308	4,838	25,146
Net Debt/(cash) (INR mn) - FY28E end			(1,848)
Market Cap (INR mn)			26,994
Share outstanding (mn)			74
Value per share (INR) - FY28E			364
CMP (INR)			187
Upside/Downside (%)			94.7%
Rating			BUY

Source: Company reports, Arianth Capital Research

Table of Contents

Sr. No	Particulars	Page No
<u>01</u>	<u>Investment Rationale</u>	<u>04</u>
<u>02</u>	<u>Industry Overview</u>	<u>10</u>
<u>03</u>	<u>Financial Highlights</u>	<u>17</u>
<u>04</u>	<u>Outlook & Valuation</u>	<u>20</u>
<u>05</u>	<u>Company Overview</u>	<u>21</u>
<u>06</u>	<u>Key Personnel's</u>	<u>22</u>
<u>07</u>	<u>Financial Statements</u>	<u>24</u>

Investment Rationale

India targets 280 GW of solar by FY30, implying 35-40 GW of annual additions.

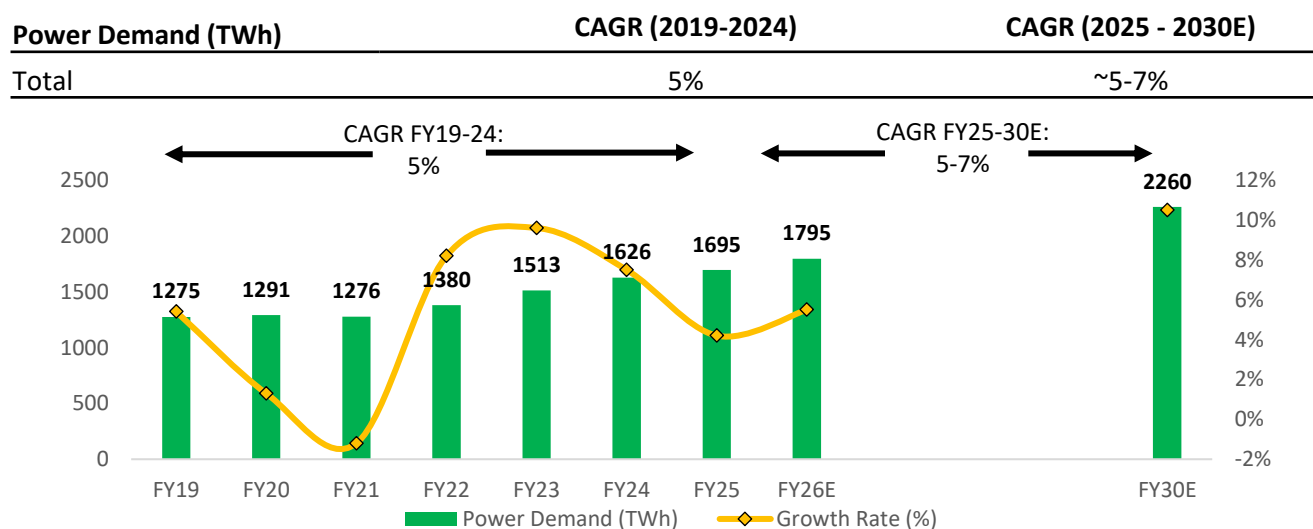
Industry Demand & Supply, Decade of Structural Build-Out: India's power sector is in the middle of a structural inflection, that is shifting the country from severe under-capacity to an accelerated, clean-energy-led build-out. The combination of rising electricity demand, an aging thermal fleet, and explicit policy targets creates a multi-year volume opportunity that a well-positioned EPC provider like Solarworld is directly exposed to.

Demand: Rising Faster Than the Historical Trend

India's electricity consumption grew at a 4.7% CAGR from FY2015-2025, reaching ~1,695 TWh by FY2025. Looking forward, the Central Electricity Authority (CEA) projects power demand to grow at a 7% CAGR through FY2030, effectively doubling consumption between FY26E and FY30E. Peak demand is equally telling, it crossed 229.71 GW in August 2025, and the CEA projects this reaching 335 GW by FY2030E. These are load projections backed by observable drivers, industrialization, electrification of mobility, and a population moving up the income ladder.

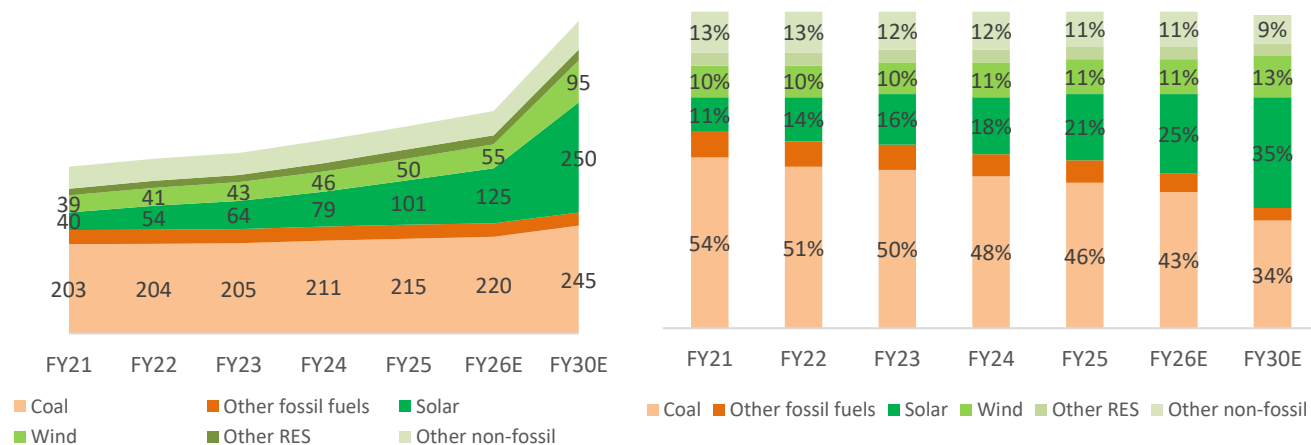
The near-term demand picture is reinforced by the fact that India's energy deficit has largely been resolved, the all-India energy deficit stood at just 0.03% in early FY2026, shifting the sector's challenge from supply adequacy to capacity mix and reliability. Meeting the next phase of demand growth now requires new capacity, not just better utilization of existing plants.

Power demand to grow at ~5-7% CAGR, reaching ~2,255-2,265 TWh by FY30E

**Supply: Renewable Energy Leading the Capacity Build**

India's installed power capacity stood at ~524 GW in FY26, with renewables (excluding hydro) now constituting nearly 50% of the total. Solar alone has grown from 2.8 GW in March 2014 to over 130 GW by October 2025, a roughly 46x increase in eleven years. Between April and August FY2026, India added 20.1 GW of renewable capacity, a 123% yoy surge, showcasing a real acceleration in execution pace. The National Electricity Plan (NEP) targets 900+ GW of total installed capacity by 2032E. To bridge the gap from current levels, renewable additions are expected to grow at a 12% CAGR over the next decade, with solar leading at 150-170 GW of additions between FY26-FY30, and BESS-backed capacity rising sharply to 25-30 GW by FY28. Every GW of solar installed translates into ~INR 4.5-5.0 bn of EPC spend, this straightforward presents a huge opportunity to Solarworld.

India's power mix structurally pivots toward clean energy and reducing coal dominance over FY21-FY30E



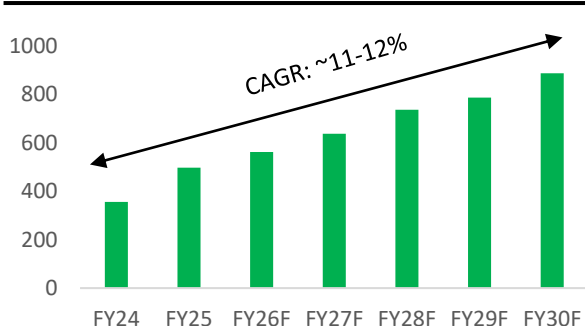
EPC market expected to hit INR 875-900 bn (11-12% CAGR) while O&M rapidly scales to INR 27-28 bn (32-34% CAGR).

The EPC Market: Large, Growing, and Consolidating

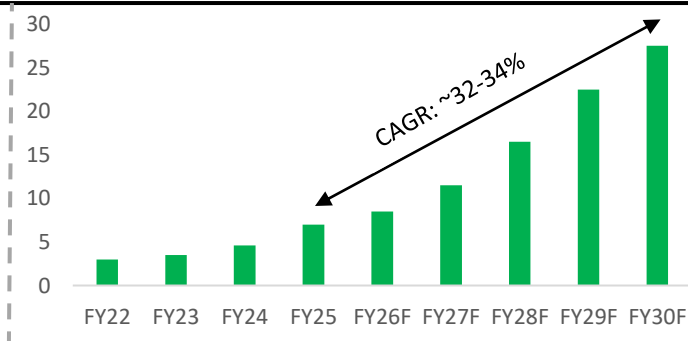
In FY2025, India's installed solar capacity reached 105.65 GW, with the overall solar EPC services market valued at INR 493.8 bn. Third-party EPC providers account for ~40-45% of this, and this segment is forecast to grow at a CAGR of 11-12%, reaching INR 875-900 bn by FY2030E. A typical utility-scale solar EPC project in India costs INR 45,000-50,000/kW, at 35-40 GW of annual additions, the annual addressable spend is in the range of INR 1.5-2.0 trn.

The competitive scenario is going through consolidation under multiple pressures: declining module prices are compressing margins for undifferentiated players, larger developers are in-housing EPC capabilities, and smaller firms are struggling to scale. Only companies with a proven track record, government relationships, and an ability to bundle ancillary services, O&M, BESS, and increasingly manufacturing are structurally positioned to sustain and grow their market share. Solarworld sits within this upper tier.

Third-party solar EPC market to grow at ~11-12% CAGR, reaching ~Rs 875-900 bn by FY30



Solar O&M market to scale rapidly at ~32-34% CAGR, reaching ~Rs 27-28 bn by FY30E.



Source: Industry reports, Arianth Capital

The O&M Market: Recurring Revenue on a Growing Base

The third-party O&M market covered ~50-55 GW of installed solar capacity as of FY2025, with a sector value that grew from INR 3.0 bn in FY22 to INR 6.6 bn in FY25. With the total installed solar base projected to grow to 280+ GW by FY30, the O&M market is expected to roughly 4x, reaching INR 27-28 bn by FY30E. O&M is inherently recurring, embedded into projects at commissioning, and scales automatically with the company's EPC delivery. For Solarworld, which bundles O&M into ~95% of its EPC contracts, this is a growing annuity, not a separate business development effort.

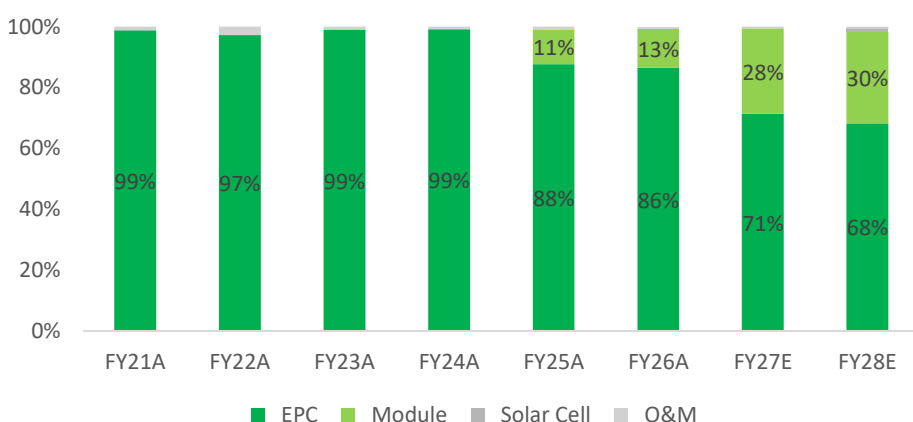
India needs to install roughly 35-40 GW of solar annually through the end of the FY30E.

In aggregate, the industry conditions for Solarworld is favourable. India needs to install roughly 35-40 GW of solar annually through the end of the FY30E. The EPC market is growing fast and consolidating around capable players. O&M is becoming a mandatory, recurring attachment to every new project. And BESS, is entering at a large scale. Solarworld is exposed to all three verticals.

Expanding Presence Across India's Emerging Renewable Storage

Market: Founded in 2013, the company initially focused on rooftop and small-scale installations and now it is transitioning into a utility-scale EPC player with capabilities across ground-mounted solar, BESS, and O&M services. The business follows two models. The CAPEX model (~86% of FY26 revenue) involves turnkey EPC execution with ownership transferred to clients, primarily PSUs and institutional players. The RESCO model, though smaller, enables SESL to own assets and generate long-term annuity income through PPAs. Currently ~95% of the projects are bundled O&M with EPC, include contracts (2-5 years), creating recurring, higher-margin revenue and customer stickiness. The O&M order book stood at INR 579 Mn with 1,291 MW under maintenance as of July 2025, providing a growing annuity layer as the EPC base expands. The CAPEX model remains asset-light, with land procurement borne by clients, supporting a lean balance sheet and efficient working capital cycle of 12-18 months. Advance payments and a disciplined approach of executing only financially closed projects strengthen cash flows.

Revenue mix breakdown FY23-FY27E, Shifting towards higher margin



Source: Company reports, Arianth Capital

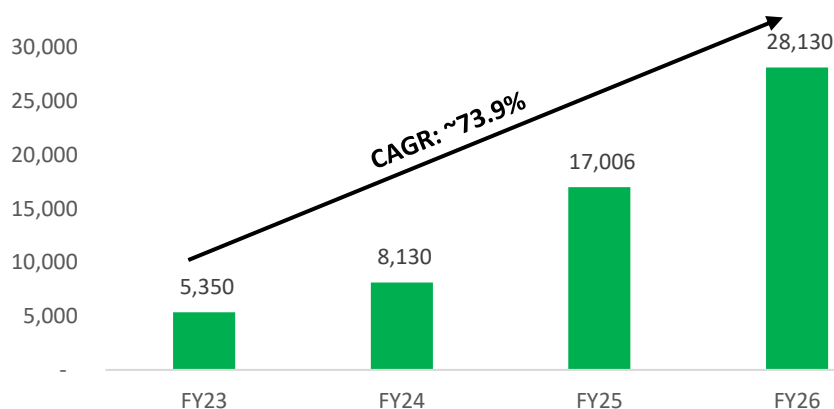
The company has successfully completed 49 projects across various states, representing a total commissioned capacity of 254 MW AC / 348 MW DC. EPC Projects: 9 ongoing projects with a total capacity of 1,205 MW AC / 1,549 MW DC. BESS Projects: 2 ongoing projects with a total capacity of 325 MW / 650 MWh, driven by repeat PSU clientele such as SJVN and NTPC. Revenue mix is evolving EPC (~88%), product sales (~11%), and O&M, with manufacturing scale-up and BESS execution expected to increase the share of higher-margin segments. Customer concentration is reducing, with diversification beyond SJVN at 79% in FY25 to NTPC Renewable Energy, GUVNL, and RRVUNL. Recent BESS and EPC order wins further support this transition. The company operates across nine states, has completed 47 projects, and is executing nine ongoing projects, reflecting an execution-focused and scalable operating model.

Total Order book (INR Mn) scales ~5x over FY23 to Q3FY26, CAGR of 78%, reflecting strong execution visibility.

EPC and O&M Core Business: Order Book Depth Supports a Multi-Year Growth. The company's strength is best reflected in its EPC order book visibility and mix. SESL has scaled meaningfully the order book has grown from INR 5,350 Mn in FY23 to INR 28,130.42 Mn by FY26, nearly a 5x increase. The order book also includes O&M. The increasing share of BESS indicates a clear EPC projects and 5 BESS orders. BESS orders account for ~40.48% of the total order book value, with the balance coming from utility-scale solar EPC projects. In FY26, the order book comprises ~INR 16,742 Mn of EPC projects (985 MW DC), ~INR 11,389 Mn from BESS, coming from the emerging opportunities within energy storage, rather than reliance on traditional solar EPC alone.

On execution, SESL is currently working on two large projects, a 376 MW NTPC project in Khavda and a 272 MW project for NHPC, both expected to be commissioned by May 2026. These projects are among the largest undertaken by the company and will be important in establishing its capability to execute large utility-scale assignments. Management guides for EPC EBITDA margins of 9-11% under normal conditions. Margins were higher in earlier periods due to site-specific factors. Going forward, with better scale and backward integration into modules, margins in the range of 10-12% appear achievable by FY27E. The BESS EPC segment, though at an early stage, is expected to operate at similar or slightly better margins, supported by higher engineering strength and cost advantages from in-house battery pack assembly expected by Q2FY27E.

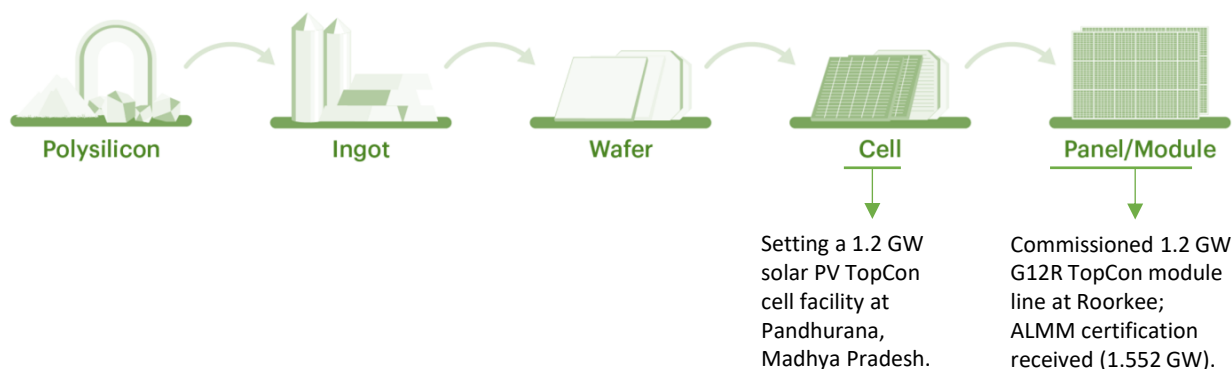
Total Order book (INR Mn) scales ~5x over FY23 to Q3FY26, reflecting strong execution visibility.



Source: Company reports, Arihant Capital

The company bids only for financially closed projects, where the client has already secured funding. This reduces the risk of delays or cancellations, a common issue in the sector. The O&M segment, remains marginally low today, adds stability. With over 336 MW commissioned capacity, O&M contracts typically run for 2-5 years and tend to get renewed. At industry benchmarks of INR 2-4 Mn/MW annually, scaling to ~1 GW of commissioned capacity by FY28E could translate into INR 2,000-4,000 Mn of recurring revenue at higher margins of 30-40%. Repeat customer engagement is a strong proxy for project quality. Repeat customers accounting for 100% of commissioned capacity in FY23 and ~50% in FY25, largely due to addition of new clients such as NTPC, GUVNL, and RRVUNL, indicating improving diversification rather than any loss of existing relationships.

Backward Integration: Closing the Value Chain from Cell to Commissioned Project. India's solar module manufacturing base has expanded rapidly with installed module assembly capacity now exceeds 144 GW/year. However, cell manufacturing capacity stands at only ~30 GW vs projected domestic demand of ~54 GW by FY2030E, implying a structural cell deficit of ~24 GW. This gap is being made wider by a technology transition: the industry is transitioning from legacy p-type Mono PERC toward n-type TOPCon cells, which offer 2-2.5% higher efficiency, better temperature coefficients (-0.29°C vs. -0.35°C for PERC), and lower degradation rates. Advanced n-type cell capacity in India currently stands at only ~9.2 GW, well below what domestic projects will require. SESL is working on this constraint through a phased backward integration strategy that, once complete, will enable the company to control the supply and cost of the most capital-intensive input to a solar project.



Phase-I is already operational. SESL commissioned a 1.552 GW G12R TopCon (Tunnel Oxide Passivated Contact) solar module line at Roorkee, Uttarakhand, in Q1FY26, and received ALMM (Approved List of Models and Manufacturers) certification for 1.552 GW of annual module capacity, a crucial regulatory credential that qualifies the modules for use in government-tendered and PSU-linked projects. In Q3FY26, the manufacturing segment contributed INR 830.5 Mn to revenue, resulting from the line's commercial ramp. The Haridwar manufacturing campus is also slated to a 3.4 GW BESS cell-to-battery-pack assembly line, expected to be commissioned by June 2026.

The phase-II of integration is the 1.2 GW solar PV TopCon cell manufacturing facility at Pandhurana, Madhya Pradesh, being established through the wholly-owned subsidiary. With a total project cost of INR 5,752.99 Mn, of which INR 4,200 Mn is being funded through IPO net proceeds and the Pre-IPO placement, the cell facility is expected to be operational by start of FY2027. Once live, SESL will complete a cell-to-module-to-project integration path, enabling it to capture value at each stage of the solar value chain rather than purchasing modules at prevailing market prices.

Currently module costs and cell represent 55-60% of a typical solar EPC project's total cost. Controlling module supply protects the company from market price volatility, eliminates intermediary margin, and enables competitive pricing in large tender bids, particularly in fixed-price EPC contracts where material cost overruns directly erode profitability. The ALMM mandates, restricts government solar projects to approved domestic manufacturers, effectively creates a captive addressable market for the company.

BESS: The Highest-Growth Vertical in the Portfolio: India is experiencing a rapid shift in renewable energy procurement toward Firm and Dispatchable Renewable Energy (FDRE) and Round-the-Clock (RTC) tenders, which mandate storage co-location with solar generation. Supported by strong policy initiatives such as Viability Gap Funding (VGF), ISTS waivers, and mandatory storage integration in new renewable tenders, the domestic BESS market is witnessing significant acceleration. While nearly 40-50 GW of BESS projects have already been tendered in India, actual operational capacity remains minimal, highlighting a substantial execution gap and a large long-term opportunity for integrated EPC and storage solution providers. CEA estimates India's storage requirement to exceed 47 GW by FY32E, creating a multi-year growth runway for players with execution capabilities, supply-chain access, and technological integration expertise. In addition, the BESS EPC segment offers structurally superior margins compared to conventional solar EPC projects due to higher entry barriers, technological complexity, and integrated project execution requirements. To capitalize on this growing opportunity, the is setting up 3.4 GWh lithium-ion cell-to-battery pack assembly facility at Roorkee, Uttarakhand, which is targeted for commercial availability by May-2026. The company is establishing the facility entirely through internal accruals without incremental debt, reflecting a capital-efficient expansion strategy.

The plant will assemble imported lithium-ion prismatic cells into battery packs and fully containerized BESS solutions using advanced automation and AI-driven quality control systems. By importing cells instead of fully built BESS containers, Solarworld expects to benefit from significant duty arbitrage, reducing import duties from ~22% on complete systems to ~5-6% on cells, thereby improving project economics and margins. The company has already secured nearly 1 GW of BESS-related demand, leaving additional capacity available for incremental orders, while its standalone BESS order book stood at ~INR 11.38 bn as of Mar 26, accounting for ~40.48% of the total outstanding order book. It is aggressively expanding across both utility-scale and high-margin C&I applications and is targeting 1-2 GW of C&I BESS deployments over the next year, particularly across Northern India where increasing restrictions on diesel generators are accelerating storage adoption. Margins on the BESS remains higher than solar epc, which generally range between 9-11%. The company has secured a robust order book in the BESS segment, which accounts for ~40.48% of the company's total outstanding order book. In FY26, the confirmed BESS order book stands at INR 11,389 Mn for a total capacity of 582 MW/1106 MWh across two major utility-scale projects and three BESS EPC. The confirmed two orders are executed under the (Build-Own-Operate) BOO models.

Name of Customer	State	Type of Project	Value (INR mn)	Capacity (MW/AC)
RRVUN Ltd.	Rajasthan	BESS	4,653	125 MW/ 250 MWh
Gujarat Urja Vikas Nigam Ltd.	Rajasthan	BESS	8,064	200 MW/ 400 MWh

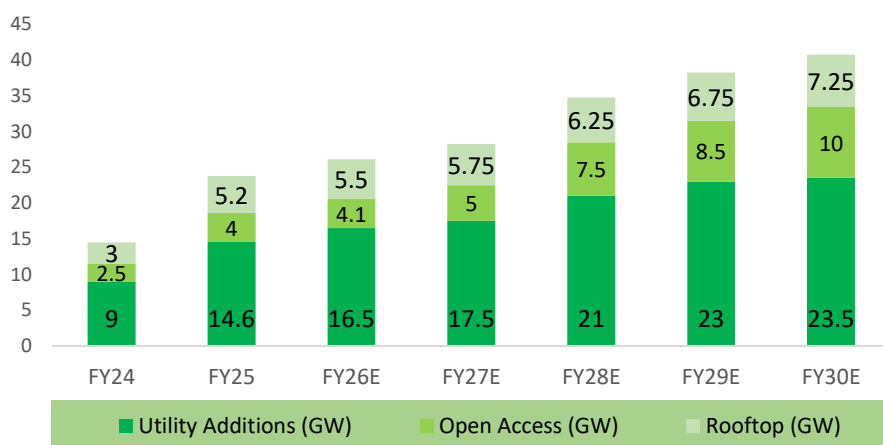
A 125 MW/250MWh standalone BESS project located in Kota, Rajasthan valued at INR 4,653 mn with tariff of INR 2,21,000 per MW/month, along with VGF subsidy of INR 2.7 mn. Second one is a 200 MW/400 MWh standalone BESS project located in Veloda, Gujarat, valued at INR 8,064 mn. The company expects BESS will be a massive driver for top-line growth along with solar EPC going forward with each contributing 50%. For FY27, its revenue mix is expected to shift heavily towards BESS, with growth largely coming from FDRE and BESS+Solar projects rather than pure solar.

Industry Overview

India's solar energy capacity has dramatically increased from installed base of just 0.9 GW in March 2012, the country's solar capacity has scaled to ~116-119 GW by mid-2025, making solar the single largest contributor within India's renewable energy mix. In FY25 renewable energy installations including large hydro have reached ~234 GW, of which solar alone commands a 50% share, the country has bet on solar as its primary energy transition technology. This growth happened decade-long policy commitment, an aggressive tendering architecture, and a significant drop in solar module prices globally that made it expandable. For an EPC-focused company like Solarworld, this installed base has created massive pipeline of new project opportunities and a growing aftermarket of operational assets requiring professional operations and maintenance services.

The pace of capacity addition has been accelerating meaningfully. India added ~23.8 GW of solar capacity in FY2025, compared with roughly 15 GW in FY2024 and 13 GW in FY2023. Even more encouragingly, in the H12025, India added a record-breaking 18.4 GW of solar capacity, a 51% jump. This acceleration is structural and is driven by a combination of the government's 280 GW solar capacity target by 2030E, systematic tendering of 50 GW of renewable energy capacity per year by agencies such as SECI and NTPC, and the continued fall in module prices that makes each megawatt (MW) of solar cheaper to build than the last. For EPC contractors, this represents a compounding opportunity, a larger number of projects being awarded each year, each project remaining viable at progressively lower tariffs because of falling input costs.

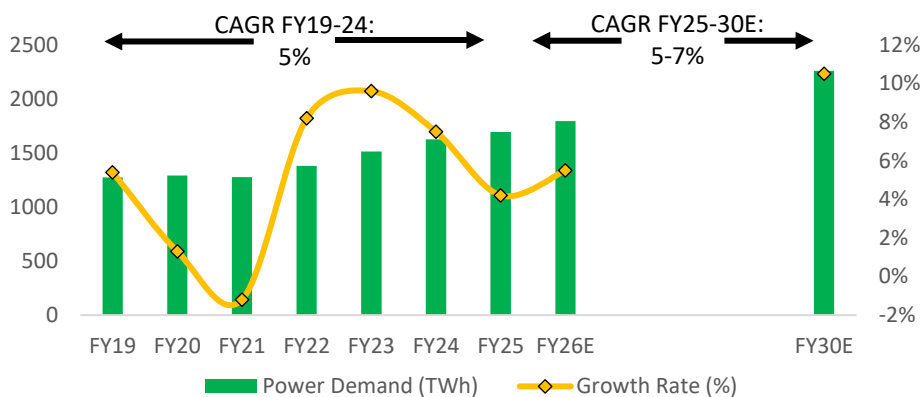
Year wise expected solar capacity additions over FY2026-2030



Source: Company reports, Arian Capital

With Strong Power Demand, Solar Additions Will Keep Accelerating: Power demand in India is growing steadily, and the country's per capita electricity consumption of ~1,395 kWh in FY2024, while having grown at around 3.65% annually over the last decade. This enormous latent demand that will come as electrification deepens, incomes rise, industrial activity expands, EVs, and data centers multiply. Power demand overall is expected to grow at a healthy CAGR of 5-7% between FY25 and FY30, with energy requirements projected to rise from ~1,695 bn units in FY25 to around 2,250 bn units by FY30. To meet this demand sustainably, India's total installed generation capacity needs to scale from ~475 GW as of March 2025 to an estimated 700-710 GW by FY30 implying a massive 220-235 GW of net capacity addition over the next five years.

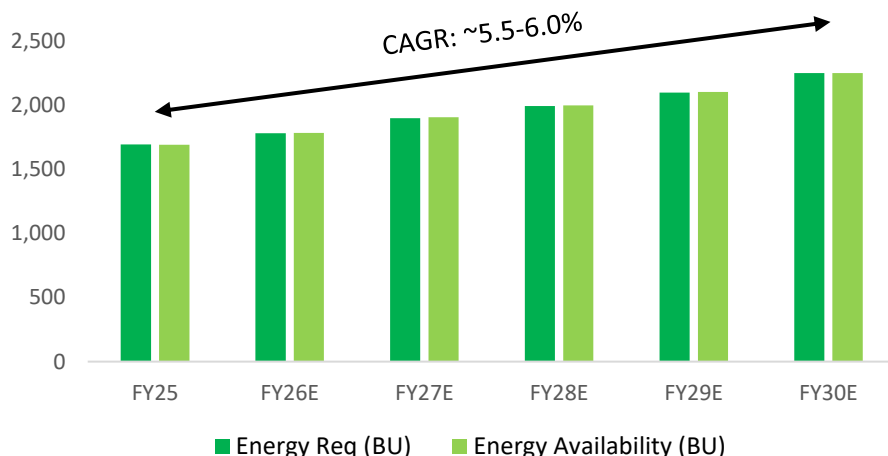
Power demand to grow at ~5-7% CAGR, reaching ~2,255-2,265 TWh by FY30



Source: Industry reports, Arihant Capital

Renewable energy, and within that solar, is expected to biggest share of this incremental capacity. By FY30, renewable energy capacity excluding large hydro is projected to reach 360-370 GW, accounting for ~50% of total installed capacity up from around 36% as of FY25. CRISIL expects 150-170 GW of solar capacity additions between FY26 and FY30, with a potential upside of another 45-50 GW linked to green hydrogen projects. This translates to roughly 30-34 GW of solar additions per year on average, nearly double the pace of the preceding five years. The government has backed this with a systematic annual bidding trajectory that mandates 40 GW of solar-specific bids per year out of the overall 50 GW of renewable energy bids, giving EPC contractors and developers a high level of visibility on project pipelines. Capacity additions are expected across all three segments utility-scale ground-mounted projects, open-access commercial and industrial projects, and residential rooftop, each growing robustly but at different rates.

Aggregate power demand supply (in billion units, or BUs)



Source: Industry reports, Arihant Capital

On the utility-scale side, commissioning is expected to rise from ~16-17 GW in FY2026 to 23-24 GW by FY2030. Open-access capacity, driven by commercial and industrial consumers seeking to reduce electricity bills and meet sustainability commitments, is projected to grow from 3.7-4.5 GW in FY2026 to 9-11 GW by FY2030.

The open-access segment is particularly interesting because large industrial consumers across states like Maharashtra, Rajasthan, Gujarat, Karnataka, and Tamil Nadu face grid tariffs of Rs 7-9 per kWh from their discoms, while open-access solar tariffs land at Rs 5-6 per kWh even after accounting for wheeling, open-access charges, and cross-subsidy surcharges, a compelling 20-30% saving that makes the business case for solar almost self-evident. Rooftop solar, energized by the PM Surya Ghar Muft Bijli Yojana scheme targeting 10 million households with subsidized solar installations, is projected to add 28-30 GW cumulatively over FY2026-2030, with annual additions rising from approximately 5 GW in FY2026 to 7-7.5 GW by FY2030.

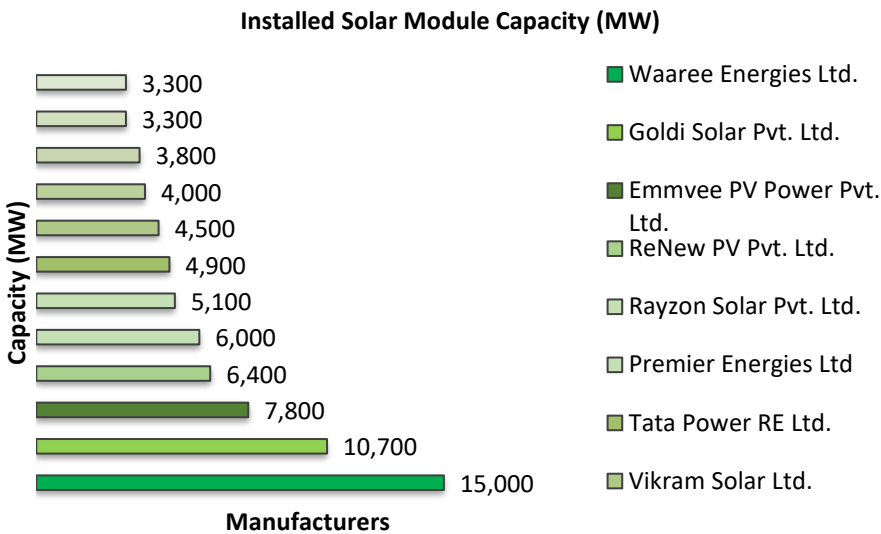
Solar Module Prices:

Global module prices fell from \$1.78 per watt-peak in 2010 to \$0.47 per Wp by 2016 and then continued to decline relentlessly to just \$0.11-0.15 per Wp by fiscal 2025, representing a cumulative decline of over 90%. The average module price in FY2025 was estimated at \$0.14 per Wp, down 42% yoy, driven largely by a global supply glut in Chinese manufacturing where polysilicon, wafer, cell, and module capacity all grew far faster than global demand. Cell prices fell even more sharply by ~54% yoy, pulling module costs down with them. Wafer prices dropped to \$0.12-0.15 per piece as of March 2025 from over \$1.40 per piece in mid-2022. The cumulative effect of these price declines has made solar power one of the cheapest sources of new electricity generation anywhere in the world.

In India, falling module prices have reduced utility-scale solar EPC costs from INR 4.50-50 mn/MW in FY2015 to INR 27-40 mn/MW in FY2026 (varying by site, technology, and configuration). Consequently, early National Solar Mission tariffs of INR 8.8/kWh have dropped to INR 2.6-2.7/kWh, consistently undercutting coal power (INR 4-6/kWh). As the cheapest available option, solar has driven strong tendering pipelines and fundamentally shifted procurement strategies for discoms, PSUs, and industrial consumers.

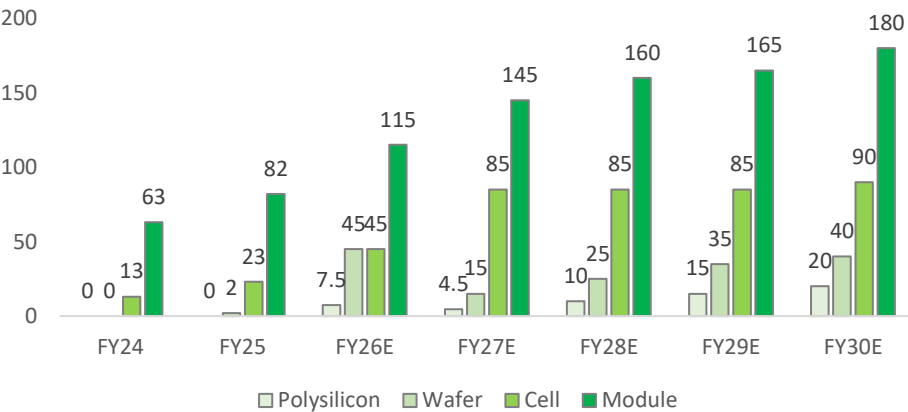
Looking ahead to FY2026, imported cell-based modules should remain range-bound at \$0.13-0.15/Wp, while domestic alternatives carry a premium at \$0.21-0.23/Wp. Starting June 2026, the ALMM List-II mandate will require domestically manufactured cells for all government-backed, open access, and net metering projects. Until local capacity scales, this mandate is expected to temporarily raise solar tariffs by 40-50 paise/kWh.

Domestic Manufacturing Growing, Still remains But Still Import-Dependent: India's domestic solar module manufacturing has expanded significantly, with nameplate module capacity reaching approximately 91 GW as of June 2025 per the ALMM list, expected to touch 110-120 GW by March 2026. However, when considered beyond nameplate capacity, it's a different picture. First, operational utilization rates are below 50% of nameplate capacity in many cases, meaning effective output is far lower than headlines suggest. Second, and more critically, India's solar cell manufacturing capacity stands at only ~25 GW, creating a substantial gap between module assembly capacity and the upstream cell manufacturing capability needed for true self-sufficiency. India currently imports 80-85% of its solar modules, with China accounting for approximately 77% of imports in FY24.



Source: Industry reports, Arihant Capital

The leading domestic module manufacturers by installed capacity as of May 2025 are Waaree Energies at 15 GW, Goldi Solar at 10.7 GW, Emmvee Photovoltaic at 7.8 GW, ReNew Photovoltaics at 6.4 GW, Rayzon Solar at 6 GW, Premier Energies at 5.1 GW, Tata Power at 4.9 GW, Vikram Solar at 4.5 GW, and Mundra Solar at 4 GW. On the cell manufacturing side, which is far more strategically valuable under the new ALMM List-II regime, Waaree leads with 5.4 GW, followed by Tata Power at 4.9 GW, Adani Mundra at 4 GW, and FS India Solar Ventures at 3.3 GW.

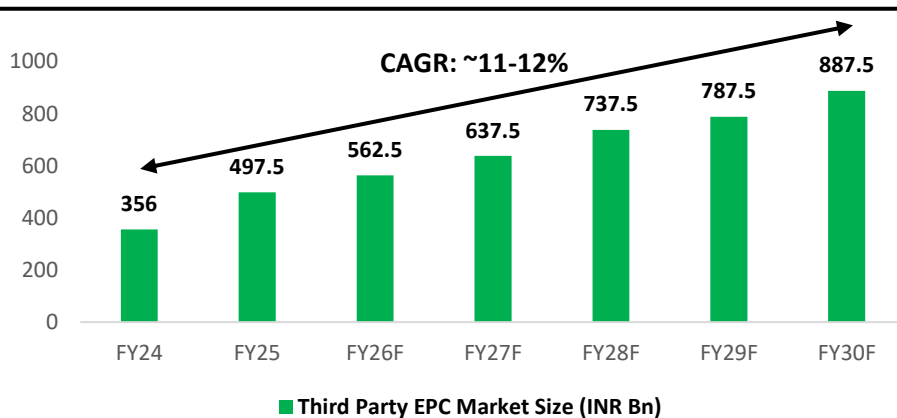


Source: Company reports, Arihant Capital

The government is actively trying to accelerate the development of domestic cell capacity through the PLI scheme, which has allocated ~48,337 MW of module manufacturing capacity and 40,937 MW of cell manufacturing capacity to 11 companies across two tranches with a total outlay of approximately INR 240 bn. Looking ahead, CRISIL expects domestic solar PV manufacturing capacity to reach 175-185 GW by FY30, with cell capacity catching up meaningfully but still lagging module capacity. Full integration from polysilicon to modules is expected to account for ~25% of total capacity, largely driven by PLI incentives. Gujarat is projected to be the epicenter of capacity additions, accounting for 55-60% of incremental investments. This expansion will be important for EPC players because a more robust domestic supply chain reduces procurement risk, provides better pricing certainty, and enables compliance with ALMM requirements, all of which translate to more predictable project execution and margins for contractors like Solarworld.

The Solar EPC Market - Structure, Scale, and Competitive Dynamics: The Indian solar EPC market is large and expanding rapidly, with the third-party EPC services market estimated at INR 493.8 bn in FY25, up from INR 356.2 bn in FY24 and INR 269.2 bn in FY23, implying a ~35% CAGR over FY23-FY25. The market is expected to grow at an 11-12% CAGR between FY25 and FY30, reaching INR 875-900 bn by FY30E.

Third-party solar EPC market to grow at ~11-12% CAGR, reaching ~INR 875-900 bn by FY30.



Source: Industry reports, Arihant Capital

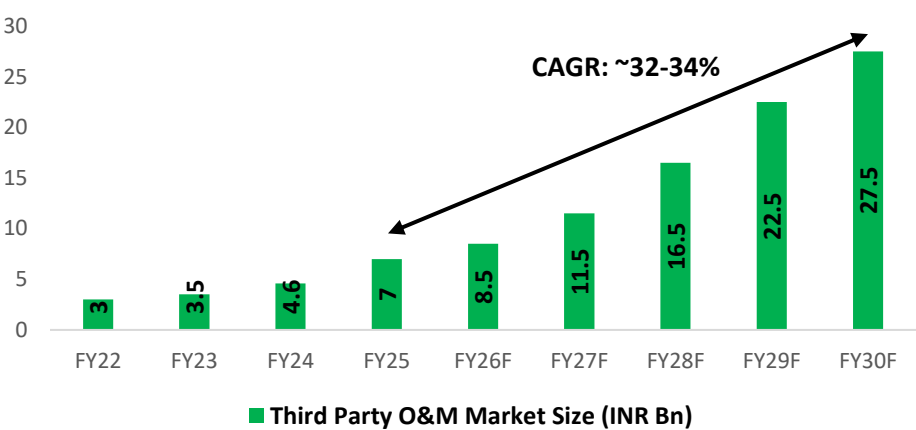
However, independent EPC contractors such as Solarworld address only ~40-45% of total solar EPC activity, while 55-60% is executed in-house by large developers including Adani Green Energy, Azure Power, Greenko, and ReNew to retain EPC margins internally. Even then, a market scaling to INR 875-900 bn implies an addressable opportunity of ~INR 350-400 bn for third-party EPC players by FY30.

A typical EPC contract covers the full project lifecycle, including site evaluation, engineering and design to final installation, and commissioning. Modules, inverters, transformers, and cables account for ~75-80% of total project cost, while civil and erection works contribute the remaining 20-25%. Utility-scale EPC costs generally range between INR 45k-50k/kW, implying a 100 MW project size of ~INR 4,500-5,000 mn. The industry remains sharply tiered. EPC projects require coordination among equipment suppliers, civil contractors, grid operators, and developers across geographies. Players with strong execution records, timely commissioning capability and transparent reporting continue to gain repeat orders from institutional clients, PSUs, and global developers.

The solar O&M market remains an underappreciated but structurally attractive opportunity within India’s solar ecosystem. India’s installed solar capacity stood at ~116-119 GW in mid-2025, creating a large and growing asset base requiring maintenance. Around 45% of this market, equivalent to ~50-55 GW by value, is serviced by third-party O&M providers, while the balance is managed in-house by large developers.

The third-party solar O&M market was estimated at ~INR 7 bn in FY25 and is projected to grow at a 32-34% CAGR to ~INR 27-28 bn by FY30. Growth is driven by two factors: continued expansion of India’s solar fleet and the expiry of bundled EPC-linked O&M contracts after the typical 2-5 year defect-liability period. India’s solar fleet averaged only ~3.5 years of age in 2023, implying that the post-warranty O&M demand cycle is still at an early stage. By FY30, higher fleet age, module degradation, and increasing optimization requirements are expected to raise the complexity and value of O&M contracts.

Solar O&M market to scale rapidly at ~32-34% CAGR, reaching ~INR 27-28 bn by FY30



Source: Industry reports, Arihant Capital

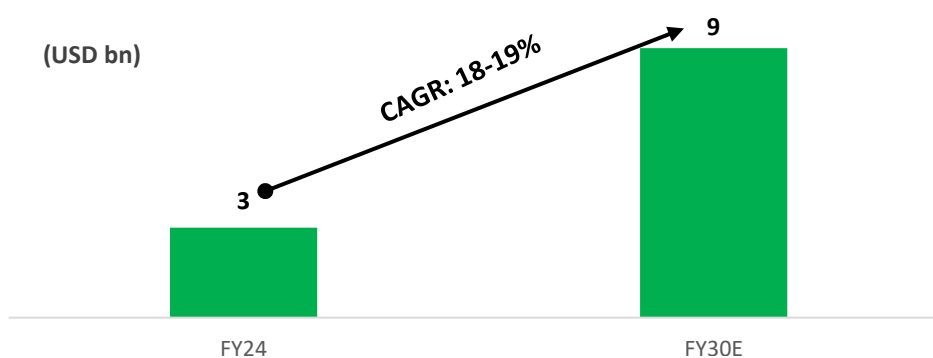
A comprehensive O&M contract includes preventive maintenance such as module cleaning, thermographic inspections, and IV curve testing; corrective maintenance involving fault diagnosis and component replacement; predictive maintenance through analytics and degradation monitoring; and extraordinary maintenance for theft, fire damage, or equipment failures. Solar O&M costs are relatively low at INR 200-300/kW annually compared with INR 1,000-1,500/kW for wind O&M, making it a scale-driven business dependent on geographic reach and execution efficiency. A 1 GW O&M portfolio can generate recurring annual revenue of ~INR 200-300 mn with stable EBITDA margins.

Nearly 95% of EPC contracts include bundled O&M for 2-5 years, giving EPC contractors such as Solarworld Energy Solutions a natural advantage in building long-term O&M portfolios. EPC players benefit from familiarity with project engineering, existing regional teams, and lower servicing costs, creating sticky customer relationships that are difficult for standalone O&M providers to replicate. Key industry players include Mahindra Teqo, which has invested in AI-based predictive maintenance, and Sterling and Wilson Renewable Energy, while smaller firms such as Param Renewables and PowerSun largely cater to sub-20 MW projects.

India's rapidly emerging Battery Energy Storage Systems (BESS) market represents one of the most attractive adjacent growth opportunities for solar EPC players as rising solar penetration drives demand for storage solutions enabling round-the-clock power supply, grid balancing, frequency regulation, and peak shaving. To accelerate adoption, the Ministry of Power in February 2025 mandated all new solar projects to co-locate storage equivalent to at least 2 hours for 10% of installed solar capacity, with implementation guidelines reinforced in June 2025. This alone is expected to create ~14 GW / 28 GWh of incremental BESS capacity by 2030.

The BESS opportunity in India is scaling rapidly. Around ~23 GW of standalone BESS capacity had been tendered, with ~19 GW already awarded and under execution. CRISIL projects 23-24 GW of BESS additions during FY26-FY30, while the National Electricity Plan estimates India will require ~47 GW / 236 GWh of BESS by FY32 alongside 27 GW of pumped hydro storage. The overall BESS investment market, valued at ~USD 3 bn in FY24, is projected to expand to USD 8-10 bn by FY30 at an 18-19% CAGR.

BESS opportunity in India is scaling rapidly



Source: Industry reports, Arianth Capital

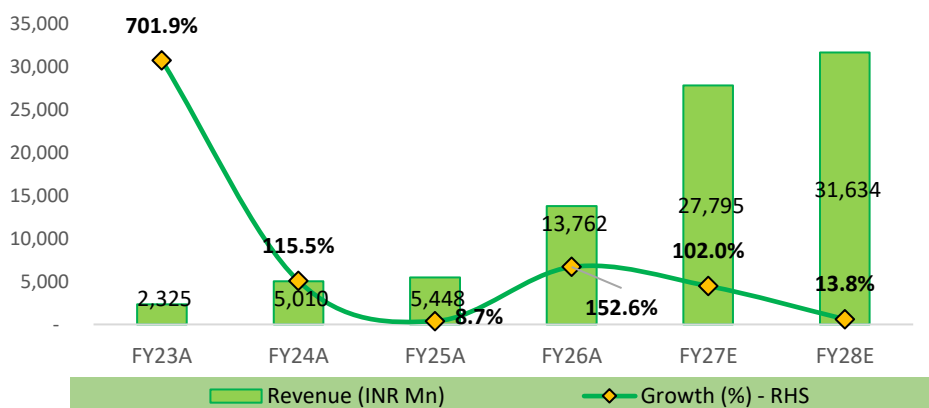
BESS is particularly suited for 2-6 hour storage applications due to millisecond response times vs 5+ minutes for pumped hydro, significantly lower land requirements of ~100 sqm/MW compared with ~2,000 sqm/MW for pumped storage, and faster deployment timelines of ~1.5 years versus 4-5 years. Lithium-ion BESS costs have declined from USD 130-140/kWh in 2023 to USD 110-115/kWh in FY25 and are projected by CRISIL to reduce further to USD 75-85/kWh by FY30. Correspondingly, discovered tariffs have fallen sharply from INR 1.084 mn/MW/month in SECI's first BESS tender in August 2022 to INR 0.448 mn/MW/month in Gujarat's March 2024 tender and further to INR 3.32/kWh in SJVN's solar-plus-storage tender concluded in May 2025. The competitive landscape is currently led by large integrated energy players. JSW Energy leads standalone BESS awards with ~2 GWh capacity, followed by Reliance Industries at 1.86 GWh and NTPC at 1.6 GWh. In FDRE and solar-plus-storage projects, players such as ReNew (~18% share by MWh awarded), JSW Energy, ACME Solar Holdings, and Hero Future Energies remain active. However, the market remains early-stage and fragmented, creating opportunities for technically capable EPC players with expertise in battery integration, balance of plant, and performance management.

A notable development was the RRVUNL Rajasthan standalone BESS tender in January 2025 for 500 MW / 1,000 MWh, awarded at INR 0.21 mn/MW/month. The four winners included Solarworld Energy Solutions, Rays Power Infra, JSW Energy, and Oriana Power, highlighting Solarworld's emerging capabilities in the BESS segment.

Financial Highlights

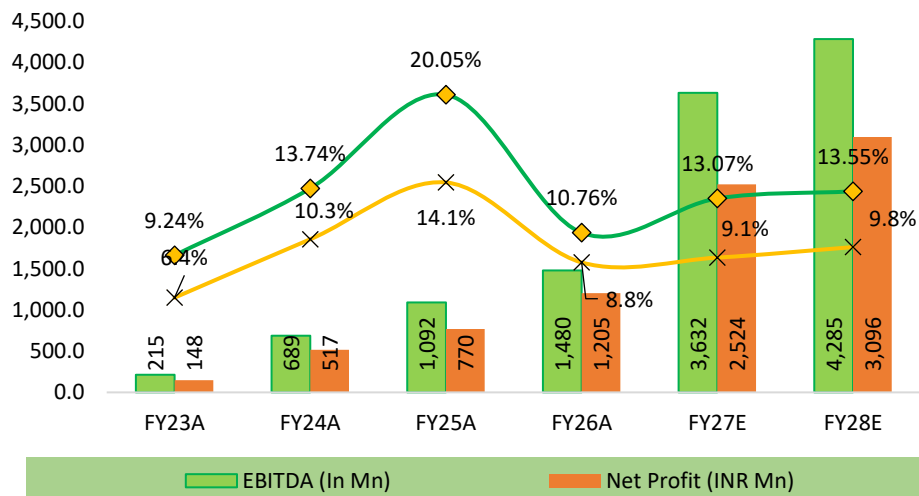
Revenue is expected to grow at a CAGR of ~63% over the period of FY25-FY29E. The revenue is expected to grow at a staggering CAGR of ~63% over the period of FY25-FY29E. While the company experienced a more measured 8.7% YoY growth to INR 5,447.7 Mn in FY25 as the business is backward integrating towards module and cell manufacturing will result high growth in mid to long term. This growth is fundamentally supported by evolving into a utility-scale EPC player with expanding capabilities across ground-mounted solar, BESS, and O&M services. The company's net revenues have already witnessed a massive near-19x absolute surge from INR 289.9 Mn in FY22 to INR 5,447.7 Mn in FY25. Going forward, revenue growth will be driven by its execution visibility, reflected in an order book that has scaled ~5x from INR 5,350 Mn in FY23 to INR 26,221 Mn by Q3FY26. Furthermore, the strategic shift toward the rapidly emerging BESS market is expected to be a massive driver for top-line growth, with management expecting that energy storage will contribute up to 50% of future revenues alongside the traditional solar EPC business.

Revenue is expected to grow at a CAGR of ~63% over the period of FY25-FY29E



The company's margin profile is steadily set to improve as it transitions toward higher-value segments and internalizes its supply chain. Management currently guides for baseline EPC EBITDA margins in the range of 9-11% under normal conditions. However, with better scale and a strategic backward integration into module and cell manufacturing, including a 1.2 GW cell facility at Pandhurana, margins are expected to expand into the 10-12% range by FY27E. Controlling this crucial module supply protects the company from market price volatility and directly eliminates intermediary margins. The high-growth BESS segment is also expected to operate at similar or slightly better margins, supported by higher engineering strength and cost advantages from an in-house battery pack assembly line expected by Q2FY27E. Additionally, the O&M segment acts as a highly profitable stabilizing force, providing a growing layer of recurring annuity income. By scaling its commissioned capacity toward roughly 1 GW by FY28E, the O&M segment is expected to translate into INR 2,000-4,000 Mn of recurring revenue at structurally superior margins of 30-40%, ensuring predictable cash generation even through fluctuating market conditions.

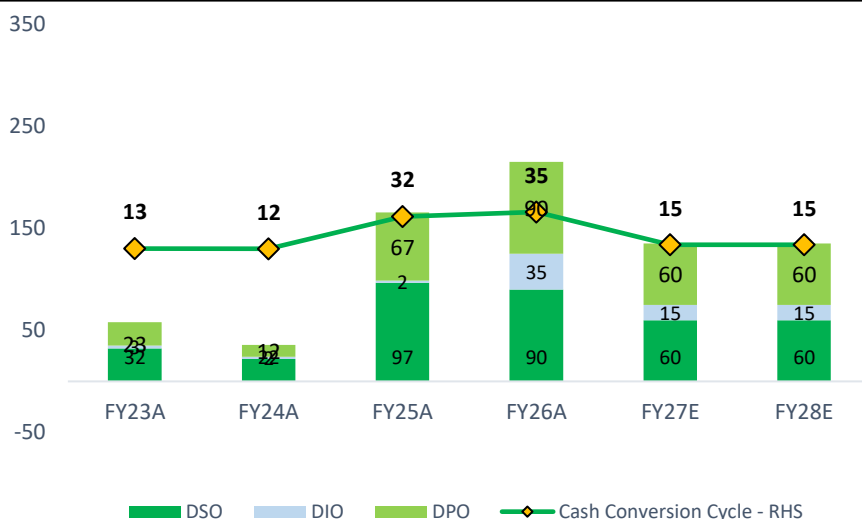
EBITDA and Net Profit to witness massive absolute growth, with margins expanding to 14.62% and 10.7% by FY29E.



With the steady expansion and , with EBITDA surging from INR 215 Mn in FY23A to INR 1,092 Mn in FY25A, and Net Profit scaling from INR 148 Mn to INR 770 Mn. During this period, EBITDA margins peaked at an exceptional 20.05% and Net Profit margins reached 14.1% in FY25A, resulting from a highly favorable project mix and a deliberate consolidation phase. As the company transitions into executing substantially larger utility-scale solar+BESS contracts and contribution from solar module manufacturing operating at higher utilizations, margins are expected to normalize in FY27E, landing at a sustainable baseline of 10.76% for EBITDA and 8.8% for Net Profit, even as absolute EBITDA continues its strong growth to INR 1,480 Mn in FY26.

Further supporting this margin expansion is the company's growing presence in specialized segments like BESS and O&M. The BESS segment is expected to operate at similar or slightly better margins than traditional solar EPC. This is aided by a planned in-house battery pack assembly facility, which will allow the company to import raw cells at a lower duty of 5-6% instead of fully assembled systems that attract a ~22% duty, thereby improving project economics. Additionally, the O&M division provides a stable and highly profitable layer of recurring revenue. By bundling O&M services into roughly 95% of its EPC contracts , the company is building a long-term annuity that is estimated to command higher margins of 30-40%.

Working Capital cycle will increase to a range (15-30 Days) after FY25A spike



The company's working capital cycle is in a transitional phase, with the cash-conversion cycle (CCC) temporarily peaking at 32 to 35 days over FY25A and FY26E before stabilizing toward a highly efficient 15 days. The inventory and receivable days are projected to normalize steadily after FY26's elevated levels, supported by smoother operations from module business and a disciplined approach of executing only financially closed projects that ensure payment visibility.

Receivable days remains the largest contributor to the cycle, witnessing a spike to 97 days in FY25A as the company scales its large utility-scale EPC order book, before settling into a normalized 60-day range by FY27E with better operationality of module lines. Inventory days are generally kept lean but are expected to temporarily increase to 35 days in FY26E to support the commercial ramp-up of new manufacturing capacities, including the 1.552 GW TopCon module line at Roorkee. Once operations reach steady state, inventory levels are projected to optimize back to 15 days. Payables are effectively moving in tandem with receivables, stretching to 90 days in FY26E before aligning at 60 days. Working capital utilization is currently heavily influenced by the company's structural shift from a standalone EPC provider to a backward-integrated energy solutions player. The brief elevation in the working capital days will result in inventory accumulation ahead of the commissioning of large backward-integration projects, such as the 3.4 GW BESS assembly line and the 1.2 GW cell facility. However, the company's CAPEX model, which leverages advance payments from institutional and PSU clients, shields the balance sheet from prolonged capital lock-ups.

Going forward, working capital is expected to remain stable and predictable as execution across the INR 28.13 bn order book accelerates. Management expects robust top-line growth to be accompanied by lower working capital requirements, maintaining a tight cash conversion cycle of ~15 days from FY27E onward, translating into stronger operating cash flows and improved return ratios.

Outlook and Valuation

Solarworld Energy Services Ltd is expected to benefit from India's structural renewable energy expansion, supported by rising power demand, accelerated solar capacity additions, and increasing adoption of BESS-linked projects. The company is transitioning from a traditional solar EPC player toward an integrated renewable energy platform with capabilities across utility-scale EPC, BESS, module manufacturing, and O&M services, creating a multi-year growth runway.

The EPC business is expected to witness strong execution-led growth, supported by a robust order book that has scaled nearly 5x from INR 5.3 Bn in FY23 to INR 28.1 Bn by FY26, with increasing diversification across NTPC, GUVNL, RRVUNL, and other PSU clients. India's solar EPC market is projected to grow at an 11-12% CAGR through FY30E, while the company is also benefiting from rising opportunities in FDRE and RTC projects where storage integration is becoming mandatory.

The company's backward integration strategy is expected to improve cost competitiveness and margin profile over the medium term. Solarworld has already operationalized its 1.552 GW TopCon solar module line and is setting up a 1.2 GW solar PV cell manufacturing facility, which will help reduce dependency on imported modules and protect margins from raw material volatility. The upcoming ALMM List-II implementation is also expected to support domestic integrated manufacturers.

BESS is expected to emerge as a key growth driver, supported by strong policy push, rising storage requirements, and increasing utility-scale tenders across India. The company's BESS order book stood at ~INR 11.38 Bn as of FY26, accounting for ~40.1% of the total order book, while the upcoming 3.4 GWh battery pack assembly facility is expected to support better margins through duty arbitrage and integrated execution capabilities. Management expects BESS and solar EPC to contribute nearly equally to future growth.

The O&M segment is expected to provide a stable annuity layer with structurally higher margins, as nearly 95% of EPC projects are bundled with O&M contracts. With India's installed solar base expanding rapidly, the third-party O&M market is projected to grow at a 32-34% CAGR through FY30E, creating long-term recurring revenue visibility for the company.

We are estimating a strong revenue CAGR of ~55% over FY25-FY28E, with strong execution across utility-scale solar EPC and backward integration into module and cell manufacturing and growing recurring revenue from O&M services. Margin profile is also expected to improve gradually with better operating leverage and higher contribution from integrated and higher-margin businesses. The company is being valued at 5x FY28E EV/EBITDA across both the Solar+BESS EPC and module manufacturing businesses. At the CMP of INR 220 per share, we initiate a "BUY" rating at a TP of INR 364, valued at an EV/EBITDA of 5.5x, implying an upside potential of ~65.5%.

Solarworld Energy Services FY28E based implied valuation	Solar+BESS EPC	Module	Total
FY28E EBITDA (INR Mn)	3,905	880	4,785
EV/EBITDA (x)	5.2x	5.5x	5.4x
EV (INR Mn)	20,308	4,838	25,146
Net Debt/(cash) (INR mn) - FY28E end			(1,848)
Market Cap (INR mn)			26,994
Share outstanding (mn)			74
Value per share (INR) - FY28E			364
CMP (INR)			183
Upside/Downside (%)			98.9%
Rating			BUY

Source: Company reports, Arihant Capital Research

Solarworld Ltd: Company Overview

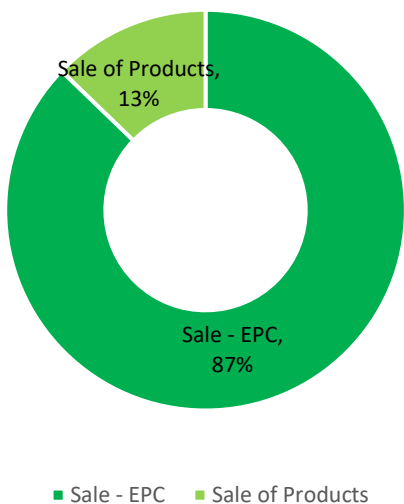
Solarworld Energy Solutions Limited, incorporated in July 2013 and headquartered in Noida, Uttar Pradesh, is a renewable energy company focused on delivering end-to-end solar energy solutions for public sector undertakings (PSUs) and commercial-industrial (C&I) clients. The company is promoted by Kartik Teltia (MD & CEO) and Rishabh Jain (Whole-Time Director, CA) who together bring over two decades of combined experience in solar project development, finance, and operations.

The company offers ground-mount and rooftop solar EPC solutions, operates O&M services across commissioned assets, and is expanding into module manufacturing and BESS. In FY26, SESL has a total order book of INR 28,130, Mn across EPC, BESS, and O&M engagements, with ongoing projects in Gujarat, Rajasthan, and other states. The company's manufacturing presence is centred at Roorkee/Haridwar (Uttarakhand) for modules and BESS, with the Pandhurna (Madhya Pradesh) cell facility under development.

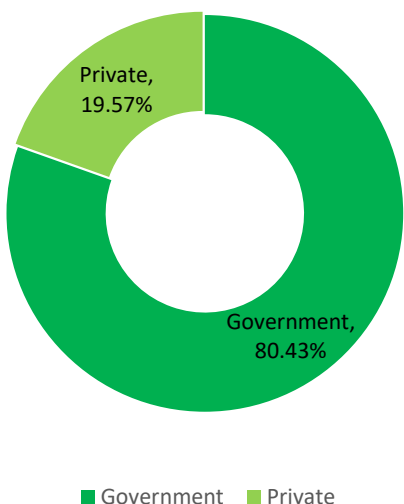
Its solutions are designed to provide sustainable energy infrastructure and driving energy efficiency improvements. There are two distinct models, the capital expenditure ("CAPEX") model and the renewable energy service company ("RESCO") model. The company installs, own and operate the solar power projects, with customers purchasing the generated power at fixed tariffs agreed upon through long-term power purchase agreements (PPA). Under the CAPEX and RESCO models, we also provide operations and maintenance ("O&M") services depending on the requirements of our customers. These services are designed to provide forward-integrated, full life-cycle support, ensuring the long-term performance and reliability of solar power.

In FY26, the company had 47 Completed Projects with a cumulative capacity of 264 MW AC / 348.17 MW DC, and 13 Ongoing Projects at various stages of completion with a capacity of 1405 MW / 1809 Mw ongoing solar EPC projects and 582 MW/1184 MWh for BESS projects, which will be executed through our wholly owned subsidiary named Solarworld BESS One Private Limited.

Solarworld Revenue Contribution By Segments – FY26



Solarworld EBITDA Contribution By Segments – FY26



Promoters and Directors

Name	Position	Experience
Kartik Teltia	MD & CEO	- Post-graduation programme in management from the ISB. - Bachelor's degree in commerce from the University of Delhi and Member of the Institute of Chartered Accountants of India. - Previously associated with Pioneer E-Services Private Limited for a period of over 2 years.
Sushil Kumar Jain	Non-Executive Director	- Bachelor's degree in commerce from the University of Rajasthan. - Member of the Institute of Chartered Accountants of India. - Managing Partner of Sushil Jeetpuria and Company, and the proprietor of Pioneer Industries. - Over 34 years of experience in financial and taxation matters.
Rishabh Jain	Non-Executive Director	- Bachelor's degree in commerce from the University of Delhi. - Member of the Institute of Chartered Accountants of India. 11 years of association with Solarworld Energy Solutions Limited.
Ramakant Pattanaik	Independent Director	- Master of Science in defence studies, Master of Philosophy in defence and strategic studies from the University of Madras. - Served in the Indian Navy for a period of 37 years and has retired as the vice-admiral of the Indian Navy. - Recipient of Param Vishisht Seva Medal & Ati Vishisht Seva Medal.
Mangal Chand Teltia	Non-Executive Director	- Bachelor's degree in commerce from the University of Rajasthan. - Member of the Institute of Chartered Accountants of India. - Previously associated with Autometers Alliance Limited for a period of 30 years and retired as Director Commercial in 2020.
Rini Chordia	Chairperson and Independent Director	- Bachelor of Technology degree in civil engineering from the IIT, Delhi. - Post-graduation programme in management from the ISB. - Head of finance of P2 Power Solutions Private Limited and a director of Belectriq Mobility Private Limited

Key Managerial Personnels

Name	Position	Experience
Mukut Goyal	Chief Financial Officer	Associated with Rama Paper Mills Limited, Tokai Imperial Hydraulics India, Jamna Auto Industries, Jindal Poly Films, Samvardhana Motherson International, etc. 12+ years working in the field of accountancy and finance.
Peeyush Salwan	President	- Postgraduate in management from Birla Institute of Management Technology and executive certificate programme in strategy and leadership for senior professionals from IIM Indore - Previously associated with Su-Kam Power Systems Limited, Novateur Electrical & Digital Systems Private Limited, Jackson Limited and Danton Power Private Limited
Ashutosh Mishra	Chief Operating Officer	- Bachelor of Technology degree in electrical engineering from the Uttar Pradesh Technical University. - Associated with Jakson Limited, Gedpec Infratech Limited, Skipper Electricals (India) Limited, etc. 9+ Years of Experience

Solarworld Energy Solutions Ltd. - Key Milestones

- ◆ **2013:** Company incorporated in Delhi; begins offering solar energy solutions
- ◆ **2014:** First commercial solar installation, 500 KWp rooftop plant in Noida
- ◆ **2015:** Commissions first 10 MW grid-connected solar power plant in Telangana
- ◆ **2017:** Secured government rooftop solar project (end-to-end EPC & O&M); expanded presence across Rajasthan, Haryana, Uttarakhand, New Delhi and Himachal Pradesh
- ◆ **2020:** First 10 MW AC / 14 MW DC ground-mount project commissioned
- ◆ **2022:** Won 100 MW project under reverse bidding from SJVN Ltd which won 175 MW.
- ◆ **2023:** Completion of the first 75MW/105MW DC for SJVN Green Energy Limited.
- ◆ **2024 (May):** Signs equity cooperation agreement with ZNSHINE PV-Tech (China) for module manufacturing
- ◆ **2025 (Sep):** IPO listed on NSE/BSE at INR 351/share; INR 4,900 mn raised; 68.5x subscribed
- ◆ **2025 (Q1FY26):** Commissions 1.2 GW G12R TopCon module line at Roorkee; ALMM certification received (1.552 GW)
- ◆ **2025:** Secured BESS projects from RRVUNL and GUVNL with cumulative capacity of 325MW/650MWh
- ◆ **2026: Initiated work on its solar cell line. The 1.2 GW facility is projected to become operational by end of Jun 2027.** BESS 3.4 GW assembly line commissioning at Haridwar, secured entry into BESS with multiple PSU orders.
- ◆ **2027 (Target):** 1.2 GW solar PV TopCon cell facility at Pandhurna, Madhya Pradesh.

Financial Statements

Income Statement						
Y/E Mar, Rs mn	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Net sales	2,325	5,010	5,448	13,762	27,795	31,634
Growth, %	702%	116%	9%	153%	102%	14%
Raw material expenses	1,821	3,816	3,425	10,855	22,151	24,443
Employee expenses	5	9	110	239	350	390
Other Operating expenses	31	60	285	227	712	1,416
EBITDA (Core)	215	689	1,092	1,480	3,632	4,285
Growth, %	540.12%	220.74%	58.65%	35.49%	145.36%	18.00%
Margin, %	9.24%	13.74%	20.05%	10.76%	13.07%	13.55%
Depreciation	2	4	2	52	86	89
Interest paid	59	68	62	207	414	320
Other Income	26	45	63	399	251	271
Non-recurring Items						
Pre-tax profit	212	684	1,090	1,428	3,546	4,197
Tax provided	45	167	296	406	849	1,041
Profit after tax	148	517	770	1,205	2,524	3,096
PAT Adj.	148	517	770	1,205	2,524	3,096
Growth, %		248.42%	49.05%	56.36%	109.54%	22.66%
Unadj. shares (m)						
Wtd avg shares (m)	72	72	74	74	74	74

Financial Statements

Balance Sheet						
As at 31st Mar, Rs mn	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
PPE	12	9	374	1,448	1,564	1,534
CWIP	-	-	881	425	86	89
Goodwill	-	6	0	0	0	0
Rights Of Use Assets	-	-	-	-	-	-
Financial Assets	70	88	165	278	235	235
Other Non Current Assets	8	10	210	160	160	160
Total Non current Assets	91	114	1,630	2,312	2,046	2,019
Inventories	15	22	20	1,061	910	1,005
Receivables	205	302	1,443	3,477	4,569	5,200
Cash & CE	43	204	111	229	(2,746)	(275)
Bank Balances	132	201	1,160	5,491	5,491	5,491
Other Current Assets	159	92	531	1,062	1,169	1,285
Other Financial Assets	559	615	1,085	3,248	3,597	3,988
Total Current Assets	1,114	1,437	4,350	14,568	12,990	16,694
Total assets	1,204	1,550	5,980	16,880	15,036	18,713
Total Equities	219	736	3,091	8,478	6,820	9,916
Non current borrowings	170	160	644	648	1,179	1,046
Other Non current liabilities	1	1	8	13	13	13
Total Non current liabilities	171	161	652	661	1,192	1,059
Current borrowings	476	451	502	1,907	2,022	2,322
Trade Payables	113	122	625	4,452	3,620	4,034
Other Current Liabilities	225	80	1,111	1,382	1,382	1,382
Total Current Liabilities	814	653	2,237	7,741	7,024	7,737
Total equity & liabilities	1,204	1,550	5,980	16,880	15,036	18,713

Cash Flow Statement

Y/E Mar, Rs mn	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Net profit after tax	8	148	517	770	1,205	2,524
Other Income	(30)	(26)	(45)	(63)	(399)	(251)
Finance Costs	45	59	68	62	207	414
Depreciation & Amortisation Expenses	5	2	4	2	52	86
Profit Before WCC	28	184	544	772	1,065	2,773
Inventories	0	(7)	2	(1,041)	151	(94)
Trade receivables	(97)	(97)	(1,140)	(2,035)	(1,092)	(631)
Trade payables	67	9	503	3,827	(833)	414
Other financial assets	(307)	(307)	(348)	(2,337)	(266)	(339)
Other current assets	(158)	68	(439)	(531)	(106)	(117)
Short term Borrowings	50	(26)	51	1,405	115	300
Other current liabilities	161	(186)	929	287	-	-
Other financial liabilities	0	16	100	21	-	-
Deferred tax liabilities (net)	(3)	-	-	-	-	-
Income-tax-assets (net)	(5)	(6)	(38)	(11)	-	-
Loans	124	252	(214)	51	(41)	(51)
CFO	(138)	(99)	(51)	409	(1,006)	2,254
CFI						
Property, plant and equipment	33	0	(369)	(1,076)	(169)	(56)
Capital work-in-progress	-	-	(881)	456	339	(3)
Rights of Use Assets	-	-	-	-	-	-
Goodwill	-	(6)	6	-	-	-
other intangible assets	-	-	-	-	-	-
Intangible Assets Under development	-	-	-	-	-	-
Non current tax assests (net)	(4)	4	-	(12)	-	-
Other non-current assets	-	-	(161)	73	-	-
Investment	(22)	(20)	15	9	-	-
Other Income	30	26	45	63	399	251
CFI	37	4	(1,345)	(487)	569	192
CFF						
Equity share capital	-	-	367	63	(63)	-
Other equity	138	368	1,470	4,554	(2,800)	572
non - controlling interest	(10)	-	-	-	-	-
Others financial assets	-	-	-	-	-	-
Long term Borrowings	52	(10)	483	4	531	(133)
Loans	-	-	-	-	-	-
Lease liabilities (Non-current)	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Provisions (Non-Current)	1	0	7	5	-	-
Other non-current liabilities	-	-	-	-	-	-
Provisions	8	(14)	22	(19)	-	-
Dividend	-	-	-	-	-	-
Current Tax Liabilities(net)	-	39	(21)	(18)	-	-
Finance Costs	(45)	(59)	(68)	(62)	(207)	(414)
CFF	143	325	2,262	4,527	(2,538)	25
NET	42	230	866	4,449	(2,975)	2,471
Opening Cash	133	175	405	1,271	5,720	2,745
Closing Cash	175	405	1,271	5,720	2,745	5,216

Financial Statements

Ratios	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Per Share data						
EPS (INR)	2.1	7.2	10.4	16.3	34.1	41.8
Growth, %	1776.3%	248.4%	45.1%	56.4%	109.5%	22.7%
Book NAV/share (INR)	68.5	230.0	8.3	19.6	18.4	26.8
DPS (INR)	-	-	-	-	-	-
Return ratios						
Return on assets (%)	193%	323%	91%	82%	185%	169%
Return on equity (%)	1061%	681%	176%	162%	408%	319%
Return on capital employed (%)	31%	73%	37%	27%	49%	52%
ROIC	18%	45%	19%	11%	20%	23%
Turnover ratios						
Asset turnover (x)	1.9	3.2	0.9	0.8	1.8	1.7
Sales/Working Capital (x)	7.8	6.4	2.6	2.0	4.7	3.5
Receivable days	32.2	22.0	96.7	90.0	60.0	60.0
Inventory days	3.0	2.2	2.2	35.0	15.0	15.0
Payable days	22.7	11.7	66.6	90.0	60.0	60.0
Working capital days	12.6	12.5	32.2	35.0	15.0	15.0
Liquidity ratios						
Current ratio (x)	1.4	2.2	1.9	1.9	1.8	2.2
Quick ratio (x) (excl. c&ce)	1.2	1.6	1.4	1.1	1.5	1.5
Interest cover (x)	0.0	0.3	0.6	0.4	0.4	1.1
Dividend cover (x)	-	-	-	-	-	-
Total debt/Equity (%)	295%	88%	38%	30%	47%	34%
Net debt/Equity (%)	-120%	28%	-51%	-20%	-2%	-3%
Valuation						
PER (x)	90.9	26.1	17.5	11.2	5.3	4.4
PEG (x) - y-o-y growth	-	0.0	0.1	-	-	-
Price/Book (x)	63.3	18.8	4.5	1.6	2.0	1.4
EV/Net sales (x)	50.2	6.1	2.9	2.2	1.1	0.5
EV/EBITDA (x)	67.8	20.5	13.4	8.1	4.3	3.1
EV/EBIT (x)	509.6	66.4	21.5	11.0	10.9	3.7

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office

#1011, Solitaire Corporate Park
 Building No. 10, 1st Floor
 Andheri Ghatkopar Link Road
 Chakala, Andheri (E)
 Mumbai - 400093
 Tel: (91-22) 42254800

Registered Office

6 Lad Colony,
 Y.N. Road,
 Indore - 452003, (M.P.)
 Tel: (91-731) 4217100/101
 CIN: L66120MP1992PLC007182

Stock Rating Scale

BUY
 ACCUMULATE
 HOLD
 NEUTRAL
 REDUCE
 SELL

Absolute Return

>20%
 12% to 20%
 5% to 12%
 -5% to 5%
 -5% to -12%
 <-12%

**Research Analyst
 Registration No.**

Contact**Website****Email Id**

INH000002764

SMS: 'Arihant' to 56677

www.arihantcapital.cominstresearch@arihantcapital.com**Arihant Capital Markets Ltd.**

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
 Andheri Ghatkopar Link Road, Chakala, Andheri (E)
 Tel. 022-42254800

Disclaimer: This disclosure statement is provided in compliance with the SEBI Research Analyst Regulations, 2014. Arihant Capital Markets Limited (ACML) is a registered stockbroker, merchant banker, and research analyst under SEBI, and is also a Point of Presence with the Pension Fund Regulatory and Development Authority (PFRDA). ACML is registered with SEBI with Research Analyst Registration Number INH000002764, Stock Broker Registration Number INZ000180939, and is a Trading Member with NSE, BSE, MCX, NCDEX, and a Depository Participant with CDSL and NSDL.

ACML and its associates may have business relationships, including investment banking, with companies covered by its Investment Research Department. The analysts of ACML, and their associates, are prohibited from holding a financial interest in securities or derivatives of companies they cover, though they may hold stock in the companies they analyze. The recommendations provided by ACML's research team are based on technical and derivative analysis and may differ from fundamental research reports.

ACML confirms that neither it nor its associates have a financial interest or material conflict concerning the companies covered in the research report at the time of publication. Furthermore, ACML, its analysts, and their relatives have no ownership greater than 1% in the subject companies as of the month prior to publication. ACML guarantees that the compensation for its research analysts is not influenced by specific securities or transactions.

ACML affirms that neither the analyst nor the company has served as an officer, director, employee, or engaged in market-making activities for any of the subject companies. Additionally, the research report does not reflect any conflict of interest and is not influenced by specific recommendations made. Neither ACML nor its analysts have received compensation for investment banking or brokerage services from the subject companies in the last 12 months.

The views expressed in this report are those of the analysts and are independent of the proprietary trading desk of ACML, which operates separately to maintain an unbiased stance. Analysts comply with SEBI Regulations when offering recommendations or opinions through public media. The report is intended for informational purposes only and is not an offer or solicitation for the purchase or sale of securities.

This report, which is confidential, may not be reproduced or shared without written consent from ACML. It is based on publicly available data believed to be reliable but has not been independently verified, and no guarantees are made about its accuracy. All opinions and information contained in the report are subject to change without notice. ACML disclaims liability for any losses resulting from reliance on this report. The report does not constitute an offer to buy or sell securities, and ACML is not responsible for the risks involved in investments. ACML and its affiliates may have positions in the securities discussed or hold other financial interests in them.

The distribution of this report in certain jurisdictions may be restricted by law, and the report is not intended for distribution where it would violate local laws. Investors are advised to consider their financial position, risk tolerance, and investment objectives before engaging in transactions, particularly in high-risk financial products such as derivatives.

ACML reserves the right to modify this disclosure statement without prior notice. The report has been prepared using publicly available information and internally developed data, though ACML does not guarantee its completeness or accuracy. Historical price data for securities can be accessed via official exchanges like NSE or BSE. ACML and its affiliates may conduct proprietary transactions or investment banking services for the companies mentioned in this report. In compliance with SEBI regulations, ACML maintains comprehensive records of research reports, recommendations, and the rationale for those recommendations, which are preserved for at least five years. An annual compliance audit is conducted by a member of the ICAI or ICSI to ensure adherence to applicable regulations. This report is issued in accordance with applicable SEBI regulations and does not guarantee future performance or returns.

Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800