

## Premier Energies

Issue Detail	
Price Band (Rs.)	₹427 to ₹450
Face Value (Rs.)	1.00
Issue Size (Rs.)	₹2,830.40 Cr
Issue Type	Book Built Issue IPO
Lot Size	33 shares
Issue Opens	August 27, 2024
Issue Closes	August 29, 2024
Listing on	BSE & NSE

Indicative Timeline	On or before
Finalization of Basis of Allotment	August 30, 2024
Unblocking of Funds	September 2, 2024
Credit of shares to Demat Account	September 2, 2024
Listing on exchange	September 3, 2024

Other Detail	
Book Running Lead Managers	Kotak Mahindra Capital Company Limited J.P. Morgan India Private Limited ICICI Securities Limited
Registrar	Kfin Technologies Limited

IPO Shareholding (%)		
Category	Pre-Issue	Post-Issue
Promoters	72.22%	66.03%
Public	27.78%	33.97%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Distribution Team	
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## Company Background

Established in 1995, Premier Energies is a leading integrated manufacturer of solar cells and modules, supported by GEF Capital, a Washington DC-based private equity firm. The company operates cutting-edge manufacturing facilities across three locations in Telangana, covering over 44.91 acres, with an annual production capacity of 2 GW for solar cells and 3.36 GW for solar modules. Premier Energies is also developing a new Topcon Cell and Module line, expanding its footprint by an additional 75 acres.

Premier Energies specializes in producing high-efficiency M10 wafer-sized solar cells, with an average cell efficiency of 23.2%. The company's facilities include a LEED Gold Certified manufacturing unit spanning 25 acres, and its products undergo rigorous reliability testing, with 12 modules recognized as "Top Performers" in the 2023 PVEL Module Reliability Scorecard.

## Issue Details

The total issue size is Rs 2,830.40 crores. It is combination of fresh issue of 28,697,777 crore shares aggregating to Rs 1,291.40 crores and offer for sale of 34,200,000 crore shares aggregating to Rs 1,539.00 crores.

## Issue Objectives

The company will achieve:

- Investment in Subsidiary, Premier Energies Global Environment Private Limited for part-financing the establishment of a 4 GW Solar PV TOPCon Cell and 4 GW Solar PV TOPCon Module manufacturing facility in Hyderabad, Telangana, India
- General corporate purposes

## IPO Share Issue Structure

Category	Allocation	Number of Shares	Value at upper price band (Rs. in Cr.)
QIB (Institutional)	50%	3,13,37,777	1410
Non Institutional	15%	94,01,333	423
Retail	35%	2,19,36,444	987
*Employee		2,22,222	10
<b>Total</b>	<b>100%</b>	<b>6,28,97,777</b>	<b>2830.40</b>

\*Employee Discount of Rs 22 per share

Source: Company RHP, ACMIIL Research

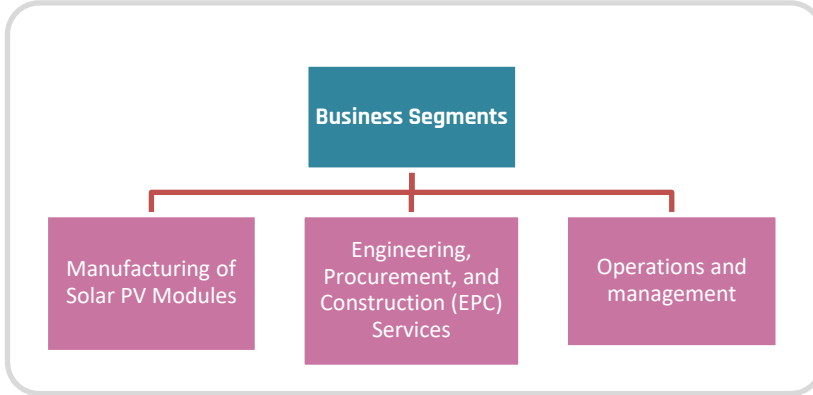
## Outlook

Premier Energies With its strategic positioning, proven track record, and strong partnerships, is poised for substantial growth in the renewable energy sector. The increasing demand for sustainable energy solutions, driven by government policies and societal shifts towards greener energy, bodes well for the company's future. By maintaining high standards of quality, investing in technological advancements, and expanding its project portfolio, Premier Energies is set to capitalize on the opportunities within the renewable energy landscape, ensuring sustained growth and value creation for its stakeholders.

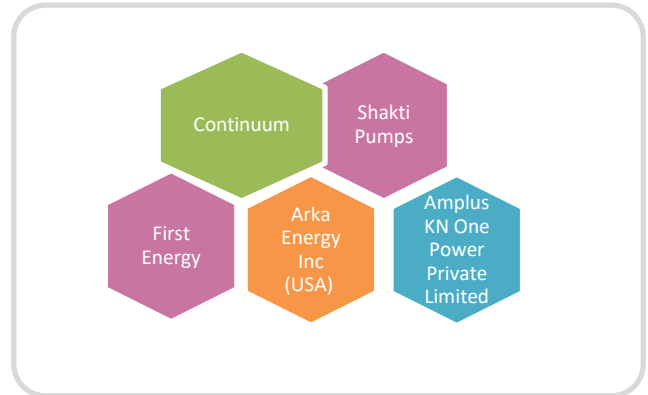
## Company Overview

The Company is primarily an integrated solar cell and solar module manufacturer with 29 years of experience in the solar industry.

### Segments



### Key Customers



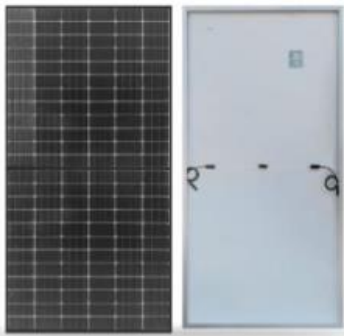
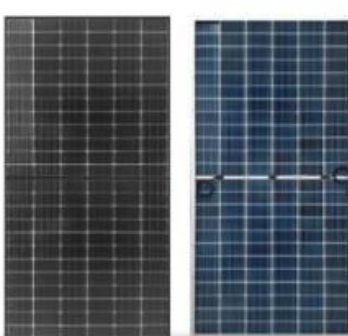
Source: Company RHP, ACMIIL Research

Premier Energies Limited operates primarily in the solar energy sector, with a focus on manufacturing high-efficiency solar photovoltaic (PV) modules and providing comprehensive engineering, procurement, and construction (EPC) services for solar projects. The company specializes in the production of bifacial monocrystalline PERC cells using the M10 wafer size in a 182mmx182mm format, which are then assembled into solar modules. Premier Energies also manufactures solar modules using different technologies, such as monocrystalline PERC and TOPCon, with varying cell sizes, power output ranges, and formats, including monofacial and bifacial. Additionally, the company offers customized solar-related products, such as bespoke solar tiles, based on specific customer requirements. Furthermore, Premier Energies executes EPC projects, providing end-to-end solar services for ground-mounted, rooftop, floating, canal bank, canal top, and hybrid power generation systems. The company also provides operation and maintenance (O&M) services for the EPC projects it has executed. Additionally, Premier Energies generates power through its 2 MW solar power plant located in Jharkhand, India, contributing to its independent power production segment. The Group is structured as follows:



Source: Company RHP, ACMIIL Research

**Product Portfolio**

Solar module (Monofacial)	Solar modules (bifacial)	
	Glass-transparent Backsheet Bifacial	Dual Glass Bifacial
 <p>2278 x 1134 mm</p>	 <p>2278 x 1134 mm</p>	 <p>2278 x 1134 mm</p>

Source: Company RHP, ACMIIL Research

**Competitive Strengths**

<p><b>Integrated solar cell and solar module manufacturer</b></p>	<p><b>Experienced in solar cell line production</b></p>	<p><b>Diversified customer base with customer relationships both within India and overseas with a robust order book</b></p>	<p><b>An experienced Promoter-led senior management team</b></p>	<p><b>Long track record in the solar module manufacturing sector</b></p>
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Source: Company RHP, ACMIIL Research

**Key Business Strategies**

<p><b>Expand overseas presence and increase exports especially in the U.S. market through backward integration of production chain</b></p>	<p><b>Establishing manufacturing capabilities outside of India</b></p>	<p><b>Develop and grow rooftop solar offering</b></p>	<p><b>Capitalize on available market opportunities to grow domestic business</b></p>
<p><b>Expanding and upgrading manufacturing capacities using the latest technology</b></p>			

Source: Company RHP, ACMIIL Research

**Financial Snapshot (Consolidated)**

Particulars (Rs in Mn.)	FY22	FY23	FY24
Revenue from Operations	7,428.71	14,285.34	31,437.93
EBITDA	537.38	1,128.81	5,053.18
EBITDA Margin	7.01%	7.71%	15.93%
PAT	(144.08)	(133.36)	2,313.60
PAT Margin (%)	(1.88%)	(0.91%)	7.30%
Diluted EPS	(0.44)	(0.38)	5.48
Debt-Equity Ratio	1.15	1.86	2.18
ROE %	(4.66%)	(3.18%)	43.73%
ROCE %	3.63%	5.94%	25.65%

Source: Company RHP, ACMIIL Research

### Comparison with Peers as of March 31<sup>st</sup>, 2024

Name of Company	Total Income (in mn)	EPS (₹) Diluted	P/E	RONW (%)
Premier Energies Limited	31,713.11	5.48	[●]	37.46
Websol Energy System Limited	268.10	(29.99)	[●]	[●]

Source: Company RHP, ACMIL Research

### Risks and concerns

- Revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on business, financial condition, results of operations and cash flows.
- The business and prospects of Company is dependent on the success of two products namely, solar cells and modules, and therefore their continued success is necessary for business and prospects.

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Budget Report	Stock Basket
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Rollover Snapshot	Portfolio Doctor
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