



IPO Note

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# VIKRAM SOLAR LIMITED

Aug 19<sup>th</sup>, 2025



Aug 19<sup>th</sup>, 2025**Details of the Issue**

Price Band	₹ 315 - ₹ 332
Issue Size	₹ 2,079.37 Cr
Face Value	₹ 10
Bid Lot	45
Listing on	BSE,NSE
Post Issue Mcap	₹ 12,009.01 Cr
Investment Range	₹ 14,175 - ₹ 14,940

**Important Indicative Dates (2025)**

Opening	19 - Aug
Closing	21 - Aug
Basis of Allotment	22 - Aug
Refund Initiation	25 - Aug
Credit to Demat	25 - Aug
Listing Date	26 - Aug

**Lead Manager**

JM Financial Ltd

**Offer Details**

Offer Size	₹ 2,079.37 Cr
Fresh Issue	₹ 1,500 Cr
OFS	₹ 579.37 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	1,039.7	31.31	33.0	50
NII	311.9	9.39	9.90	15
Retail	727.8	21.92	23.1	35
Em- ploy.	-	-	-	-
Total	2079.4	62.62	66	100

**Invest Now****Company Profile**

Vikram Solar Limited is India's one of the largest solar photo-voltaic (PV) modules manufacturer in terms of operational capacity with 4.50 GW of installed manufacturing capacity as of March 2025. The company's 2.85 GW of capacity is listed under Ministry of New & Renewable Energy's (MNRE) Approved List of Modules and Manufacturers (ALMM) as of June 2025. The existing manufacturing facilities are strategically located at Falta SEZ in Kolkata, West Bengal and Oragadam in Chennai, Tamil Nadu, with access to ports, rail and roads, facilitating both domestic and international operations. The company's solar energy product portfolio includes high efficiency PV modules based on Passivated Emitter and Rear Contact (PERC), N-Type monocrystalline silicon, and heterojunction technology (HJT), available in bifacial and monofacial formats.

**GEPL's Insights & Investment Thesis:**

- Vikram Solar Limited is one of the manufacturer of solar photo-voltaic modules with 4.5 GW of capacity, ranking 8th amongst the major players in terms of operational capacity. It has a lower margin profile compared to its peers due to the lack of backward integration.
- The company faces customer concentration risk as it generates 77.5% and 88.7% of its revenue from top 5 and top 10 clientele.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 85.9x. We believe that the company is overly valued and has lower margin profile compared to its peers. Therefore, we recommend a "Avoid" rating for the issue.

**Business Highlights & Services**

Vikram Solar Ltd follows a multi-pronged sales and distribution strategy across business divisions, allowing it to diversify revenues, improve margins, and reduce risk. Its channels include: (i) domestic solar PV module sales via large key accounts and exclusive distributor networks for retail demand, (ii) exports to global marquee customers, and (iii) integrated solar energy solutions comprising EPC and O&M services. Its latest-generation solar PV modules, ranging from 395Wp to 735Wp with efficiencies of 20.23%-23.66%, are subjected to rigorous stress testing. This enables the company to provide a 12-year product warranty and a 27-30 year performance warranty, in line with global benchmarks. With a strong presence across 19 states and 2 union territories, the company has significantly scaled its reach—expanding its distributor network from 41 in Sep'24 to 83 at the time of RHP, and its dealer base from 64 to over 250 during the same period. Its modules are widely adopted by leading domestic clients, including government entities such as NTPC, NLC, and GIPCL, as well as top private IPPs like Adani Green, ACME, AMPIN, Azure Power, JSW Energy, First Energy, and Rays Power Infra.

To address rising demand, the company is executing large-scale greenfield and brown-field expansion projects that will enhance its installed solar PV module manufacturing capacity to 15.50 GW by FY26 and further to 20.50 GW by FY27. In addition, it is pursuing strategic backward integration by setting up a solar cell manufacturing facility in Gangaikondan, Tamil Nadu, comprising two units of 3.00 GW and 9.00 GW, scheduled for completion by FY27. The company is also diversifying into the fast-growing battery energy storage system (BESS) segment through a greenfield project in Tamil Nadu, with an initial capacity of 1.00 GWh, scalable to 5.00 GWh by FY27.



Vikram Solar Ltd's robust order book reflects its expanded manufacturing capacities, higher capacity utilization, and the development of advanced high-wattage modules. Through this pipeline, the company continues to deepen customer diversification across utility-scale projects with government entities, state utilities, and IPPs, as well as the C&I and residential rooftop segments via its authorized distributor network. Exports to the United States and other international markets further strengthen geographic diversification. As of March 31, 2025, the company's order book stood at 10,340.82 MW, which is equivalent to 2.3x its rated capacity for FY25. Of this, 6,424.93 MW pertains to projects already under execution, while 3,915.89 MW relates to projects yet to commence. Notably, in CY2024, the company secured marquee orders for large-scale projects, including a 326 MW supply to GIPCL for the Khavda Renewable Energy Park (Great Rann of Kutch, Gujarat), 397.70 MW to NTPC Renewable Energy in Gujarat, 393.90 MW to NLC India in Gujarat, and 251.25 MW to GIPCL for the Gujarat Hybrid Renewable Energy Park in Kutch.

The company's ability to manufacture high-quality solar cells in a cost-efficient manner is expected to support margin expansion. Its proposed backward integration into solar cell manufacturing will also provide access to the Domestic Content Requirement (DCR) market, which mandates that both cells and modules be manufactured in India. Regulatory changes further reinforce this strategy. Effective June 1, 2026, amendments to the Approved List of Models and Manufacturers (ALMM) framework, introduced in December 2024, will require most projects, including government-backed and open-access schemes to source both PV cells and modules from ALMM List-II, emphasizing the need for reliable domestic manufacturing. In addition, several current MNRE schemes—such as CPSU Scheme Phase-II, PM-KUSUM, and the Grid-connected Rooftop Solar Programme Phase-II, mandate the use of domestically manufactured solar cells and modules that meet MNRE's specifications and testing standards. With Gol initiatives like the CPSU Scheme offering financial support for grid-connected solar PV projects by central and state PSUs while mandating the use of DCR modules, the strategic importance of manufacturing solar cells in-house has become increasingly critical for the company's long-term growth.

To capture the fast-growing demand for clean energy in the Commercial & Industrial (C&I) sector, the company plans to expand into captive solar projects—an area with significant untapped potential. The C&I segment accounts for nearly 51% of India's electricity consumption, yet renewable sources form only a small fraction of this demand. This gap underscores a substantial growth opportunity. In recent years, the shift toward renewable energy in the C&I market has accelerated, driven by rising electricity costs and growing commitments to carbon reduction. By entering this space, the company aims to position itself as a preferred partner for businesses seeking sustainable and cost-efficient energy solutions.

#### [Order Book \(in MW\)](#)

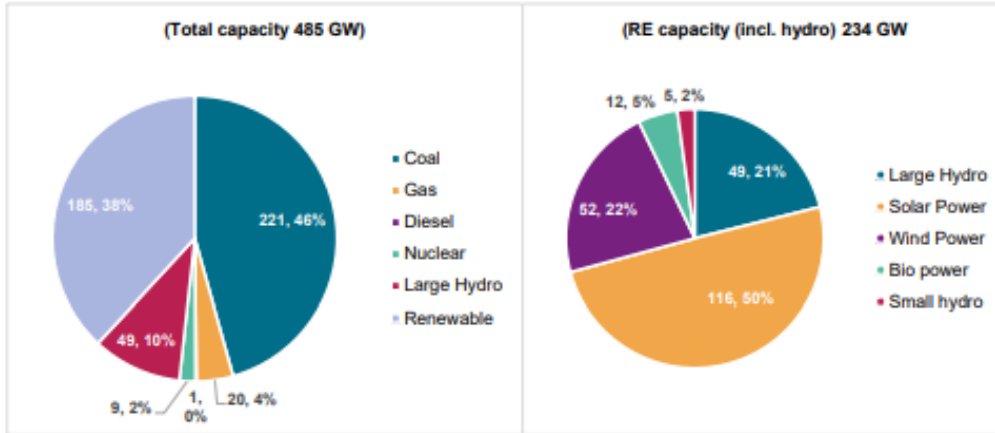
Order Book (in MW)	FY25		FY24		FY23	
	Revenue	%	Revenue	%	Revenue	%
Domestic (MW)	8,668	83.8%	3,927	89.7%	2,133	76.5%
Export (MW)	1,653	16.0%	421	9.6%	639	22.9%
EPC (MW)	20	0.2%	28	0.6%	15	0.5%
<b>Total Order Book</b>	<b>10,341</b>	<b>100%</b>	<b>4,376</b>	<b>100%</b>	<b>2,787</b>	<b>100%</b>

#### [Existing and Upcoming Manufacturing Facilities](#)

Facility	Installed Capacity as of FY25	Capacity Additions in FY26	Capacity Additions in FY27
<b>Solar PV Module (GW)</b>			
Falta SEZ, Kolkata (West Bengal)	3.2	-	2.0
Oragadam, Chennai (Tamil Nadu)	1.3	-	-
Upcoming facility in Vallam, Tamil Nadu	-	5.0	-
Upcoming facility in Gangaikondan, Tamil Nadu	-	6.0	-
Upcoming facility in USA	-	-	3.0
<b>Cumulative Total</b>	<b>4.5</b>	<b>15.5</b>	<b>20.5</b>
<b>Solar Cell (GW)</b>			
Upcoming facility in Gangaikondan, Tamil Nadu	-	-	3.0
Upcoming facility in Gangaikondan, Tamil Nadu	-	-	9.0
<b>Cumulative Total</b>	<b>-</b>	<b>-</b>	<b>12.0</b>
<b>BESS (GWh)</b>			
Manufacturing plant in Oragadam, Chennai (Tamil Nadu)	-	-	5.0
<b>Cumulative Total</b>	<b>-</b>	<b>-</b>	<b>5.0</b>

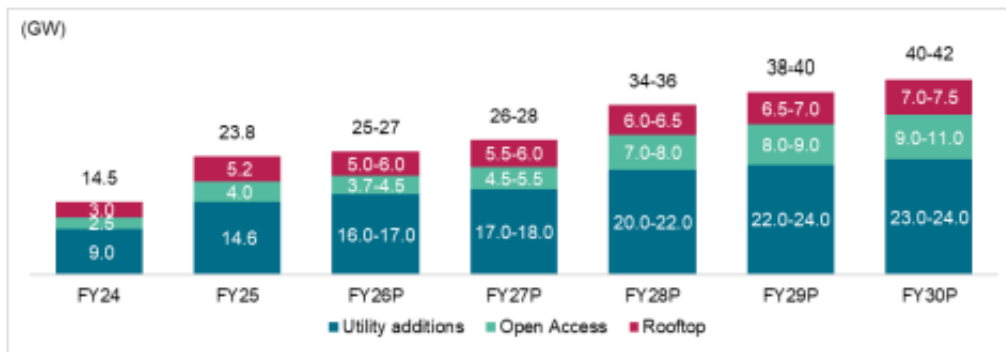


Details of source wise installed capacity as of June 2025



Source: CEA, Crisil Intelligence

Year wise expected solar capacity additions over fiscals 2026-2030



P: Projected; Source: Crisil Intelligence

Key domestic solar module manufacturers with capacity (as on May 2025)

Company Name	Installed Capacity (MW)
Waaree Energies Ltd	15,000
Goldi Solar Pvt. Ltd.	10,700
Emmvee Photovoltaic Power Pvt. Ltd.	7,800
ReNew Photovoltaics Pvt. Ltd.	6,400
Rayzon Solar Pvt. Ltd	6,000
Premier Energies Ltd	5,100
Tata Power Renewable Energy Ltd	4,900
Vikram Solar Ltd.	4,500
Mundra Solar PV Ltd	4,000
Saatvik Green Energy Ltd.	3,800
First Sola	3,300
SAEL	3,300



### Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Vikram Solar Ltd	10	3,459.5	4.6	39.2	NA	11.26
<b>Peers Group</b>						
Waaree Energies Ltd	10	14,846.1	67.9	334.0	45.8	20.09
Premier Energies Ltd	1	6,652.1	21.3	62.6	47.0	33.21
Websol Energy System Ltd	10	577.4	36.2	65.9	40.0	55.65

### Company's Competitive Strength

- One of the largest Indian solar PV module manufacturers with 4.50 GW operational capacity and actual production of 1,286.10 MW as on March 31, 2025.
- Strong R&D focus with robust quality control systems.
- Strong technical proficiency in the solar PV module manufacturing.
- Strong presence in domestic and international markets.
- The company has a strong brand recognition and customer base due to good understanding of customers and the high quality of products offered.
- Robust financial performance with a strong order book, providing clear visibility on future growth.
- Led by promoters and an experienced management team with an excellent track record.

### Key Strategies Implemented by Company

- Maintain domestic market position through strategic expansion of solar PV module manufacturing and backward integration into solar cell manufacturing.
- Continued focus on developing new and innovative products and services.
- Further its BESS manufacturing operations.
- Strengthen domestic presence through a dedicated retail network and distribution model.
- To become a significant global player in the international solar PV module market.
- Diversify its supply chain.
- Expand into captive projects and cater to the untapped potential in the C&I renewable energy market.

Particular (INR in Cr)	FY25	FY24	FY23
Equity Capital	317	259	259
Reserves and Surplus	925	187	106
Net Worth	1,242	445	365
Revenue	3,423	2,511	2,073
Growth (%)	36%	21%	
EBITDA	492	399	186
EBITDAM (%)	14.4%	15.9%	9.0%
PAT	140	80	14
PATM (%)	4.1%	3.2%	0.7%
ROE (%)	16.6%	19.7%	4.1%
ROCE (%)	24.5%	20.8%	12.8%





## Notes

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