Saatvik Green Energy Ltd.

19th September 2025

IPO NOTE

Recommendation	Subscribe	
Price Band	Rs 442-465	
Bidding Date	19 Sep - 23 Sep	
Book Running Lead Manager	DAM Cap Ltd, Ambit Pvt Ltd, Motilal Oswal Invt Ltd.	
Registrar	KFin Tech Ltd	
Sector	Cap goods: Solar Equipment	
Minimum Retail Application- Detail At Cut off Price		
Number of Shares	32	
Minimum Application Money	Rs. 14880	
Payment Mode	ASBA	
Financials (Rs Cr)	**FY24**	**FY25**
Total Income	1,088	2,158
EBITDA	148	320
PAT for the year	100	214
Valuations (FY25)	**Upper Band**	
Market Cap (Rs Cr)	5,910	
Adj EPS	17	
PE	28	
EV/ EBITDA	20	
Enterprise Value (Cr)	6404	
Post Issue Shareholding Pattern		
Promoters	76.0%	
Public/Other	24.0%	
Offer structure for different categories		
QIB	50%	
Non-Institutional	15%	
Retail	35%	
Post Issue Equity (cr)	25.4	
Issue Size (Rs in cr)	900	
Face Value (Rs)	2	

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BACKGROUND

Saatvik Green Energy Ltd, founded in 2015 and based in Ambala, Haryana, is a solar PV module manufacturer with a capacity of 3.8 GW as of June 2025. It produces advanced Mono PERC and N-Type TopCon modules, serving residential, commercial, and utility-scale projects. Alongside manufacturing, it offers EPC and long-term operations and maintenance services, making it a one-stop renewable energy solutions provider.

Details of the Issue:

The public issue consists of an OFS aggregating up to ₹200 Cr and a Fresh Issue up to ₹700 Cr. The Company proposes to utilize the Net Proceeds towards:

1. Prepayment of certain outstanding borrowings: - ₹10.8 Cr.
2. Investment in its wholly-owned subsidiary, Saatvik Solar India Pvt Ltd, in the form of debt or equity for repayment of borrowings – ₹166.4 Cr
3. Investment in Saatvik Solar India Pvt Ltd for setting up a 4 GW solar PV module manufacturing facility in Odisha – ₹477.2 Cr

Investment Rationale:

- Wide Customer Base and Strong Order Book
- Advanced Manufacturing Capacity and Certifications
- Technology Focus and In-House R&D
- Experienced Promoters
- Integrated EPC and O&M Capabilities
- Positioned to Benefit from Industry Growth

Valuation and Recommendation:-

In comparison with peers, Saatvik's 3.8 GW capacity is smaller than Waaree Energies and Premier Energies but ahead of Alpex and Insolation. Its EBITDA margin of 14.8% is below the peer average of 17.8%, but the company stands out with a superior ROE of 63.4% and ROCE of 38.4%. Valuations also appear attractive, with EV/EBITDA at 20x and P/E at 27.6x compared to peer averages of 27.9x and 51.9x. Considering strong growth prospects, superior return ratios, and reasonable valuations, we assign a **Subscribe** rating to the IPO.

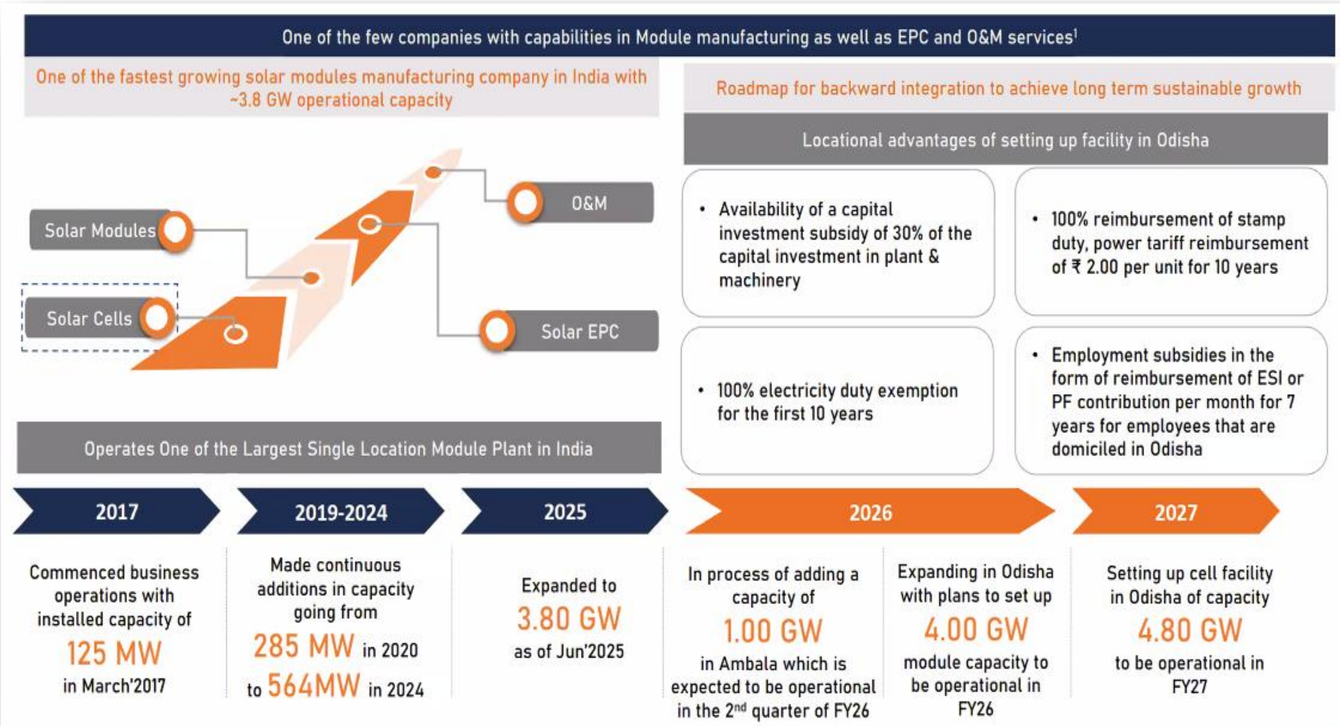
Financials	FY23	FY24	FY25
Net Revenues	609	1,088	2,158
Growth (%)	-	78.8%	98.4%
EBITDA	15	148	320
EBITDA Margin (%)	2.4%	13.6%	14.8%
PBT	7	132	280
Adjusted PAT	5	100	214
EPS	0.37	7.90	16.83
ROCE	10.0%	36.5%	38.4%
EV/Sales	10.5	5.9	3.0
EV/EBITDA	431.9	43.4	20.0
P/E	1245.6	58.8	27.6

Source: Company data, NBRR

Company Background

Saatvik Green Energy Ltd, incorporated in May 2015 and headquartered in Ambala, Haryana, is a fast-growing solar photovoltaic (PV) module manufacturer that has positioned itself as an integrated renewable energy solutions provider. As of June 30, 2025, it operated an installed manufacturing capacity of about 3.8 GW, producing high-efficiency solar modules to serve the rising demand for clean energy. Its product portfolio consists of advanced Mono PERC and N-Type TopCon solar modules available in both mono-facial and bifacial configurations, catering to diverse needs across the residential, commercial and industrial, and large utility-scale solar segments. Apart from its core manufacturing business, Saatvik also provides engineering, procurement and construction (EPC) services for both ground-mounted and rooftop projects, while offering long-term operations and maintenance solutions to ensure sustained project efficiency. This combination of manufacturing, EPC, and operations and maintenance services has enabled the company to establish itself as a one-stop solution provider in India's renewable energy ecosystem. Saatvik's order book has grown sharply, providing strong revenue visibility. It stood at ₹686 Cr in FY23, slightly lower at ₹560 Cr in FY24, but jumped to ₹5,077 Cr as of June 30, 2025.

Its primary manufacturing facility is located in Ambala, Haryana, and the company has also expanded internationally with the establishment of a U.S. subsidiary to tap global opportunities. Promoted by Neelesh Garg, Manik Garg, Manavika Garg, and SPG Trust, Saatvik has developed a growing customer base both in domestic and export markets. The company has benefited from India's policy focus on clean energy, where solar power capacity has reached 116 GW as of June 2025 and is expected to grow further under government renewable targets. With rising demand for advanced module technologies such as N-TopCon, Saatvik is investing in innovation and efficiency improvements to strengthen its competitive positioning.



Investment Rationale

Wide Customer Base and Strong Order Book

Saatvik caters to a diverse set of customers including utility-scale developers, commercial & industrial (C&I) clients, residential rooftop users, and government solar pump schemes. It has also built an export presence by supplying to overseas buyers. This diversified base reduces over-dependence on a few clients and gives the company consistent order flow. Its order book has grown sharply, providing strong revenue visibility. It stood at ₹686 Cr in FY23, slightly lower at ₹560 Cr in FY24, but jumped to ₹5,077 Cr as of June 30, 2025. This surge reflects robust demand across domestic and export markets, supporting future growth momentum.

Advanced Manufacturing Capacity and Certifications

The company operates with a large 3.8 GW installed module capacity as of June 2025, which includes production of high-power modules up to 625 Wp. Most of its modules are approved under India's ALMM (Approved List of Models and Manufacturers), which is mandatory for government-linked projects. It has also obtained multiple international quality certifications, making its products accepted in both domestic and export markets. This scale and credibility strengthen its positioning in a highly competitive solar industry.

Technology Focus and In-House R&D

Saatvik manufactures technologically advanced modules such as Mono PERC and N-Type TopCon, along with features like bifacial, half-cut, and multi-busbar designs. Its in-house R&D and design teams continuously work on improving efficiency, durability, and customization of products for different market needs. By keeping pace with global technology trends, the company is able to serve large developers as well as retail customers with advanced, future-ready solar solutions.

Experienced Promoters and Skilled Workforce

The company is promoted by Neelesh Garg and Manik Garg, who have significant experience in the renewable energy sector and have built Saatvik into a known brand. They are supported by a professional management team and over 600 employees. Many of these employees are skilled engineers, technicians, and R&D experts, which helps Saatvik maintain quality and operational efficiency. Strong leadership combined with a dedicated workforce gives the company an edge in execution and growth.

Integrated EPC and O&M Capabilities

Alongside module manufacturing, Saatvik offers engineering, procurement, and construction (EPC) services for utility, rooftop, and even floating solar projects. Its EPC expertise covers the full cycle from design to installation, ensuring timely execution and quality delivery. Additionally, the company provides operations and maintenance (O&M) services for projects, which ensures long-term performance and customer satisfaction. This integrated approach allows Saatvik to act as a one-stop solar solutions provider.

Positioned to Benefit from Industry Growth

India’s solar energy sector is witnessing strong policy support and rapid growth, with capacity already at 116 GW and government targets pushing it higher. Initiatives like the PM Surya Ghar rooftop scheme and KUSUM for solar pumps are expected to boost demand further. Saatvik’s manufacturing facility in Ambala, Haryana, is strategically Located near major markets and logistic hubs, giving it operational advantages. With growing demand, policy tailwinds, and its proven track record, the company is well placed to expand rapidly.

Risk/Concerns

Volatility in Raw Material Prices

The company relies on solar PV cells, wafers, and other critical inputs, whose prices are volatile and largely imported. Any sharp rise in raw material costs or supply disruptions could impact profitability. Saatvik has limited control over these price movements.

Intense Industry Competition

The Indian solar manufacturing sector is highly competitive, with both domestic and Chinese players offering aggressive pricing. This can lead to margin pressure and loss of market share. Competitors with larger resources may outpace Saatvik in technology and scale.

Regulatory and Policy Dependence

The solar industry depends heavily on government policies, subsidies, and import duties. Any adverse change in tariff structures, incentives, or ALMM approvals could reduce demand. Policy shifts may directly impact the company's growth prospects.

Valuation and Recommendation

Saatvik Green Energy Ltd, established in 2015 and headquartered in Ambala, is a solar PV module manufacturer with 3.8 GW capacity, offering advanced Mono PERC and N-Type TopCon modules along with EPC and O&M services. Its diversified customer base, strong order book, advanced manufacturing setup, and focus on innovation provide growth visibility. The company plans to expand capacity by adding 1 GW at Ambala by FY26 and 4 GW at its upcoming Odisha facility in FY26. It also intends to set up a 4.8 GW solar cell manufacturing facility in Odisha, targeted to be operational by FY27. However, risks such as raw material price volatility, intense competition, and dependence on government policies remain key concerns.

In comparison with peers, Saatvik's 3.8 GW capacity is smaller than Waaree Energies and Premier Energies but ahead of Alpex and Insolation. Its EBITDA margin of 14.8% is below the peer average of 17.8%, but the company stands out with a superior ROE of 63.4% and ROCE of 38.4%. Valuations also appear attractive, with EV/EBITDA at 20x and P/E at 27.6x compared to peer averages of 27.9x and 51.9x. Considering strong growth prospects, superior return ratios, and reasonable valuations, we assign a Subscribe rating to the IPO.

Listed Peers

FY 25	Waaree Ene	Premier Ene	Alpex	Insolation	Vikram Sola	Average	Saatvik
Capacity (Module) GW	14.9	5.1	1.2	0.95	4.5	5	3.8
Revenue	14,444	6,519	780	1,270	3,423	5287	2,158
CAGR (FY23-FY25)	46%	114%	100%	121%	29%	82%	88%
EBITDA Margin	18.8%	27.3%	16.0%	12.6%	14.4%	17.8%	14.8%
Asset Turns (x)	1.4	1.4	2.6	2.7	2.3	2.1	2.6
ROCE	25.4%	29.7%	40.3%	33.5%	24.6%	30.7%	38.4%
ROE	20.3%	33.2%	38.4%	27.9%	11.3%	26.2%	63.4%
Debt/Equity	0.1	0.7	0.4	0.1	0.2	0.3	1.5
EV/EBITDA	35.5	27.1	26.2	24.8	25.8	27.9	20.0
P/E	55.3	51.7	38.8	34.9	78.7	51.9	27.6
EV/GW	6487.3	9466.1	2724.2	4173.7	2816.9	5133.6	1685.4

Source: Company Data, NBRR

Financials

P&L (Rs. Cr)	FY23	FY24	FY25
Net Revenue	**609**	**1,088**	**2,158**
% Growth	*-*	*79%*	*98%*
Cost of goods sold	541	825	1,594
% of Revenues	*88.9%*	*75.9%*	*73.9%*
Employee Cost	10	17	59
% of Revenues	*1.7%*	*1.6%*	*2.7%*
Other expenses	42	98	185
% of Revenues	*7.0%*	*9.0%*	*8.6%*
EBITDA	**15**	**148**	**320**
EBITDA Margin	***2.4%***	***13.6%***	***14.8%***
Depreciation	7	11	31
Other Income	9	9	34
Interest	11	14	42
Exceptional item	0	0	0
PBT	**6.7**	**131.9**	**280.4**
Tax	2	31	66
Tax rate	*29%*	*24%*	*24%*
Adj PAT	**4.7**	**100.5**	**213.9**
% Growth	*-*	*2017%*	*113%*
EPS (Post Issue)	**0.37**	**7.90**	**16.83**

Ratios & Others	FY23	FY24	FY25
Debt / Equity	7.5	2.3	1.5
EBITDA Margin (%)	2%	14%	15%
PAT Margin (%)	1%	9%	10%
ROE (%)	23%	83%	63%
ROCE (%)	10%	36%	38%

Turnover Ratios	FY23	FY24	FY25
Debtors Days	13	59	68
Inventory Days	79	74	110
Creditor Days	40	62	95
Asset Turnover (x)	3.5	2.7	2.6

Valuation Ratios	FY23	FY24	FY25
Price/Earnings (x)	1246	59	28
EV/EBITDA (x)	432	43	20
EV/Sales (x)	11	6	3
Price/BV (x)	292	49	18

Source: Company Data, NBRR

Balance Sheet (Rs. Cr)	FY23	FY24	FY25
Share Capital	3	3	22
Other Equity	17	117	315
Minority Interest	0	0.1	0
Networth	**20**	**121**	**338**
Total Loans	**153**	**280**	**503**
Other non-curr liab.	11.382	27	36
Trade payable	67	184	559
Other Current Liab	11	76	200
Total Equity & Liab.	**263**	**688**	**1,636**
Property, Plant and Equipme	41	101	259
CWIP	0	33	2
Goodwill/Other Intangible a	9	16	60
Non Currrent Financial asse	3	4	9
Other non Curr. assets	4	25	44
Inventories	132	221	650
cash and cash equivalents	13	12	5
Bank bal	0	5	3
Investments+loans	2	12	8
Trade receivables(debtor)	21	177	400
Other Current assets	38	82	195
Total Assets	**263**	**688**	**1,636**

Cash Flow (Rs. Cr)	FY23	FY24	FY25
Profit Before Tax	7	132	280
Provisions & Others	0	0	0
Op. profit before WC	**17**	**162**	**331**
Change in WC	-8	-102	-231
Less: Tax	-4	-16	-57
CF from operations	**5**	**44**	**43**
Purchase/Proceeds from inv	-23	-70	-144
Net proceeds / (outflow) fro	-1	0	-56
Interest received	0.02	0.15	2
CF from Investing	**-24**	**-69**	**-198**
Proceeds/(Repayments) of b	43	40	195
Principal repayment of leas	-2	-3	-7
Interest repayment on lease	-0.8	-1.0	-3
interest & div paid	-7	-11	-37
CF from Financing	**32**	**25**	**149**
Net Change in cash	**13**	**(1)**	**(7)**
Cash & Bank at beginning	0	13	12
Cash & Bank at end	13	12	5

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