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PREMIER ENERGIES LIMITED



(Please scan this QR code to view the Red Herring Prospectus)

Our Company was originally incorporated as a private limited company with the name "Premier Solar Systems Private Limited" under the provisions of the Companies Act, 1956, at Hyderabad, India, pursuant to a certificate of incorporation dated April 3, 1995, issued by the Registrar of Companies, Andhra Pradesh. Subsequently, pursuant to a Board resolution dated May 6, 2019 and a resolution passed at an extraordinary general meeting dated July 25, 2019, the name of our Company was changed to "Premier Energies Private Limited" and a fresh certificate of incorporation dated August 6, 2019 was issued by the Registrar of Companies, Telangana at Hyderabad ("RoC"). Upon the conversion of our Company into a public limited company, pursuant to a Board resolution dated September 3, 2019 and a Shareholders' resolution dated September 4, 2019, the name of our Company was changed to "Premier Energies Limited" and a fresh certificate of incorporation dated September 25, 2019 was issued by the RoC. For details in relation to the changes in the registered office of our Company, see "History and Certain Corporate Matters - Changes in the registered office of our Company" on page 284 of the Red Herring Prospectus dated August 20, 2024 ("RHP" or "Red Herring Prospectus") filed with the RoC.

Corporate Identity Number: U40106TG1995PLC019909

Registered Office: Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, K.V. Rangareddy - 501 359, Telangana, India. Corporate Office: 8<sup>th</sup> Floor, Orbit Tower, Hyderabad Knowledge City, Raidurg (Panmaktha Village), Serilingampally Mandal, Hyderabad - 500 019, Telangana, India.

Contact Person: Ravella Sreenivasa Rao, Company Secretary and Compliance Officer; Tel: +91 90 3099 4222; E-mail: investors@premierenergies.com; Website: www.premierenergies.com

OUR PROMOTERS: SURENDER PAL SINGH SALUJA AND CHIRANJEEV SINGH SALUJA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH ("EQUITY SHARES") OF PREMIER ENERGIES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH BY OUR COMPANY AGGREGATING UP TO ₹12,914 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 34,200,000 EQUITY SHARES OF FACE VALUE OF ₹1 EACH (THE "OFFERED SHARES").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH, AGGREGATING UP TO ₹100.00 MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	Number of Equity Shares offered	Weighted Average Cost of Acquisition Per Equity Share (in ₹)*
South Asia Growth Fund II Holdings LLC	Investor Selling Shareholder	Up to 26,827,200 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	19.97
South Asia EBT Trust	Investor Selling Shareholder	Up to 172,800 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	19.97
Chiranjeev Singh Saluja	Promoter Selling Shareholder	Up to 7,200,000 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	0.25

\* As certified by Manian and Rao, Chartered Accountants, by way of their certificate dated August 20, 2024.

Our Company is primarily an integrated solar cell and solar module manufacturer

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations

QIB Portion: Not more than 50% of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer | Retail Portion: Not less than 35% of the Net Offer

Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹ 100 Million

PRICE BAND: ₹ 427 TO ₹ 450 PER EQUITY SHARE OF FACE VALUE OF ₹1 EACH.

THE FLOOR PRICE AND THE CAP PRICE ARE 427 TIMES AND 450 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.

BIDS CAN BE MADE FOR A MINIMUM OF 33 EQUITY SHARES AND IN MULTIPLES OF 33 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 22 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated August 21, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on page 159 of the RHP and provided below in the advertisement.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the RHP and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS

For details refer to section titled "Risk Factors" on page 37 of the RHP

1. **Customer concentration risk:** We have in the past derived, and we believe that we will continue to derive, a significant portion of our revenue from certain large customers. The top 10 customers for Fiscals 2022, 2023, 2024 and for three months ended June 30, 2023 and June 30, 2024 contributed ₹4,918.01 million, ₹10,794.63 million, ₹21,073.91 million, ₹4,900.79 million and ₹13,447.53 million. This represents 66.20%, 75.56%, 67.03%, 80.21% and 81.14% of the revenue from operation, respectively for the same period.

2. **Deployment of IPO proceeds towards loss making subsidiary:** 75% of the Gross proceeds of the Fresh Issue will be applied to our subsidiary, Premier Energies Global Environment Private Limited which has incurred losses of ₹(5.23) million, ₹(1.50) million, ₹(10.83) million and ₹(222.58) million in Fiscals 2022, 2023, 2024 and three month ended June 30, 2024, respectively. Further, most of our Subsidiaries have incurred losses at some point in the last three Fiscals and the three months ended June 30, 2024, and any similar losses in the future may adversely affect our business, financial condition and cash flows.

3. **Product concentration risk:** Our business and prospects of our Company is dependent on the success of two products namely, solar cells and modules, and therefore their continued success is necessary for our business and prospects.

4. **Geographical concentration risk pertaining to manufacturing units:** We operate through five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana, India and operations are susceptible to disruptions which may be caused by certain local and regional factors, including but not limited to economic and weather conditions, natural disasters, demographic factors, and other unforeseen events and circumstances.

5. **Financial Risk:**  
**Loss incurred in the past:** We incurred losses of ₹(144.08) million
- and ₹(133.36) million in Fiscals 2022 and 2023, respectively. Losses in future could have an adverse impact on our growth prospects.

6. **No long-term agreement with suppliers of raw materials:** Absence of long-term supply contracts subject us to risks such as price volatility and we continue to remain susceptible to the risks arising out of price fluctuations as well as import duties, which could result in a decline in our operating margins.

7. **Import risk:** A significant portion of the raw materials are imported from China and other jurisdictions. Total cost of imported materials from China and other jurisdictions for Fiscals 2022, 2023, 2024 and for three months ended June 30, 2023 and June 30, 2024 was ₹4,493.43 million, ₹8,687.22 million, ₹16,923.92 million, ₹3,681.37 million and ₹6,004.89 million. This represents 60.79%, 54.78%, 62.24%, 0.73% and 62.32% of the total purchases, respectively for the same period.

8. **Competition risk:** We face intense competition from other Indian solar cell and module manufacturers as well as solar cell and module manufacturers from China and Southeast Asia for domestic demand, while our export sales face competition from a wide range of global solar cell and module manufacturers. As of the date of the Red Herring Prospectus, we have an aggregate annual installed capacity of 2 GW for solar cells and 4.13 GW for solar modules. According to F&S, the largest integrated solar cell and solar module manufacturer in India as of March 31, 2024 is Mundra Solar with an aggregate annual installed capacity of 4 GW of solar cell and 4 GW of solar module. Increased competition may result in price reduction, reduced margins and a loss of our market share, any of which may adversely affect our business, financial condition and prospects.

9. **Offer related risk:** We will not receive any proceeds from the Offer for Sale portion and the same will be received by the Selling Shareholders.

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10. **Market Risk:** Our revenue from operations and profit for Fiscal 2024 was ₹ 31,437.93 million and ₹ 2,313.60 million respectively.

Particulars	At Floor Price	At Cap Price
Market capitalization to revenue from operations for Fiscal 2024	6.14	6.45
Price to earnings ratio (based on profit after tax for Fiscal 2024)	77.92	82.12

11. Weighted Average Return on Net Worth for Financial Year ended 2024, 2023 and 2022 is 17.00%.

12. Weighted average cost of acquisition for all shares transacted in the last one year, 18 months and 3 years preceding the date of the Red Herring Prospectus is as follows:

Period	Weighted Average Cost of Acquisition (in ₹) <sup>#</sup>	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last 1 year	10.13	44.42	Lowest Price: NA* Highest Price: 267.38
Last 18 months	9.96	45.18	Lowest Price: NA* Highest Price: 267.38
Last 3 years	10.42	43.19	Lowest Price: NA* Highest Price: 267.38

\*As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated August 20, 2024.

<sup>#</sup> Calculated after considering the conversion of CCDs into Equity Shares on August 16, 2024. The cost of acquisition of such Equity Shares converted has been arrived at by taking into account the amount paid on acquisition of CCDs.

\*Equity shares acquired pursuant to a gift and bonus issue.

13. The average cost of acquisition per Equity Share by the Selling Shareholders as on the date of the Red Herring Prospectus is as follows:

Name	Number of Equity Shares of face value of ₹1 each held	Average cost of acquisition per Equity Share (in ₹)
Chiranjeev Singh Saluja	273,675,382	0.25
South Asia Growth Fund II Holdings LLC	88,065,171	19.97*
South Asia EBT Trust	567,247	19.97*

\*As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated August 20, 2024.

\*The amount paid on the acquisition of CCDs has been considered as the basis for arriving at the cost of acquisition of Equity Shares on conversion. Our Company allotted 17,487,360 compulsorily convertible debentures (“CCDs”) to South Asia Growth Fund II Holdings LLC and 112,640 CCDs to South Asia EBT Trust by way of preferential allotment on September 28, 2021. Pursuant to conversion of the CCDs on August 16, 2024, 87,436,800 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC, and 563,200 Equity Shares were allotted to South Asia EBT Trust, in the ratio of five Equity Shares for each CCD held, amounting to 88,000,000 Equity Shares in the aggregate, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations. As on date of the Red Herring Prospectus, our Company does not have any outstanding CCDs.

14. WACA, Floor Price and Cap Price

Past Transactions	Weighted average cost of acquisition per Equity Share (in ₹) <sup>#</sup>	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition of Primary Issuances	19.97	21.38 times	22.53 times
Weighted average cost of acquisition of Secondary Transactions	Nil	N.A.	N.A.

\*As certified by Manian & Rao, Chartered Accountants by way of their certificate dated August 20, 2024.

15. The 3 BRLMs associated with the Offer have handled 62 public issues in the past three financial years, out of which 14 issues have closed below the offer price on the listing date

Name of the BRLM	Total Public Issues	Issues closed below the issue price on listing date
Kotak Mahindra Capital Company Limited*	9	1
ICICI Securities Limited*	35	10
J. P. Morgan India Private Limited*	1	0
Common Issues handled by the BRLMs	17	3
<b>Total</b>	<b>62</b>	<b>14</b>

\*Issues handled where there were no common BRLMs.

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE : MONDAY, AUGUST 26, 2024\*

BID/OFFER OPENS ON : TUESDAY, AUGUST 27, 2024\*

BID/OFFER CLOSES ON : THURSDAY, AUGUST 29, 2024<sup>^</sup>

\* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

<sup>^</sup> UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is 427 times the face value at the lower end of the Price Band and 450 times the face value at the higher end of the Price Band. Investors should also refer to the sections “Risk Factors”, “Our Business”, “Restated Consolidated Financial Information”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 37, 232, 329 and 401, of the RHP, respectively, to have an informed view before making an investment decision.

I. **Qualitative Factors** : Some of the qualitative factors which form the basis for the Offer Price are : • We are an integrated solar cell and solar module manufacturer. • We have a long track record in the solar module manufacturing sector. • We are experienced in solar cell line production. • We have a diversified customer base with customer relationships both within India and overseas with a robust order book. • We have an experienced Promoter-led senior management team. For further details, see “Risk Factors” and “Our Business – Strengths” on pages 37 and 239, of the RHP, respectively.

II. **Quantitative Factors**: Certain information presented below relating to our Company based on the Restated Consolidated Financial Information. For details, see “Restated Consolidated Financial Information” on page 329 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted earnings per Equity Share (“EPS”), as adjusted for change in capital:

Financial Year/Period ended	Basic EPS (₹) <sup>ii</sup>	Diluted EPS (₹) <sup>iii</sup>	Weight
March 31, 2024	6.93	5.48	3
March 31, 2023	(0.38)	(0.38)	2
March 31, 2022	(0.44)	(0.44)	1
<b>Weighted Average</b>	<b>3.27</b>	<b>2.54</b>	
Three months ended June 30, 2024*	5.93	4.70	
Three months ended June 30, 2023*	0.94	0.74	

\* Not annualised.

Notes:

(1) Pursuant to a board resolution dated April 10, 2024 and shareholders resolution dated April 10, 2024, bonus equity shares have been issued in the ratio of 0.268 shares for every one (1) equity share. For calculation of EPS, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.

(2) Earnings per share calculations are in accordance with Ind AS 33 (Earnings per Share).

(3) The ratios have been computed as below:

a) Basic earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of shares outstanding during the year.

b) Diluted earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of dilutive equity shares

(4) The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.

(5) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹ 427 to ₹ 450 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2024	61.62	64.94
Based on diluted EPS for Fiscal 2024	77.92	82.12

3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company), details of the highest, lowest and industry average P/E ratio are set forth below:

Particulars	P/E ratio
Highest	N.A.
Lowest	N.A.
Average	N.A.

Note: The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peer”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see “- Comparison with listed industry peer” below.

4. Return on Net Worth (“RoNW”)

Financial Year/Period ended	RoNW (%)	Weight
March 31, 2024	37.46	3
March 31, 2023	(3.35)	2
March 31, 2022	(3.65)	1
<b>Weighted Average</b>	<b>17.00</b>	
Three months ended June 30, 2024*	24.25	
Three months ended June 30, 2023*	7.57	

\* Not annualised.

Notes:

1) Return on net worth (%) = Restated profit/loss for the period/ year attributable to owners/ Restated Net worth at the end of the year/period

2) Net worth means aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for the Company on a restated basis.

3) Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x weight) for each year/period/(Total of weights).

5. Net Asset Value per Equity Share (“NAV”), as adjusted for change in capital

Financial Year ended/Period	Consolidated (₹) <sup>ii</sup>
As on June 30, 2024	19.36
As on March 31, 2024	14.63
After the Offer	
- At the Floor Price	46.62*
- At the Cap Price	46.78*
At Offer Price	[•]

Notes:

1) Net asset value per Equity Share (₹) = Restated net worth / Number of Equity Shares including bonus shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period/year. Restated net worth means aggregate value of the paid-up share capital including effect of bonus shares

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BASIS FOR OFFER PRICE

and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for our Company on a restated basis.

6. Comparison of Accounting Ratios with listed industry peers

Set forth below is a comparison of our accounting ratios with our listed peer company as identified in accordance with the SEBI ICDR Regulations. Our Company is an primarily an integrated solar cell and module manufacturer with an annual installed capacity of 2 Gigawatts ("GW") for cells and 4.13 GW for modules as of June 30, 2024 with key customers across our business offerings include several IPPs, OEMs and off-grid operators such as NTPC, TATA Power Solar Systems Limited, Panasonic Life Solutions Private Limited, Continuum, Shakti Pumps, First Energy, Bluepine Energies Private Limited, Luminous, Harteek Solar Private Limited, Green Infra Wind Energy Limited (a subsidiary of Sembcorp Green Infra Limited), Madhav Infra Projects Limited, SolarSquare Energy Private Limited and Axitec Energy India Private Limited. Apart, from Websol Energy Systems Limited, there is no comparable listed industry peer.

Name of Company	Total Income (in ₹ million)	Face value (₹ per share)	Closing price on August 20, 2024 (in ₹)	EPS (₹ per share)		NAV (₹ per share)	P/E	RONW (%)
				Basic	Diluted			
Premier Energies Limited *	31,713.11	1	NA	6.93	5.48	14.63	NA	37.46
<b>Listed peer**</b>								
Websol Energy System Limited	268.10	10	921.15	(29.99)	(29.99)	NA	NA	NA

\*The financial information for our Company is based on the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2024.  
\*\*The financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the financial statements for the financial year ended March 31, 2024 submitted to the Stock Exchanges.

Notes:

- P/E Ratio has been computed based on the closing market price of equity shares on National Stock Exchange of India Limited on August 20, 2024 divided by the Diluted EPS.
- RoNW is calculated as Restated net profit/loss after tax/ Restated Net worth at the end of the year/period computed as on March 31, 2024. Restated Net-worth means: aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for the Company on a restated basis.
- Net Asset Value per Equity Share (₹) = Restated net worth / Number of equity shares and potential equity shares including bonus shares on account of compulsory convertible debentures outstanding as at the end of period/year. Restated net worth means aggregate value of the paid-up share capital including effect of bonus shares and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for the Company on a restated basis.

III. Key Performance Indicators ("KPIs")

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 7, 2024 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of the Red Herring Prospectus have been disclosed in this section and have been subject to verification and certification by Manian & Rao, Chartered Accountants, pursuant to certificate dated August 13, 2024, which has been included as part of the "Material Contracts and Documents for Inspections" on page 540 of the RHP.

For details of other business and operating metrics disclosed elsewhere in the Red Herring Prospectus, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 232 and 401, of the RHP, respectively.

Details of our KPIs for the three months ended June 30, 2024 and June 30, 2023, and Fiscals 2024, 2023 and 2022 are set out below:

(in ₹ million, unless otherwise indicated)

Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Financial Performance Indicators</b>					
Revenue from operations	16,573.67	6,110.23	31,437.93	14,285.34	7,428.71
EBITDA <sup>(i)</sup>	3,697.36	766.65	5,053.18	1,128.81	537.38
EBITDA Margin (%) <sup>(ii)</sup>	22.16%	12.44%	15.93%	7.71	7.01
Profit/ (Loss) after tax (in ₹ million)	1,981.60	313.29	2,313.60	(133.36)	(144.08)
PAT Margin (%) <sup>(iii)</sup>	11.87%	5.08%	7.30%	(0.91)	(1.88)
Debt to equity ratio <sup>(iv)</sup>	1.43	1.88	2.18	1.86	1.15
Net working capital <sup>(v)</sup>	4,629.96	(150.69)	2,959.48	183.10	1,506.03
ROE (%) <sup>(vi)</sup>	26.54%	7.33%	43.73%	(3.18)	(4.66)
ROCE* (%) <sup>(vii)</sup>	14.26%	5.08%	25.65%	5.94	3.63
<b>Operating Performance Indicators</b>					
Order Book (in ₹ million) <sup>(viii)</sup>	57,789.97	10,780.77	54,332.37	9,860.46	3,169.66
Annual Installed Capacity Solar Cell (GW) <sup>(ix)</sup>	2.00	0.75	2.00	0.75	0.50
Effective Installed Capacity Solar cell (GW) <sup>(x)</sup>	0.38	0.14	0.95	0.56	0.31
Actual Production Solar Cell (GW) <sup>(xi)</sup>	0.34	0.12	0.77	0.23	0.11
Capacity Utilisation (%) <sup>(xii)</sup>	89.81%	87.05%	80.76%	40.66%	35.77%
Annual Installed Capacity Solar Module (GW) <sup>(xiii)</sup>	4.13	1.66	3.36	1.37	1.22
Effective Installed Capacity Solar Module (GW) <sup>(xiv)</sup>	0.62	0.34	1.67	1.14	0.90
Actual Production Solar Module (GW) <sup>(xv)</sup>	0.51	0.22	1.01	0.49	0.23
Capacity Utilisation (%) <sup>(xvi)</sup>	81.24%	65.28%	60.29%	42.81%	25.99%

\*Not annualized

Notes:

- EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- EBITDA Margin has been calculated as our EBITDA during a given period as a percentage of total income during that period. Total income is calculated as revenue from operations and other income.
- PAT Margin has been calculated as our restated profit for the year/ period during the given period as a percentage of total income during that period.
- Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest).
- Net working capital has been calculated as total current assets minus total current liabilities.
- ROE has been calculated as restated profit for the period/ year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non controlling interest) as disclosed in the Restated Consolidated Financial Information.
- ROCE - Return on capital employed has been calculated as restated profit before tax plus finance cost divided by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill as disclosed in the Restated Consolidated Financial Information.
- Order book refers to the outstanding order pending for delivery as on the cut off date against the confirmed purchase orders or supply agreements received from various customers.
- Annual Installed Capacity: The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.
- Effective Installed Capacity: The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line.
- Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.
- Capacity Utilization (%): Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30, 2024, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.

Our Company confirms that it shall continue to disclose all the KPIs included hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges pursuant to the Offer, or until the utilization of Fresh Issue as disclosed in "Objects of the Offer" on page 139 of the RHP, whichever is later, or for such other period as may be required under the SEBI ICDR Regulations.

All such KPIs have been defined consistently and precisely in "Definitions and Abbreviations – Conventional and General Terms or Abbreviations" on page 1 of the RHP.

Explanation of the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. These KPIs may not be defined under Ind AS and are not presented in accordance with Ind AS and hence, should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our performance, liquidity, profitability or results of operations. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

KPI	Explanation for the KPI
Revenue from operations	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance.
EBITDA	EBITDA is an indicator of the operational profitability and financial performance of our business.
EBITDA Margin	EBITDA Margin provides the financial benchmarking against peers as well as to compare against the historical performance of our business.
Profit/ (Loss) after tax	PAT represents the profit / loss that we make for the financial year or during a given period. It provides information regarding the overall profitability of our business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability of our business and provides the financial benchmarking against peer as well as to compare against the historical performance of our business.
Debt to equity ratio	Debt to equity Ratio is a measure of the extent to which our Company can cover our debt and represents our debt position in comparison to our equity position. It helps evaluate our financial leverage.
Net working capital	Net working capital measures the our Company's financial obligations are met, and it can invest in other operational requirements.
Return on Equity ("ROE")	Return on Equity represents how efficiently we generate profits from our shareholders funds.
Return on Capital Employed ("ROCE")	RoCE provides how efficiently our Company generates earnings from the capital employed in our business.
Order Book (in ₹ million)	This refers to the total confirmed total order book, to be delivered in over a period of ascertained timeline.
Annual Installed Capacity Solar Cell (GW)	This refers to the aggregate installed capacity of solar cell lines of all the manufacturing facilities taken together in gigawatt.
Effective Installed Capacity Solar cell (GW)	The effective installed capacity of a manufacturing plant for solar cell is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line
Actual Production Solar Cell (GW)	Actual production of solar cell refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods generated
Annual Installed Capacity Solar Module (GW)	This refers to the aggregate installed capacity of solar module lines of all the manufacturing facilities taken together in gigawatt.
Effective Installed Capacity Solar Module (GW)	The effective installed capacity of a manufacturing plant for solar module is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line
Actual Production Solar Module (GW)	Actual production of solar module refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods generated
Capacity Utilisation (%)	Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period.

IV. Comparison of Key Performance Indicators with listed industry peers

Set forth below is a comparison of our KPIs with our peer company listed in India:

(in ₹ million, unless otherwise indicated)

Particulars	Premier Energies Limited					Websol Energy System Limited				
	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	16,573.67	6,110.23	31,437.93	14,285.34	7,428.71	1,116.00	1.80	258.60	172.24	2,132.23
EBITDA <sup>(i)</sup>	3,697.36	766.65	5,053.18	1,128.81	537.38	442.00	(12.30)	(65.80)	(98.68)	310.07
EBITDA Margin (%) <sup>(ii)</sup>	22.16%	12.44%	15.93%	7.71	7.01	39.52	(410.00)	(24.54)	(48.77)	14.24
Profit/ (Loss) after tax (in ₹ million)	1,981.60	313.29	2,313.60	(133.36)	(144.08)	228.80	(50.00)	(1,209.60)	(236.70)	96.70
PAT Margin (%) <sup>(iii)</sup>	11.87%	5.08%	7.30%	(0.91)	(1.88)	20.46	(1,666.67)	(451.18)	(116.99)	4.44
Debt to equity ratio <sup>(iv)</sup>	1.43	1.88	2.18	1.86	1.15	N.A.	N.A.	1.70	0.14	0.19
Net working capital <sup>(v)</sup>	4,629.96	(150.69)	2,959.48	183.10	1,506.03	N.A.	N.A.	(493.10)	(401.60)	(55.27)
ROE (%) <sup>(vi)</sup>	26.54%	7.33%	43.73%	(3.18)	(4.66)	N.A.	N.A.	(88.89)	(12.36)	5.04
ROCE* (%) <sup>(vii)</sup>	14.26%	5.08%	25.65%	5.94	3.63	N.A.	N.A.	N.A.	(60.66)	88.89
Order Book (in ₹ million) <sup>(viii)</sup>	57,789.97	10,780.77	54,332.37	9,860.46	3,169.66	N.A.	N.A.	N.A.	N.A.	N.A.
Annual Installed Capacity Solar Cell (GW) <sup>(ix)</sup>	2.00	0.75	2	0.75	0.50	N.A.	N.A.	N.A.	N.A.	N.A.
Effective Installed Capacity Solar cell (GW) <sup>(x)</sup>	0.38	0.14	0.95	0.56	0.31	N.A.	N.A.	N.A.	N.A.	N.A.
Actual Production Solar Cell (GW) <sup>(xi)</sup>	0.34	0.12	0.77	0.23	0.11	N.A.	N.A.	N.A.	N.A.	N.A.
Capacity Utilisation (%) <sup>(xii)</sup>	89.81%	87.05%	80.76%	40.66%	35.77%	N.A.	N.A.	N.A.	N.A.	N.A.
Annual Installed Capacity Solar Module (GW) <sup>(xiii)</sup>	4.13	1.66	3.36	1.37	1.22	N.A.	N.A.	N.A.	N.A.	N.A.
Effective Installed Capacity Solar Module (GW) <sup>(xiv)</sup>	0.62	0.34	1.67	1.14	0.90	N.A.	N.A.	N.A.	N.A.	N.A.
Actual Production Solar Module (GW) <sup>(xv)</sup>	0.51	0.22	1.01	0.49	0.23	N.A.	N.A.	N.A.	N.A.	N.A.
Capacity Utilisation (%) <sup>(xvi)</sup>	81.24%	65.28%	60.29%	42.81%	25.99%	N.A.	N.A.	N.A.	N.A.	N.A.

\*Not annualized for period ended June 30, 2024

N.A.: Not Available

Notes:

- EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- EBITDA Margin has been calculated as the EBITDA during a given period as a percentage of total income during that period. Total income is calculated as revenue from operations and other income.
- PAT Margin has been calculated as the restated profit for the year/ period during the given period as a percentage of total income during that period.
- Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest). Debt is calculated as the sum of borrowings (current and non-current), lease liabilities (current and non-current) and interest accrued.
- Net working capital has been calculated as total current assets minus total current liabilities.
- ROE has been calculated as restated profit for the period/ year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non-controlling interest) as disclosed in the Restated Consolidated Financial Information
- ROCE - Return on capital employed has been calculated as restated profit before tax plus finance cost divided by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill as disclosed in the Restated Consolidated Financial Information.
- Order book refers to the outstanding order pending for delivery as on the cut off date against the confirmed purchase orders or supply agreements received from various customers.
- Annual Installed Capacity: The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.
- Effective Installed Capacity: The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line.
- Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.
- Capacity Utilization (%): Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30, 2024, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.

Comparison of KPIs based on additions or dispositions to our business

Our Company has not made any material acquisitions or dispositions to its business during the three months ended June 30, 2024 and June 30, 2023, and Fiscal 2024, 2023 and 2022. For details regarding acquisitions and dispositions made our Company in the last 10 years, see "History and Certain Corporate Matters— Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years" on page 287 of the RHP.

V. Weighted average cost of acquisition, Floor Price and Cap Price

1. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

There has been no instances of issuance of Equity Shares or convertible securities, excluding shares issued under an employee stock option plan and issuance of bonus shares, during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuance").

2. The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)

There have been no secondary sales / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions").

Since there are no such transactions to report under 1 and 2 above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on the Board, are a party to the transaction), not older than three years prior to the date of this certificate irrespective of the size of transactions:

Primary transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding where the Promoters, Promoter Group, Investor Selling Shareholder, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus irrespective of the size of the transaction

S. No.	Name of Allottee	Date of Allotment	Specified Security	Nature of Allotment	Issue Price per Specified securities (in ₹)	Number of Specified securities allotted
1.	South Asia Growth Fund II Holdings LLC <sup>(i)</sup>	September 28, 2021	Equity Shares of face value of ₹1 each	Private Placement	15.81 <sup>(ii)</sup>	628,371 <sup>(iii)</sup>
2.	South Asia EBT Trust <sup>(ii)</sup>	September 28, 2021	Equity Shares of face value of ₹1 each	Private Placement	15.81 <sup>(ii)</sup>	4,047 <sup>(iii)</sup>
3.	South Asia Growth Fund II Holdings LLC	August 16, 2024	CCDs	CCD conversion <sup>(iv)</sup>	N.A.	87,436,800 <sup>(v)</sup>
4.	South Asia EBT Trust	August 16, 2024	CCDs	CCD conversion <sup>(vi)</sup>	N.A.	563,200 <sup>(v)</sup>

Notes:

- Pursuant to a Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024, bonus equity shares have been issued in the ratio of 0.268 shares for every one equity share.
- Allotment of 495,561 Equity Shares of face value of ₹1 each to South Asia Growth Fund II Holdings LLC and 3,192 Equity Shares of face value of ₹1 each to South Asia EBT Trust pursuant to the share subscription agreement dated September 10, 2021 executed amongst the Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surrender Pal Singh Saluja, Chiranjeev Singh Saluja
- The amount paid on the acquisition of CCDs has been considered as the basis for arriving at the issue price of Equity Shares on conversion. The Company allotted 17,487,360 compulsorily convertible debentures ("CCDs") to South Asia Growth Fund II Holdings LLC and 112,640 CCDs to South Asia EBT Trust by way of preferential allotment on September 28, 2021. Pursuant to conversion of the CCDs on August 16, 2024, 87,436,800 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC, and 563,200 Equity Shares were allotted to South Asia EBT Trust, in the ratio of five Equity Shares for each CCD held, amounting to 88,000,000 Equity Shares in the aggregate.

Secondary transactions:

Except as disclosed below, there have been no secondary transactions where the Promoters, Promoter Group, Investor Selling Shareholder, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus:

S. No.	Name of Acquirer	Date of Transaction	Nature of Transaction	Acquisition Price per Specified securities (in ₹)	Number of Specified securities acquired
1	Chiranjeev Singh Saluja	March 21, 2024	Gift from Surrender Pal Singh Saluja	-	76,751,812*
2	Chiranjeev Singh Saluja	March 21, 2024	Gift from Vivana Saluja	-	11,675,110*
3	Surrender Pal Singh Trust	April 10, 2024	Transfer by way of gift from Vivana Saluja	-	500
4	Chiranjeev Singh Trust	April 10, 2024	Transfer by way of gift from Surrender Pal Saluja	-	500

\* Pursuant to a Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024, bonus shares have been issued in the ratio of 0.268 Equity Shares of face value of ₹1 each for every one Equity Share of face value of ₹1 each.

VI. Weighted average cost of acquisition ("WACA"), floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share (₹)	Floor Price (₹ 427)	Cap Price (₹ 450)
Weighted average cost of acquisition of Primary Issuances	19.97	21.38 times	22.53 times
Weighted average cost of acquisition of Secondary Transactions	Nil	NA	NA

# As certified by Manian & Rao, Chartered Accountants by way of their certificate dated August 20, 2024.

VII. The Offer Price of ₹10 times of the face value of the Equity Shares

The Offer Price of ₹10 has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters.

VIII. Justification:

Detailed explanation for Cap Price being 22.53 times of WACA of primary issuances transactions of Equity Shares (as disclosed above) along with (i) our Company's KPIs and financial ratios for three months ended June 30, 2024 and June 30, 2023 and Fiscals 2024, 2023 and 2



