

Emmvee Photovoltaic Power Ltd. - IPO Investment Note

Issue Open	Issue Close	Price Band (₹)	Rating
11 November 2025	13 November 2025	₹206 to ₹217	Subscribe

Investment Summary

Emmvee Photovoltaic Power Ltd. is one of India's largest integrated solar module and cell manufacturers, ranking second among pure-play integrated players by capacity. The company operates mainly in the B2B and B2G segments, supplying to IPPs, C&I clients, and EPC developers, supported by a 5.36 GW confirmed order book. Its manufacturing footprint spans 7.80 GW module and 2.94 GW cell capacity. Emmvee has an early mover advantage in high-efficiency TOPCon technology, and is the only Indian company to pass all seven Kiwa PVEL product qualification tests in 2024, reinforcing strong quality credibility. Its integrated value chain from cell to module strengthens supply reliability and enhances margin visibility. Overall, Emmvee is strategically positioned to benefit from localization policies, rising clean-energy investments, and export opportunities.

Company Overview

Emmvee Photovoltaic Power Limited was incorporated on March 21, 2007, and is ranked as the second largest pure-play integrated solar PV module and cell manufacturer in India (as of March 31, 2025). The core business is manufacturing high-efficiency TOPCon modules and cells and Mono PERC modules. Current production capacity stands at 7.80 GW for PV modules and 2.94 GW for solar cells (as of June 30, 2025), housed in four manufacturing units across two locations in Karnataka. Key customers include IPPs, C&I entities, and EPC service providers. Operations are largely domestic (99.38% of revenue in Q1 FY26), but products are exported to 17 countries, maintaining sales offices in Germany and the United States. The company is an ALMM-enlisted manufacturer (List I and List II for cells) and was the only Indian company among four global players to pass all seven Kiwa PVEL product qualification tests in 2024. They hold a 5.1% market share of ALMM-enlisted module capacity (May 2025) and maintain a confirmed Order Book of 5.36 GW (as of June 30, 2025).

Business Model

The company operates predominantly through B2B channels (98.65% of revenue in the three months ended June 30, 2025), while B2C revenue remains negligible. The operational model is centered on its integrated manufacturing capabilities, running the entire process from solar cell production (TOPCon technology) to the final assembly of PV modules. This backward integration provides substantial benefits, including enhanced control over the supply chain, optimization of production costs, and greater operational stability, particularly important given the technological volatility inherent in cell manufacturing. The internal value chain ensures that high-efficiency TOPCon solar cells, fabricated in extensive cleanroom facilities (e.g., 90,000 sq. ft. ISO Class 6 space) with rigorous multi-stage testing, are efficiently converted into bifacial and mono-facial modules, with cells largely consumed captively for assembly.

Revenue streams are secured mainly through direct sales (99.17% in Q1 FY26), utilizing project-based technical sales approaches tailored for IPPs, C&I clients, and EPCs. While domestic distribution relies on a network of six distributors, the export strategy focuses on high-growth areas like the distributed generation sector in international markets (e.g., US, Germany). A key competitive advantage is the early adoption of TOPCon technology, combined with superior quality assurance, evidenced by being the only Indian company globally to pass all seven Kiwa PVEL product qualification tests through a single module type in 2024. Furthermore, we provide reliable long-term commitments, offering a product warranty of 12 years and a long linear performance warranty of up to 30 years on TOPCon and Mono PERC modules, backed by stringent quality control (over 250 internal checkpoints).

Industry Outlook

The IEA World Energy Outlook 2024 expects the global installed electricity base to register a CAGR of 7% to 8% from 2023 to 2030, driven by a 13% to 15% CAGR in renewables. Solar PV is expected to play a significant role with a CAGR of 21% to 23%, driven by policy shifts toward clean energy. India, now the fourth-largest solar base globally at 98 GW in 2024, is aggressively expanding its domestic market, aiming for 500 GW of non-fossil fuel capacity by 2030, with solar installed base projected to reach 364 GW. Demand is fundamentally driven by high energy prices, corporate ESG mandates, energy security concerns, and pivotal government programs like the PLI scheme, ALMM, and BCD. The industry is rapidly transitioning from Mono PERC to TOPCon and HJT technologies, which offer efficiency gains of 1% to 2%, leading to higher adoption of bifacial modules across utility-scale farms (the largest segment at 66% of demand between Fiscals 2019-2025), commercial and industrial (C&I) rooftop, and distributed generation projects. Domestic manufacturing capacity has surged from 21 GW (modules) and 3.2 GW (cells) in March 2022 to 82 GW and 23 GW respectively by March 2025; however, further expansion in upstream components like wafers is critical to reduce dependence on imports. The current geopolitical landscape presents a strong export opportunity for Indian manufacturers, particularly to the US market (accounting for 97% of Indian exports in Fiscal 2025), capitalizing on international supply chain diversification and trade realignments. Robust annual domestic module demand, projected at 38 GW to 43 GW between Fiscals 2026 and 2030, ensures sustained growth for integrated domestic player.

Investment Rationale

Leading Integrated Scale

The company is ranked as the second largest pure-play integrated solar PV module and cell manufacturer in India (as of March 31, 2025). It maintains substantial capacities of 7.80 GW for PV modules and 2.94 GW for solar cells (as of June 30, 2025), underpinned by a robust confirmed Order Book of 5.36 GW.

Advanced TOPCon Technology Advantage

Emmvee was one of the first companies in India to adopt the higher-efficiency TOPCon technology for solar cells, positioning it among a limited number of domestic manufacturers leveraging this advanced standard. TOPCon products offer superior performance characteristics, including lower degradation rates compared to Mono PERC modules.

Validated World-Class Reliability

The company differentiates itself through superior quality assurance, notably being the only Indian company among four global players in 2024 to pass all seven tests in the Kiwa PVEL product qualification program. This reliability is further reinforced by offering linear performance warranties of up to 30 years on solar PV modules.

Strategic Vertical Integration

The integrated approach, spanning solar cell production to module assembly across four Karnataka units, grants significant control over the supply chain. This model reduces dependency on external vendors, optimizes manufacturing costs, facilitates component traceability, and secures access to the lucrative ALMM-mandated DCR market in India.

Expansion Plans

EPPL is in the process of adding a 2.5 GW solar PV module production capacity line which is expected to be operational by FY26. Furthermore, the company intends to add a 6 GW integrated solar cell and solar PV module production capacity, expected to be operational by H1 FY28. Pursuant to its proposed expansion plans, the company aims to increase the solar PV module production capacity to 16.3 GW and solar cell production capacity to 8.94 GW using only TOPCon tech by the H1 FY28

Key Risks

Customer Concentration Risk

The company faces high dependence on a limited customer base, with the top 10 customers consistently contributing a significant majority of operating revenue: 93.96% in the three months ended June 30, 2025, and consistently high percentages in preceding Fiscals (e.g., 80.53% to 89.52%). The loss, reduction, or cancellation of orders from any key customer, failure to renew contracts on favourable terms, or default (e.g., bankruptcy) could lead to a material adverse

effect on the company's revenues, cash flows, and overall financial condition. This concentration limits the ability to negotiate favourable terms and increases exposure to specific client-side disputes.

Raw Material and Foreign Supply Chain Dependence

The company relies heavily on Indian and foreign third-party suppliers for certain essential raw materials and components, sourcing typically through purchase orders rather than formal long-term agreements. This dependency exposes the business to extreme price volatility caused by market fluctuations, currency changes, or shifts in international government policies, potentially eroding operating margins. While the company aims for backward integration (e.g., wafers, ancillary components), failure to successfully execute this strategy will maintain susceptibility to supply disruptions and dependence on external, often foreign, suppliers.

Technology Obsolescence Risk

The solar industry faces rapid technological advancement, posing a high risk of obsolescence for existing production equipment and methods. Although the company has adopted advanced TOPCon technology, further developments (like Tandem cells or HJT) may lead to competitors manufacturing solar cells and modules with higher efficiencies or lower costs. If the company fails to continually maintain or upgrade its manufacturing processes in a timely manner, its products may lose their competitive edge, thereby adversely affecting future revenues.

Intense Competition and Pricing Pressure

Emmvee operates within a highly competitive landscape, facing pressure from numerous Indian manufacturers and, critically, low-cost manufacturers from China and Southeast Asia. These global competitors may possess greater financial resources, specialized regional advantages, or the capacity to sustain operations with minimal operating margins for extended periods. Increased competition inevitably results in price reductions, loss of market share, and reduced margins, which could materially and adversely affect the company's financial results and prospects.

Geopolitical and Export Market Volatility

The export business, which targets markets like the US, is highly exposed to geopolitical tensions and trade protectionism. The US government has imposed tariffs of up to 50% on solar imports from India, and ongoing investigations into anti-dumping and countervailing duties could potentially raise effective rates above 90%. Given the concentration of exports (US accounted for 97% of Indian solar exports in the last three Fiscals), any adverse shift in international trade relations, specifically with the US, could severely impair the ability to access key foreign markets and materially affect business operations.

Execution and Capacity Under-utilization Risk

The company is undertaking massive expansion plans (including a 6.00 GW solar cell expansion and further backward integration), which require significant capital and timely execution. Historically, the solar module and cell facilities have sometimes experienced less than 50% capacity utilization in certain recent fiscals, demonstrating a vulnerability in maximizing returns on capital investments. Delays in commissioning new lines, inaccuracies in demand forecasting, or failure to secure adequate financing or regulatory approvals (like the pending Fire NOC for Units II, III, and IV) could lead to further capacity under-utilization, increasing costs and adversely affecting profitability.

Financial Snapshot

Metric	In (Cr)		
	FY23	FY24	FY25
Revenue (₹ Cr)	618	952	2336
EBITDA (₹ Cr)	56	120	722
Adjusted Net Profit (₹ Cr)	6.92	28.27	369.01
Reported Net Profit (₹ Cr)	23.22	74.81	-
EBITDA Margin (%)	9.1%	12.6%	30.9%
Adjusted PAT Margin (%)	1.5%	3%	15.8%
Adjusted EPS (Basic) (₹)	0.15	0.49	6.22

Channelwise Revenue - Split

Facility	FY23		FY24		FY25	
	Rs Cr	As % of revenue	Rs Cr	As % of revenue	Rs Cr	As % of revenue
B2B	565	91.3%	909	95.50%	2282	97.70%
B2G	53	8.50%	42	4.40%	54	2.30%
B2C	1	0.20%	0	0%	0	0%
Total	618	100.00%	952	100.00%	2336	100.00%

IPO Details and Use of Proceeds

Parameter	Details
Issuer	Emmvee Photovoltaic Power Ltd.
IPO Structure	Fresh Capital-cum-Offer for Sale
Issue Size	13,36,40,552 shares (aggregating up to ₹2,900.00 Cr) Fresh Issue: 9,87,95,483 shares (aggregating up to ₹2,143.86 Cr) Offer for sale: 3,48,45,069 shares of ₹2 (aggregating up to ₹756.14 Cr)
Price Band	₹206 to ₹217 per share
Face Value	₹2 per share
Post-Issue Market Cap	₹15,023.89 Cr (Upper Band)
IPO Opening Date	November 11, 2025
IPO Closing Date	November 13, 2025
Listing	BSE & NSE
Promoter Holding (Pre/Post)	19.85% /17.52%
Book Running Lead Manager(s)	JM Financial Ltd. IIFL Capital Services Ltd. Jefferies India Pvt. Ltd. Kotak Mahindra Capital Company Ltd.
Use of Proceeds	<ul style="list-style-type: none"> Repayment/ prepayment, in full or part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company and our Material Subsidiary, EEPL – 1621.3 Crores

Valuation and Recommendation

Emmvee Photovoltaic Power Ltd enters the public market at a pivotal stage in India's clean-energy and solar manufacturing expansion. The company has strong execution visibility supported by a **5.4 GW active order book**, a diversified customer base, and early adoption of **high-efficiency TOPCon technology**, with plans to scale capacity to **over 16 GW of modules and 8 GW of cells by FY28**. Its **fully integrated manufacturing chain** from cells to modules enables better cost control, margin capture, and alignment with India's localization and import-substitution push.

At the **upper price band of ₹217**, the IPO is valued at **40.7x FY25 earnings** (post-issue) and **20.0x annualized Q1 FY26 earnings**, which appears **fairly priced relative to peers**, especially considering the company's demonstrated growth and efficiency gains. Debt repayment from issue proceeds is expected to further improve profitability and strengthen the



balance sheet. Hence, we give a **Subscribe rating** with a plan to monitor post listing for evidence of continued scale-up, durable margin improvement, operating leverage and delivery against growth targets.

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Registration and Contact Details: Name of Research Analyst - Mangal Keshav Financial Services LLP, Research Analyst
Registration No.: INH000018319.

LLPIN: AAM-3358

Registered Office: 501, Heritage Plaza, JP Road, Opp Indian Oil Colony, Andheri West, Mumbai 400053.

Correspondence/Administrative Office Address - 501, Heritage Plaza, JP Road, Opp Indian Oil Colony, Andheri West, Mumbai 400053.

TEL: 022 61907900