

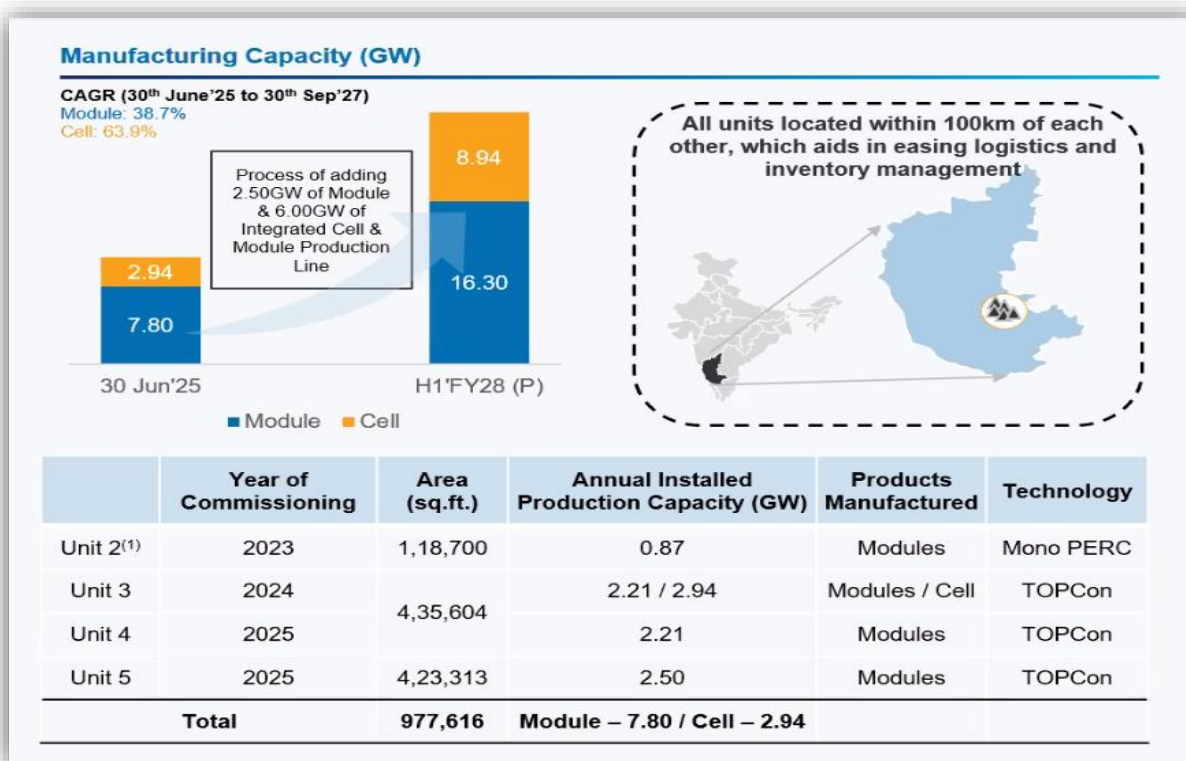
Recommendation	Subscribe	BACKGROUND																																																		
Price Band	Rs 206-217	<p>Emmvee Photovoltaic Power Ltd, founded in 2007 and based in Bengaluru, is India's second-largest integrated solar cell and module manufacturer with 7.8 GW module and 2.94 GW cell capacity as of June 2025. It specializes in advanced TOPCon and mono PERC technologies, offering high-efficiency bifacial and monofacial modules. The company's key projects include the 795 MW NTPC Renewable Energy Khavda order and the Cochin International Airport solar project. With strong R&amp;D capabilities, global presence through Emmvee Energy GmbH, and 5.1% share of India's ALMM-listed capacity, it is well-positioned to benefit from India's solar growth and localization push.</p> <p><u>Details of the Issue:</u></p> <p>The public issue consists of an OFS aggregating up to ₹ 756 Cr and a Fresh Issue up to ₹ 2,144 Cr. The Company proposes to utilize the Net Proceeds towards:</p> <ul style="list-style-type: none"> <li>Repayment of borrowings and accrued interest thereon availed by Company and Material Subsidiary :- 1621.3 Cr</li> </ul> <p><u>Investment Rationale:</u></p> <ul style="list-style-type: none"> <li>Second-largest integrated solar PV manufacturer in India</li> <li>Early adoption of advanced TOPCon technology</li> <li>Strong inclusion in government-approved ALMM list</li> <li>Diversified customer base and robust order book</li> <li>Strategic Capacity Expansion to Boost Growth</li> </ul> <p><u>Valuation and Recommendation:-</u></p> <p>Emmvee Photovoltaic Power Ltd shows strong financial performance with a 94% CAGR (FY23–25), supported by industry-leading EBITDA margins of 30.9%. Its ROCE of 22.7% and ROE of 68.7% also outperform peer averages. Though the debt-to-equity ratio of 3.8x is higher than peers, it will improve after the planned ₹1,621.3 crore debt repayment from IPO proceeds. On valuation, Emmvee trades at lower EV/EBITDA (23.2x) and P/E (40.7x) multiples versus peers, indicating attractive pricing. Backed by strong order visibility, capacity expansion, and robust profitability, we recommend a "Subscribe" rating to this IPO.</p>																																																		
Bidding Date	11 <sup>th</sup> – 13 <sup>th</sup> Nov																																																			
Book Running Lead Manager	JM Fin Ltd, IIFL Ltd, Jefferies Ind Ltd, Kotak Mahindra Ltd.																																																			
Registrar	KFin Tech Ltd.																																																			
Sector	Cap goods - Solar Equipment																																																			
<b>Minimum Retail Application- Detail At Cut off Price</b>																																																				
Number of Shares	65																																																			
Minimum Application Money	₹14,973																																																			
Payment Mode	ASBA																																																			
<b>Financials (Rs Cr)</b>	<b>FY24</b>	<b>FY25</b>																																																		
Total Income	952	2,336																																																		
EBITDA	120	722																																																		
PAT for the year	29	369																																																		
<b>Valuations (FY25)</b>	<b>Upper Band</b>																																																			
Market Cap (Rs Cr)	15,024																																																			
Adj EPS	5.33																																																			
PE	41																																																			
EV/ EBITDA	23																																																			
Enterprise Value(Cr)	16765																																																			
<b>Post Issue Shareholding Pattern</b>																																																				
Promoters	80.7%																																																			
Public/Other	19.3%																																																			
<b>Offer structure for different categories</b>																																																				
QIB	75%																																																			
Non-Institutional	15%																																																			
Retail	10%																																																			
Post Issue Equity (cr)	138.5																																																			
Issue Size (Rs in cr)	2900																																																			
Face Value (Rs)	2																																																			
<p>Devendra Pawar Research Associate (+91 22 6273 8149) devendra.pawar@nirmalbang.com</p>		<table border="1"> <thead> <tr> <th>Financials</th> <th>FY23</th> <th>FY24</th> <th>FY25</th> </tr> </thead> <tbody> <tr> <td>Net Revenues</td> <td>618</td> <td>952</td> <td>2,336</td> </tr> <tr> <td>Growth (%)</td> <td>-</td> <td>54.0%</td> <td>145.4%</td> </tr> <tr> <td>EBITDA</td> <td>56</td> <td>120</td> <td>722</td> </tr> <tr> <td>EBITDA Margin (%)</td> <td>9.1%</td> <td>12.7%</td> <td>30.9%</td> </tr> <tr> <td>PBT</td> <td>12</td> <td>48</td> <td>483</td> </tr> <tr> <td>Adjusted PAT</td> <td>9</td> <td>29</td> <td>369</td> </tr> <tr> <td>EPS</td> <td>0.13</td> <td>0.42</td> <td>5.33</td> </tr> <tr> <td>ROCE</td> <td>6.0%</td> <td>5.0%</td> <td>22.7%</td> </tr> <tr> <td>EV/Sales</td> <td>27.1</td> <td>17.6</td> <td>7.2</td> </tr> <tr> <td>EV/EBITDA</td> <td>297.9</td> <td>139.2</td> <td>23.2</td> </tr> <tr> <td>P/E</td> <td>1674.7</td> <td>519.9</td> <td>40.7</td> </tr> </tbody> </table> <p>Source: Company data, NBRR</p>			Financials	FY23	FY24	FY25	Net Revenues	618	952	2,336	Growth (%)	-	54.0%	145.4%	EBITDA	56	120	722	EBITDA Margin (%)	9.1%	12.7%	30.9%	PBT	12	48	483	Adjusted PAT	9	29	369	EPS	0.13	0.42	5.33	ROCE	6.0%	5.0%	22.7%	EV/Sales	27.1	17.6	7.2	EV/EBITDA	297.9	139.2	23.2	P/E	1674.7	519.9	40.7
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**Company Background**

Emmvee Photovoltaic Power Ltd is a leading solar energy company engaged in manufacturing high-efficiency solar photovoltaic (PV) modules and cells. Established in 2007 and headquartered in Bengaluru, Karnataka, the company has emerged as the second-largest pure-play integrated solar cell and module manufacturer in India by production capacity. As of June 30, 2025, it operates with a solar module capacity of 7.8 GW and a solar cell capacity of 2.94 GW, leveraging advanced TOPCon (Tunnel Oxide Passivated Contact) technology for higher energy efficiency. Emmvee is among the first Indian companies to adopt this next-generation cell technology and offers both bifacial and monofacial variants of TOPCon and mono PERC modules.

The company’s state-of-the-art manufacturing facility at Dobbaspet, Bengaluru, is one of India’s largest TOPCon-based solar cell facilities. With over 18 years of operational track record, Emmvee has built strong R&D capabilities and a diverse product portfolio catering to domestic and export markets. It has supplied modules to major projects, including a 795.4 MW order from NTPC Renewable Energy for the Khavda Solar Park and the 1 MWp project at Cochin International Airport, the world’s first fully solar-powered airport.

Emmvee accounts for 5.1% of India’s module manufacturing capacity under the ALMM list as of May 2025 and continues to expand its integrated capacity to meet India’s growing renewable energy demand. The company operates through subsidiaries such as Emmvee Energy Pvt. Ltd., focusing on large-scale integrated manufacturing, and maintains an export presence through Emmvee Energy GmbH in Germany. Backed by its experienced promoters, robust manufacturing infrastructure, and focus on innovation, Emmvee Photovoltaic Power Ltd is well-positioned to capitalize on the accelerating transition toward sustainable and domestically produced solar energy solutions.



## Investment Rationale

### Second-largest integrated solar PV manufacturer in India

Emmvee is India's second-largest pure-play integrated solar PV cell and module manufacturer, with 7.8 GW module and 2.94 GW cell capacity as of June 2025. Its integrated manufacturing reduces dependence on external vendors, enhances quality control, and improves cost efficiency. This setup enables full traceability of components, ensuring compliance with high-quality standards. The integration also shields the company from supply disruptions and global price volatility. Overall, it creates a strong entry barrier for new players in the solar market.

### Early adoption of advanced TOPCon technology

Emmvee is one of the first Indian companies to adopt high-efficiency TOPCon cell technology, offering both bifacial and monofacial modules. This next-generation technology enhances energy output and reduces degradation compared to older Mono PERC modules. The company's early move into TOPCon provides a competitive technological edge and product differentiation. It has also demonstrated strong quality performance, passing all seven global reliability tests by Kiwa PVEL. These technological advancements position Emmvee as a leader in solar innovation.

### Strong inclusion in government-approved ALMM list

The company is listed in ALMM List I and II issued by the Ministry of New and Renewable Energy, enabling participation in government and PSU-backed solar projects. This inclusion affirms product quality and ensures eligibility for DCR (Domestic Content Requirement) projects. Being ALMM-certified strengthens Emmvee's credibility among institutional clients and EPC players. It also provides consistent domestic demand under key schemes like CPSU and PM-KUSUM. This government recognition offers a sustained competitive advantage in India's policy-driven solar market.

### Diversified customer base and robust order book

Emmvee has a diversified and expanding client base across India and international markets. Its order book stood at 5.36 GW as of June 2025, supported by marquee orders such as 795 MW from NTPC Renewable Energy for Khavda Solar Park. The company serves both private and public sector customers, reducing concentration risk. Its long-standing relationships with EPC contractors and solar developers strengthen repeat business. This strong order visibility provides steady revenue assurance and growth momentum.

### Strategic Capacity Expansion to Boost Growth

Emmvee Photovoltaic Power Ltd currently operates 7.8 GW of solar module and 2.94 GW of solar cell capacity at its Dobbaspeta facility in Bengaluru. The company is adding a new 2.5 GW module plant at Sulibele, Bengaluru, scheduled to be commissioned in FY26, followed by a 6 GW integrated solar cell and module facility at ITIR Phase-II, expected to be operational in the first half of FY28. Once completed, total capacity will scale up to 16.3 GW of modules and 8.94 GW of cells, entirely based on high-efficiency TOPCon technology.

## **Experienced promoters and skilled management**

The company is led by Chairman & MD Mr. Manjunatha Donthi Venkatarathnaiah, who has over three decades of experience in the solar industry. His leadership has driven Emmvee's evolution from a module maker to an integrated solar manufacturer. The next-generation leadership, represented by CEO Suhas Donthi, brings international education and strategic vision. Together, the team emphasizes innovation, operational efficiency, and sustainability. Their combined expertise supports the company's long-term expansion and value creation.

## **Risk/Concerns**

### **Exposure to policy and regulatory changes**

Emmvee's operations are heavily reliant on government policies, including ALMM listing, safeguard duty, and PLI incentives. Any unfavorable change or delay in renewable energy policies may impact demand and margins. Deregistration from the ALMM list or delays in approval renewals could halt government project participation.

### **Technological obsolescence and high capex needs**

The solar industry evolves rapidly, requiring continuous investment in new technologies such as TOPCon or HJT. Emmvee recently discontinued its polycrystalline module unit, incurring a ₹20 Cr impairment in FY25. Future technological shifts may again demand high capital upgrades.

### **Intense competition and pricing pressure**

The company faces stiff competition from domestic players like Waaree, Vikram Solar, and Premier Energies and global suppliers from China and Southeast Asia. Many peers have larger financial and technological resources, enabling aggressive pricing.

### **Geopolitical and supply chain vulnerabilities**

Emmvee relies on imports of key inputs such as wafers, glass, and equipment from China and Southeast Asia. Trade restrictions, shipping delays, or geopolitical tensions could disrupt procurement and increase costs. Additionally, U.S. tariffs of up to 50% on Indian solar imports threaten export volumes.

## Valuation and Recommendation

Emmvee Photovoltaic Power Ltd demonstrates strong financial and operational performance compared with peers. The company delivered an impressive CAGR of 94% (FY23–25) versus the peer average of 69%, reflecting superior growth momentum. Its EBITDA margin of 30.9% exceeds the peer average of 18.9%. Return ratios are robust, with ROCE at 22.7% and ROE at 68.7%, significantly outperforming the peer averages of 16.0% and 16.6%, respectively. Emmvee’s debt-to-equity ratio stands at 3.8x, higher than the peer average of 0.3x, though this is expected to decline substantially post the planned ₹1,621.3 Cr debt repayment from IPO proceeds.

On valuation, Emmvee trades at an EV/EBITDA of 23.2x and P/E of 40.7x, both below the peer averages of 24.4x and 49.2x, indicating attractive relative pricing. It’s EV per GW of ₹1,561 Cr is also well below the peer average of ₹3,255 Cr. With a 5.4 GW order book, planned capacity expansion to 16.3 GW of modules and 8.9 GW of cells, strong profitability, growth prospects, and reasonable valuation, we assign a “**Subscribe**” rating to this IPO.

## Listed Peers

FY 25	Waaree Energies Ltd	Premier Energies Ltd	Vikram Solar Ltd	Saatvik Green Energy Ltd	Average	Emmvee Photovoltaic Power Ltd
Capacity (Module) GW	18.7	5.1	4.5	3.8		7.8
(Cell) GW	5.4	3.2	0	0		2.9
Revenue	14,444	6,519	3,423	2,158	6,636	2,336
CAGR (FY23-25)	46%	114%	29%	88%	69%	94%
EBITDA Margin	18.8%	27.3%	14.4%	14.9%	18.9%	30.9%
Asset Turns (x)	1.0	1.3	1.1	1.2	1.1	0.6
Wkg Cap Ds	127	127	243	120	154	52
ROCE	18.8%	21.9%	9.2%	14.0%	16.0%	22.7%
ROE	16.8%	27.1%	4.7%	17.8%	16.6%	68.7%
Debt/Equity	0.3	0.5	0.1	0.5	0.3	3.8
EV/EBITDA	33.2	25.5	20.0	18.9	24.4	23.2
P/E	51.0	49.3	71.5	25.0	49.2	40.7
EV/GW	3752.7	5477.5	2186.0	1605.3	3255.4	1561.0
Order book (GW)	25	5.5	11.0	4.1		5.4

Source: Company Data, NBRR

## Financials

P&L (Rs. Cr)	FY23	FY24	FY25	Q1FY26
Net Revenue	618	952	2,336	1,028
% Growth	-	54%	145%	-
Cost of goods	502	755	1,402	559
% of Revenues	81.2%	79.3%	60.0%	54.4%
Employee Cost	20	24	78	35
% of Revenues	3.2%	2.5%	3.3%	3.4%
Other expenses	40	53	134	86
% of Revenues	6.4%	5.6%	5.7%	8.4%
<b>EBITDA</b>	<b>56</b>	<b>120</b>	<b>722</b>	<b>347</b>
<b>EBITDA Margin</b>	<b>9.1%</b>	<b>12.7%</b>	<b>30.9%</b>	<b>33.8%</b>
Depreciation	43	42	156	72
Other Income	26	3	25	14
Interest	28	34	108	50
Exceptional item	0	0	0	0
<b>PBT</b>	<b>12</b>	<b>48</b>	<b>483</b>	<b>240</b>
Tax	3	19	114	53
Tax rate	23%	39%	24%	22%
<b>Adj. PAT (norm. Tax)</b>	<b>9.0</b>	<b>28.9</b>	<b>369.0</b>	<b>187.7</b>
% Growth	-	222%	1177%	-
<b>EPS (Post Issue)</b>	<b>0.13</b>	<b>0.42</b>	<b>5.33</b>	<b>2.71</b>

Ratios & Others	FY23	FY24	FY25	Q1FY26
Debt / Equity	3.7	8.6	3.8	3.0
EBITDA Margin (%)	9.1%	12.7%	30.9%	33.8%
PAT Margin (%)	1.5%	3.0%	15.8%	18.3%
ROE (%)	6.4%	17.1%	68.7%	104.2%
ROCE (%)	6.0%	5.0%	22.7%	39.8%

Turnover Ratios	FY23	FY24	FY25	Q1FY26
Debtors Days	41	37	30	36
Inventory Days	83	117	119	93
Creditor Days	41	61	55	41
Asset Turnover (x)	0.7	0.4	0.6	0.9

Valuation Ratios	FY23	FY24	FY25	Q1FY26
Price/Earnings (x)	1674.7	519.9	40.7	20.0
EV/EBITDA (x)	297.9	139.2	23.2	12.1
EV/Sales (x)	27.1	17.6	7.2	4.1
Price/BV (x)	106.9	89.0	28.0	20.9

Source: Company Data, NBRR

Balance Sheet (Rs. Cr)	FY23	FY24	FY25	Q1FY26
Share Capital	11	11	11	119
Other Equity	130	158	526	602
Minority Interest	0	0	0	0
<b>Networth</b>	<b>140</b>	<b>169</b>	<b>537</b>	<b>720</b>
<b>Total Loans</b>	<b>524</b>	<b>1,447</b>	<b>2,065</b>	<b>2,195</b>
Other non-curr liab.	19	139	243	368
Trade payable	69	158	350	466
Other Current Liab	88	277	719	599
<b>Total Equity &amp; Liab.</b>	<b>841</b>	<b>2,190</b>	<b>3,914</b>	<b>4,348</b>
Property, Plant and Equipment	312	279	1,924	2,031
CWIP	93	646	13	15
Goodwill/Other Intangible assets	11	12	122	167
Non Current Financial assets	13	14	20	39
Other non Curr. assets	95	249	150	63
Inventories	141	306	758	1,055
cash and cash equivalents	53	182	219	85
Bank bal	8	338	105	34
Investments+loans	0	0	257	126
Trade receivables(debtor)	69	96	190	407
Other Current assets	44	68	155	325
<b>Total Assets</b>	<b>841</b>	<b>2,190</b>	<b>3,914</b>	<b>4,348</b>

Cash Flow (Rs. Cr)	FY23	FY24	FY25	Q1FY26
Profit Before Tax	12	48	483	240
Provisions & Others	0	0	0	0
<b>Op. profit before WC</b>	<b>54</b>	<b>131</b>	<b>734</b>	<b>360</b>
Change in WC	7	119	-54	-604
Less: Tax	-1	-15	-66	-4
<b>CF from operations</b>	<b>59</b>	<b>234</b>	<b>614</b>	<b>-247</b>
Purchase/Sale of fixed & intangib	-233	-674	-988	-101
Bank deposits/ Loan given to a rel	4	-327	236	72
Interest, dividend and other inc	2	1	22	1
Investment in Equity/Mutual fund	96	0	-255	117
<b>CF from Investing</b>	<b>-131</b>	<b>-1,000</b>	<b>-986</b>	<b>90</b>
Proceeds / Repayment of borrowi	106	922	508	75
Principal paid on lease liabilities	-0	-1	-2	-1
interest & div paid	-26	-26	-98	-49
<b>CF from Financing</b>	<b>80</b>	<b>894</b>	<b>408</b>	<b>24</b>
<b>Net Change in cash</b>	<b>9</b>	<b>129</b>	<b>36</b>	<b>(133)</b>
Cash & Bank at beginning	46	53	182	219
Cash & Bank at end	53	182	219	85

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