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23rd October 2026

Quarterly Result Update

Emmvee Photovoltaic Ltd



Emmvee Photovolatic Limited

Reco	BUY

Industry	Electrical Equipment
LTP (Oct 23, 2026)	Rs. 236
Entry Range	Rs. 230-245
Base case target	Rs 350
Bull case target	Rs 385
Time Horizon	4 Quarters

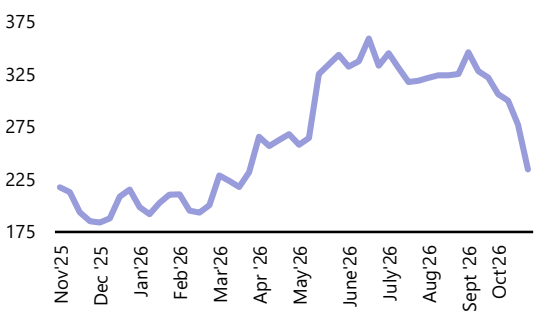
Stock Info

BSE Code	544608
NSE Code	EMMVEE
Bloomberg	EMMVEE IN
Equity Capital (Rs Cr)	138.5
Face Value (Rs)	2
Equity Share O/S (Cr)	69.23
Market Cap (Rs Cr)	16,679
Adj. Book Value (Rs)	63.4
Avg. 52 Wk Volumes	40,33,813
52 Week High	372
52 Week Low	172

Share Holding Pattern (%) (Jun'26)

Promoters	80.03
Institutions	12.01
Non-Institutions	7.96
Total	100.0

One Year Price Chart



Research Analyst

Dhruvin Shah, CFA

dhruvin.shah@hdfcsec.com

In-line numbers, timely cell line commissioning to drive earnings

Emmvee Photovoltaic reported a healthy quarter as revenue from operations were reported at Rs 1,576 Cr, growing 1.3%/39.4% QoQ/YoY. EBITDA grew by 1.6%/39.4% QoQ/YoY to Rs 557 Cr, while EBITDA margins remained at 35.3% as seen in Q2FY26. PAT rose by 0.5%/60.6% QoQ/YoY to Rs 382 Cr as the company reported PAT margins at 24.2% in Q2FY27 against 21% in Q2FY26. Solar PV module production rose 40% YoY to 952 MW in Q2FY27, while cell production increased 61% YoY to 513 MW. Effective capacity utilisation stood at 89% for cells and 44% for modules. The order book stood at 10.4 GW at quarter-end, supported by fresh order inflows of approximately 1.5 GW during the quarter.

Emmvee Photovoltaic Power Ltd has emerged as one of the more profitable and disciplined players in domestic solar manufacturing, consistently delivering industry-leading margins. Its strengths lie in integrated manufacturing, efficient material procurement and a high-quality order book anchored by marquee IPP and C&I customers. Unlike larger peers pursuing aggressive diversification and retail-led growth, Emmvee has stayed focused on its core business of module manufacturing. Its emphasis on quality customers, selective order intake and cost efficiency has translated into strong EBITDA margins; a trend we expect will continue in the coming quarters amid rising DCR inflow in the order book.

The stock has corrected sharply in recent weeks amid concerns over China's proposed restrictions on exports of solar manufacturing technologies. While the final guidelines and their scope remain a key monitorable, we expect large integrated players such as Emmvee to face a relatively limited impact on operations and planned capacity additions, given its sourcing of most machinery and technology from European suppliers and absence of turnkey contracts with Chinese players.

With the stock currently trading at 7.5x FY28E earnings and 5.2x FY28E EV/EBITDA, we reiterate our BUY recommendation w.r.t our Pick of the Week report dated August 9, 2026 (link), and view the recent correction as an attractive opportunity to accumulate. However, ***we cut the Base Case/ Bull Case Target Price to Rs 350/385, from previous Targets of Rs 385/400,*** *valuing the stock at 8x FY28E EV/EBITDA.*

Key Concall Takeaways

- Management expects FY27 EBITDA to be towards the upper end of its Rs 2,200–2,400 Cr guidance, supported by a strong H1 performance.
- Management expects to sustain current margins through product differentiation, operational efficiencies and technological improvements, including lower silver consumption and the transition from M10R to G12R.
- The company reduced silver consumption from 220 mg to 60–65 mg, helping offset cost pressures.
- Management recorded its highest-ever quarterly order inflow of 1.5 GW, taking the order book to 10.4 GW.
- The order book is diversified across IPPs, C&I customers and other market segments, with DCR and non-DCR orders accounting for approximately 70% and 30%, respectively.
- Approximately 5–5.5 GW of the current 10.4 GW order book is scheduled for delivery over the next 12–15 months, with fresh orders primarily coming from IPPs.
- The 6 GW integrated TOPCon cell and module manufacturing project remains on track, with total capex of Rs 5,500 Cr, including Rs 4,600 Cr in hard costs and Rs 700 Cr towards interest during construction, contingencies and working capital margin money.
- The module facility is expected to be commissioned by December 2026, followed by the cell facility by March 2027. Equipment ordering is complete, factory acceptance testing (FAT) is underway, and shipments are scheduled to begin by end-October 2026.

Valuation & Recommendation

Emmvee continues to deliver industry-leading margins alongside strong working capital efficiency, supported disciplined material procurement and healthy customer mix. Post-IPO deleveraging has reduced interest costs and financial stress. While this impacts net margins more directly, a cleaner balance sheet also lets the company prioritise profitable volumes rather than chasing low-margin orders for cash-flow reasons, indirectly supporting gross margin sustainability. The company's robust current order book provides visibility for optimal plant utilisation over at least the next 12–18 months, underpinning steady revenue streams and healthy capacity absorption. Moreover, the establishment of 9 GW ingot-wafer facility (5 GW in FY29 and 4 GW in FY30) would help mitigate supply chain risk and support margin resilience over the medium term.

With the stock currently trading at 5x FY29E earnings and 3.3x FY29E EV/EBITDA, we reiterate our BUY recommendation from our Pick of the Week report dated August 9, 2026 (*link*), and view the recent correction as an attractive opportunity to accumulate. **However, we cut the Base Case/ Bull Case Target Price to Rs 350/385, from previous Targets of Rs 385/400, valuing the stock at 8x FY28E EV/EBITDA.**

Risks & Concerns

- While management intends to fund this heavy outlay entirely through internal accruals, execution risk remains the primary analytical concern. Given that wafer-ingot production is a highly technical domain heavily dependent on specialized, imported machinery—primarily sourced from China—ongoing geopolitical frictions expose the supply chain to severe bottlenecks in equipment sourcing and installation.
- Operating within the solar OEM ecosystem inherently demands intensive working capital, leaving manufacturers highly vulnerable to severe cash conversion constraints. Because production requires massive upfront commitments for raw materials and long-cycle inventory before components are finalized and shipped, any friction in the payment collection cycle instantly locks up vital liquidity.
- Persistent commodity price volatility observed in recent quarters heightens the risk of capital cost overruns, which could strain internal liquidity and undermine the company's long-term financial architecture.
- The sustainability of its current operating margin profile is heavily contingent on timely commissioning of the 6 GW integrated cell and module facility and on-schedule execution of client projects; any slippages could lead to inventory build-up, slower cash conversion and deviation from planned operating leverage, thereby weighing on the margin trajectory and the broader earnings outlook

Financial Summary

Particulars (in Rs Cr)	Q2FY27	Q2FY26	YoY-%	Q1FY27	QoQ-%	FY25	FY26E	FY27E	FY28E	FY29E
Total Operating Income	1,576	1,131	39.4%	1,556	1.3%	2,336	5,050	6,582	10,497	13,170
EBITDA	557	399	39.4%	548	1.6%	722	1,734	2,206	3,694	5,018
APAT	382	238	60.6%	380	0.5%	369	1,082	1,277	2,149	3,242
Diluted EPS (Rs)	5.5	3.4	60.6%	5.5	0.5%	6.2	15.6	18.4	31.0	46.8
RoE %						104.6	51.1	29.5	35.5	37.1
P/E (x)						44.1	15.0	12.7	7.6	5.0
EV/EBITDA (x)						24.9	9.4	8.7	5.3	3.3

(Source: Company, HDFC sec)

Rating Criteria
Buy - > 15%+ return potential
Add - +5% to +15% return potential
Reduce - -10% to +5% return potential
Sell - >10% downside return potential

SHAH DHRUVIN VIPUL
Digitally signed by SHAH DHRUVIN VIPUL
Date: 2026.10.23 18:28:52 +05'30'

Disclosure:
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Any holding in stock – **Yes**

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HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg(East), Mumbai 400 042 Tel.: +91-22-30753400 Fax: +91-22-30753435 www.hdfcsec.com
Compliance Officer: Murli V Karkera, Contact: +91 022-69151436, Email: complianceofficer@hdfcsec.com, For any complaints / grievance: services@hdfcsec.com
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