

January 27, 2026

Emmvee Photovoltaic Power Limited: Long-term rating upgraded to [ICRA]A(Stable) & short-term rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term/Short term – Fund based facilities	80.00	80.00	[ICRA]A (Stable); upgraded from [ICRA]A- (Stable); [ICRA]A2+; reaffirmed
Long term – Fund based – Term loans	30.39	30.39	[ICRA]A (Stable); upgraded from [ICRA]A-(Stable)
Long term/Short term – Non-fund based facilities	25.00	25.00	[ICRA]A (Stable); upgraded from [ICRA]A- (Stable); [ICRA]A2+; reaffirmed
Short term - Interchangeable - LC/BG	(25.00)	(25.00)	[ICRA]A2+; reaffirmed
Total	135.39	135.39	

*Instrument details are provided in Annexure I

Rationale

To arrive at the ratings, ICRA has taken a consolidated view of Emmvee Photovoltaic Power Limited (EPPL) and its subsidiary Emmvee Energy Private Limited (Emmvee Energy). The rating upgrade reflects the company's significantly improved financial risk profile, marked by comfortable credit metrics. This was supported by a deleveraged capital structure following its initial public offering (IPO) in November 2025, which aggregated Rs. 2,900 crore (Rs. 2,143.9 crore through fresh issue and Rs. 756.1 crore via offer for sale). The proceeds from the fresh issue were largely utilised to prepay a substantial portion of the outstanding term loans (Rs. 1,621.3 crore), materially strengthening the capital structure and debt coverage metrics. Consequently, the interest coverage improved to ~8.2x in 9M FY2026 (and is projected to remain healthy at 8-9x for FY2026) from ~6.9x in FY2025, while the total debt/OPBDITA is likely to be comfortable at 0.2x in FY2026 compared to 2.8x in FY2025. Further, the strong order book of Rs. 12,781 crore as on November 30, 2025 provides healthy revenue visibility.

EPPL reported revenues of Rs. 3,311 crore in 9M FY2026 (against Rs. 2,336 crore in FY2025), with the operating margins remaining strong at ~35.1% in 9M FY2026 against ~31.8% in FY2025. The healthy margins were driven by higher sales volumes and favourable pricing for modules manufactured using domestically produced PV cells under the domestic content requirement (DCR) framework.

Also, after the commissioning of an additional 5-GW solar module capacity in FY2026, the Emmvee Group's peak rated module manufacturing capacity (EPPL and Emmvee Energy combined) stands at 10.3 GW, with a peak rated cell manufacturing capacity of 2.9 GW as of December 2025. The expanded module manufacturing capacities, along with the integrated solar PV cell and module facility that commenced operations in FY2025, are expected to drive a sharp scale-up in operations and earnings over the near to medium term. Given the expanding scale of operations, a timely and adequate enhancement of the working capital limits remains critical for sustaining the growth momentum.

The ratings continue to factor in the established presence of the Emmvee Group as one of the leading market players in the domestic solar module manufacturing industry. In addition, Emmvee Energy is backward integrated into solar cell manufacturing, where it holds a strong market position as one of the early entrants. Additionally, Emmvee Energy is included in the Approved List of Models and Manufacturers (ALMM) for solar modules as well as cells, which enhances its market access.

The ratings are, however, constrained by the Emmvee Group's large capex plans of Rs. 5,510 crore towards setting up a 6-GW integrated solar PV cell-cum-module facility which is to be funded through sanctioned debt funding of Rs. 3,306-crore debt and the balance through internal accruals. It is important that the Group is able to commission the project within the budgeted cost and time, stabilise the facilities and ramp up the sales, post commissioning. The capex concentration in FY2027 will elevate debt levels and exert pressure on leverage and coverage metrics; however, this impact will be partially mitigated by the incremental cash flows from the scale-up in solar module line capacity completed in FY2026, alongside the additional capacity expansion that is scheduled to become operational in November 2026. Herein, a timely mobilisation of the internal accruals towards the capex will remain a key credit monitorable.

The Emmvee Group's profitability also remains exposed to the volatility in raw material prices and foreign exchange fluctuations, as its key raw materials are imported and constitute a significant portion of its cost structure. Nevertheless, a hedging mechanism for forex risk and a raw material cost pass-through clause in majority of the orders help mitigate the risk to an extent. The ratings also consider the highly concentrated, though reputed, customer profile and the risk of delays in the execution of projects by the customers.

Further, ICRA notes that the domestic module manufacturing sector is characterised by stiff competition and continues to attract new players, given the policy support towards green energy, with a higher share towards the solar sector. Moreover, there is continuous innovation on the product side in the global market, which necessitates regular upgrades and investments in product development by the Group. ICRA also takes note of the risks pertaining to any devolvement of warranties given on the supply of solar modules, through the warranty claim has remained negligible over the past three fiscals ended FY2025.

The Stable outlook on the rating reflects ICRA's expectation that the Emmvee Group is likely to sustain its operating metrics. Further, the outlook underlines ICRA's expectation that the Group's incremental capex, which will help expand the manufacturing capacity, will be funded in a manner that it is able to durably maintain its debt protection metrics commensurate with the rating.

Key rating drivers and their description

Credit strengths

Established presence in solar module manufacturing industry with backward integration – EPPL is an established player in the solar module manufacturing sector, equipped with the latest TOPCon technology. In addition, Emmvee Energy is backward integrated into solar cell manufacturing, where it holds a strong market position as one of the early entrants. Additionally, Emmvee Energy is included in the Approved List of Models and Manufacturers (ALMM) for solar modules as well as cells, which enhances its market access. The Group has a demonstrated track record of over 15 years in the module manufacturing business. The Emmvee Group has a peak rated module manufacturing capacity of 10.30 GW and a peak rated cell manufacturing capacity of 2.94 GW as of December 2025. After the completion of the planned capex by FY2028, the Group's module manufacturing capacity will increase to 16.30 GW and cell manufacturing capacity to 8.94 GW.

Healthy financial profile characterised by comfortable credit metrics – EPPL raised fresh equity capital of Rs. 2,143.9 crore in November 2025, of which around Rs. 1,621 crore was used to prepay the term loans availed for capacity expansion over the last few years. The balance IPO proceeds have been deployed to acquire land for the 6-GW integrated project and other general corporate purposes. The sizeable debt prepayment has strengthened EPPL's capital structure and debt coverage metrics. The company's total debt/OPBITDA is expected to improve to a comfortable 0.2x in FY2026, compared to 2.8x in FY2025. Further, the interest coverage ratio has increased to 8.2x in 9MFY2026 (and is projected to remain healthy at 8-9x for FY2026), supported by healthy operating earnings and the significant reduction in finance costs, post IPO.

Revenue visibility from healthy order book position – The Emmvee Group's order book position for the supply of PV modules and cells stood at ~Rs. 12,782 crore as of November 2025-end, thereby providing revenue visibility over the medium term. The orderbook includes orders for the supply of modules and cells from reputed customers like Sembcorp Green Infra Private Limited, KPI Green Energy Limited, Clean Max Enviro Energy Solutions Pvt Ltd, Swelect HHV Solar Photovoltaics Pvt Ltd, among others. In addition to the scheduled orders in the order book, the Group receives spot orders, which are fulfilled as received.

Further, with an additional 5 GW of module capacity which has commissioned in FY2026, of which 2.5 GW achieved commercial operations in December 2025, and the ongoing ramp-up of existing module and cell capacities, the Emmvee Group is well-positioned to sustain a growth momentum in its operating performance over the medium term.

Credit challenges

Exposure to execution and stabilisation risks from proposed large capex – The Emmvee Group has large capex plans of Rs. 5,510 crore to set up a 6-GW integrated solar PV cell-cum-module facility which is to be funded through Rs. 3,306 crore of sanctioned debt and the balance through internal accruals. The facility is scheduled to become fully operational by April 2027. In this context, for the success of its capital expenditure programme, it is important that the Group is able to commission the project within the budgeted cost and time, stabilise the facilities and ramp up the sales, post commissioning. The capex concentration in FY2027 will elevate debt levels and exert pressure on leverage and coverage metrics; however, this impact will be partially mitigated by the incremental cash flows from the scale-up in solar module line capacity completed in FY2026, alongside the additional capacity expansion that is scheduled to become operational in November 2026. Herein, a timely mobilisation of the internal accruals towards the capex will remain a key credit monitorable. The Group's past track record in executing an integrated solar PV cell-cum-module project and successfully scaling up the operations mitigates the risk to a certain extent. The possession of 100 acres of land for setting up the plant further reduces project-related uncertainties.

High customer concentration risk - The order book is highly concentrated, with the top five customers accounting for ~86% of the total order book as of November 2025-end. Also, the top five customers accounted for 63-75% of the revenue for the last three fiscals ended FY2025. However, the risk is mitigated to a certain extent by a reputed customer profile and the letter of credit (LC)-backed/advance payments before dispatch. Any execution delays by these customers would adversely impact the Group's ability to scale up its revenue and profitability.

Exposure of profitability to volatility in raw material prices, foreign exchange rate and competitive pressure - The Group's profitability also remains exposed to the volatility in raw material prices and the foreign exchange fluctuations, as its key raw materials are imported and constitute a significant portion of its cost structure. Nevertheless, the hedging mechanism for forex risk and raw material cost pass through for majority of the orders helps mitigate the risk to an extent. Further, ICRA notes that the domestic module manufacturing sector is characterised by stiff competition. Additionally, given the significant policy push towards domestic manufacturing, the competition is likely to increase, evident from the capex plans by some of the larger domestic players and the attraction of new players.

Risk of devolvement of warranties on solar modules and technological obsolescence - The PV module industry, including components such as cells, is characterised by continuous product and process innovation, along with the rapid adoption of new technology. Given the risk of technological obsolescence, the industry players are required to undertake continuous upgrades and related investments to sustain a competitive advantage. However, the Group's adoption of the latest TOPCon technology provides comfort. Further, while the Government's regulations, targets and policies currently support the industry, the Group remains vulnerable to changes in policies and tariff barriers. Also, the operations remain exposed to risks pertaining to any devolvement of warranties on the supply of solar modules. However, the warranty claim has remained negligible over the past three fiscal years ended FY2025, which provides assurance on the quality of the Group's products and services.

Environmental & Social Risks

EPPL operates in the solar module manufacturing segment which inherently supports climate transition. However, the manufacturing process exposes the company to tightening environmental norms. Any lapse in compliance could invite penalties, operational disruptions or reputational damage.

Social risks primarily relate to occupational health and safety at its manufacturing facilities. Instances of workplace accidents or non-compliance with labour standards could lead to production losses, legal liabilities and reputational harm.

Liquidity position: Adequate

The Group’s liquidity position remains adequate, driven by expected healthy cash flow from operations against modest debt repayment obligations of Rs. 40-45 crore in FY2027. Further, the Group’s liquidity is supported by the advances received from customers for the ongoing orders as well as cash and bank balance of ~Rs.176 crore as on December 12, 2025. The Group has planned a sizeable capex of Rs. 5,510 crore over the next 12–18 months for a 6-GW integrated solar PV cell-cum-module facility that is expected to be funded through internal accruals and sanctioned debt. Additionally, the Group plans to avail enhanced working capital limits with a scale-up in operations at regular intervals. A timely and adequate enhancement in the working capital limits will remain important to support its increasing scale of operations.

Rating sensitivities

Positive factors – The ratings could be upgraded if the company is able to demonstrate a significant scale-up in its revenues and profitability, leading to comfortable debt coverage metrics and liquidity position, on a sustained basis, along with timely commissioning and successful ramp-up of its proposed 6-GW integrated cell-cum-module capex.

Negative factors – Pressure on the ratings could arise if the company is unable to scale up its operations, affecting its revenue and profitability. Also, an elongation of the working capital cycle adversely impacting the company’s liquidity position would be a trigger for downgrade. Further, any significant time or cost overruns for the proposed capex plans would be also key trigger. A specific credit metric for downgrade would be a total debt/OPBIDTA above 2.0 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the consolidated financial profile of the company. The list of subsidiaries considered for consolidation is provided in Annexure II

About EPPL

EPPL, set up in March 2007, is involved in the manufacturing of solar photovoltaic (PV) modules. The company has a solar module manufacturing capacity of 867 MW.

The Emmvee Group has an overall manufacturing capacity of 10.3 GW of solar modules and 2.9 GW of solar cells. This apart, the company operates 8-MW solar power assets in Germany. EPPL was listed on the BSE/NSE in November 2025.

About Emmvee Energy

Bengaluru-based Emmvee Energy is a wholly-owned subsidiary of EPPL and is involved in the manufacturing of solar photovoltaic (PV) modules and cells.

Key financial indicators

EPPL Consolidated	FY2024 (A)	FY2025(A)	9MFY2026 (UA)
Operating income	951.9	2336.0	3311.1
PAT	28.9	369.0	689.2
OPBDIT/OI	11.0%	31.8%	35.1%
PAT/OI	3.0%	15.8%	20.8%
Total outside liabilities/Tangible net worth (times)	11.9	6.3	-
Total debt/OPBDIT (times)	13.9	2.8	-
Interest coverage (times)	3.1	6.9	8.2

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

		Current (FY2026)				Chronology of rating history for the past 3 years					
						FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Jan 27, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based facilities	Long term/Short term	80.00	[ICRA]A (Stable)/ [ICRA]A2+	Aug 27, 2025	[ICRA]A- (Stable)/ [ICRA]A2+	Oct-24-2024	[ICRA]BBB+ (Positive)/ [ICRA]A2	Sep-08-2023	[ICRA]BBB+ (Negative)/ [ICRA]A2	Aug-11-2022	[ICRA]BBB+ (Stable)/ [ICRA]A2
Fund based – Term loans	Long term	30.39	[ICRA]A (Stable)	Aug 27, 2025	[ICRA]A- (Stable)	Oct-24-2024	[ICRA]BBB+ (Positive)	Sep-08-2023	[ICRA]BBB+ (Negative)	-	-
Non-fund based facilities	Long term/Short term	25.00	[ICRA]A (Stable)/ [ICRA]A2+	Aug 27, 2025	[ICRA]A- (Stable)/ [ICRA]A2+	Oct-24-2024	[ICRA]BBB+ (Positive)/ [ICRA]A2	Sep-08-2023	[ICRA]BBB+ (Negative)/ [ICRA]A2	Aug-11-2022	[ICRA]BBB+ (Stable)/ [ICRA]A2
Interchangeable – LC/BG	Short term	(25.00)	[ICRA]A2+	Aug 27, 2025	[ICRA]A2+	Oct-24-2024	[ICRA]A2	Sep-08-2023	[ICRA]A2	-	-
Unallocated	Long term and short term	-	-	-	-	Oct-24-2024	[ICRA]BBB+ (Positive)/ [ICRA]A2	Sep-08-2023	[ICRA]BBB+ (Negative)/ [ICRA]A2	Aug-11-2022	[ICRA]BBB+ (Stable)/ [ICRA]A2

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term/Short term – Fund based facilities	Simple
Long term – Fund based – Term loans	Simple
Long term/Short term – Non-fund based facilities	Simple
Short term – Interchangeable – LC/BG	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's

credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
-	Fund based facilities	-	-	-	80.00	[ICRA]A (Stable)/ [ICRA]A2+
-	Fund based facilities – Term loans	FY2023	-	FY2031	30.39	[ICRA]A (Stable)
-	Non-fund based facilities	-	-	-	25.00	[ICRA]A (Stable)/ [ICRA]A2+
-	Interchangeable - LC/BG	-	-	-	(25.00)	[ICRA]A2+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	EPPL ownership*	Consolidation approach
Emmvee Energy GmbH	100.00%	Full consolidation
Solarpark Emmvee Sokrates GmbH	100.00%^	Full consolidation
Solarpark Emmvee Doberschutz GmbH	100.00%^	Full consolidation
Emmvee Verwaltungs GmbH	100.00%^	Full consolidation
Emmvee Energy Private Limited	99.99%	Full consolidation
Emmvee Energy Inc.	100.00%	Full consolidation

Source: Company; * as on March 31, 2025; ^ held by Emmvee Energy GmbH

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