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Renewable Equipments

Sector Report

India's solar manufacturing in structural upcycle

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Contents

(All prices as on December 24, 2025)

Renewable Equipments

Sector Report

December 26, 2025

Companies covered in the report

Name of the Company	Recommendation
Premier Energies	BUY
Waaree Energies	BUY
Vikram Solar	Accumulate
Emmvee Photovoltaic Power	Not Rated
Saatvik Green Energy	Not Rated

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India's solar manufacturing in structural upcycle

We are initiating coverage on three renewable equipment manufacturing companies - Premier Energies (PREMIERE), Waaree Energies (WAAREEEN), and Vikram Solar (VIKRAMSO) - with a positive outlook. Domestic Installed solar capacity (AC) is expected to jump from 106GW in FY25 to 290GW by FY30E growth will be driven by utility-scale additions, government initiatives, as well as rising captive industrial demand. Similarly, manufacturers are well placed to capitalize on export demand, primarily from the US driven by IRA-linked incentives and supply-chain diversification away from China. Companies are undertaking significant capital expenditure over FY24–FY28 to scale up manufacturing capacities and strengthen backward integration. We initiate coverage with a 'BUY' rating on PREMIERE/ WAAREEEN and 'Accumulate' rating on VIKRAMSO with TP of Rs1,106/Rs4,086/Rs275 based on SOTP, implying PE of 22x/24x/19x FY28E.

- **India's renewable and solar capacity expansion:** India's power generation capacity increased from 356 GW in FY19 to 475 GW in FY25, driven primarily by robust additions in renewable energy. Renewable installations (ex-large hydro) are expected to scale from ~81GW in FY19 to ~430GW by FY30E supported by multiple central and state policy incentive while driving solar capacity growth from 106GW in FY25 to ~290GW by FY30E. In parallel, domestic solar manufacturing ecosystem has witnessed rapid scale-up from CY20, with module manufacturing capacity estimated to reach ~180GW by FY30E.

- **Aggressive capacity expansion and backward integration:** All three companies are undertaking significant capacity expansion and backward integration plans over FY25–FY28E. PREMIERE is implementing a ~Rs120bn capex plan through FY26-28E to expand module capacity to ~11.1GW, cell capacity to ~10.2GW, and establish a 5GW ingot–wafer facility, along with investments in BESS and aluminum frames. VIKRAMSO is executing a ~Rs112bn capex program to scale module capacity from 4.5GW in FY25 to 17.5GW by FY27 and to 12GW of cell capacity by FY27, targeting ~70–75% backward integration. WAAREEEN has outlined an aggressive ~Rs250bn capex plan over FY26–28E across modules (26.8GW by FY26), cells (15.4GW by FY27), ingot–wafers (10GW by FY27), BESS and adjacent businesses to deepen backward integration and expand exports.

- **Initiating coverage on renewable equipment manufacturers:** PREMIERE, WAAREEEN and VIKRAMSO are leading players in the Indian solar equipment manufacturing sector, each differentiated by their order book mix and growth drivers. PREMIERE has a fully domestic order book, reflecting strong positioning in India-led demand. WAAREEEN has a predominantly overseas order book, with exports accounting for ~59.5% as of Sep'25, positioning it well to capitalize on global opportunities. VIKRAMSO has ~15% of its order book from overseas markets as of Sep'25, with demand largely driven by the IPP segment (52%), followed by the C&I segment (20%). Collectively, the three companies are well placed for sustained growth, underpinned by diversified end-market exposure, strong order visibility, and ongoing capacity expansion initiatives.

India's solar energy sector soaring

Installed solar power capacity (AC) to jump from 106GW in FY25 to ~290GW by FY30E

India's solar sector is on an expansion spree. Domestic Installed solar capacity (AC) is expected to jump from 106GW in FY25 to 290GW by FY30E as part of the government's 500GW RE target. Growth will be driven by utility-scale additions, rooftop installations, solar pumps, and captive industrial demand. This expansion is set to significantly benefit domestic solar equipment manufacturers, supported by import tariffs on Chinese equipment; non-trade barriers such as the Approved List of Models and Manufacturers (ALMM) and Domestic Content Requirement (DCR) norms in India; and improving outlook for cell manufacturing in the US. While near-term margins and returns across the solar manufacturing space remain attractive, aggressive capacity additions announced by multiple players could normalize profitability over the medium term. We expect integrated manufacturers (ingot-to-module) and those with US manufacturing presence to sustain higher utilization and superior profitability relative to peers.

Domestic power consumption on the rise

India's per capita electricity consumption has risen steadily over the past decade, climbing from 819kWh in FY11 to 1,395kWh in FY24 (CEA data), reflecting a CAGR of 4.2%.

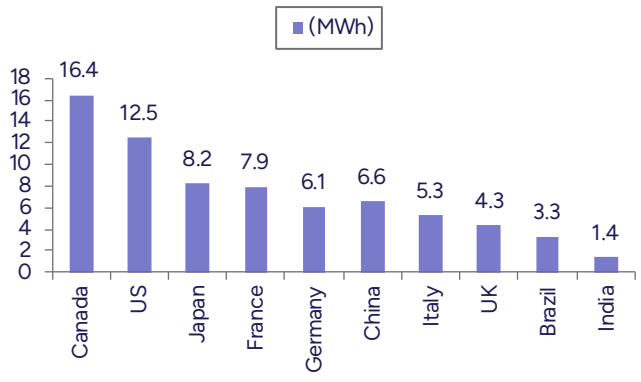
Power demand rises 4.2% to 1,694BUs in FY25, on the back of 6.5% GDP growth and seasonal factors

- Growth has been supported by rising economic activity, higher domestic usage, and expanded rural and household electrification. After years of steady growth, demand dipped in FY21 as industrial and commercial consumption fell due to the COVID-19 pandemic, but it recovered strongly in FY22 (1,255kWh per capita) and continued to rise through FY23 and FY24.
- Over FY15–25, total energy requirement grew at 4.7% CAGR, from 1,069BUs to 1,694BUs (BU means TWh). Looking ahead, demand is expected to continue rising propelled by structural drivers such as rapid urbanization, higher appliance penetration (especially cooling and air conditioning), accelerating EV adoption, digital infrastructure expansion, and supportive government policies aimed at universal access, renewable integration, and industrial growth. India's power demand is expected to rise by 1.3x by FY30 to 2,250BUs, from 1,694BUs in FY25.

India's power demand to rise by 1.3x by FY30E to 2,250BUs

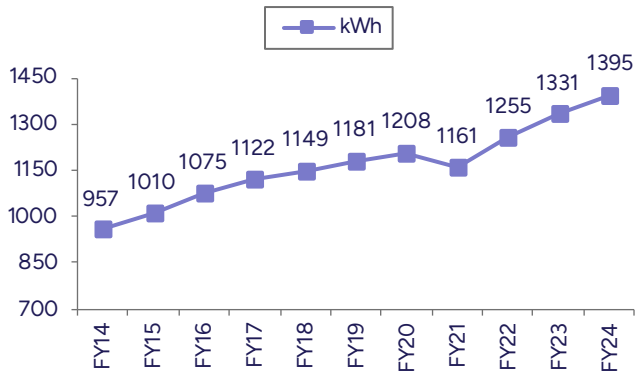
- Despite the steady rise, India's per-capita electricity consumption remains well below that of developing economies, such as Brazil, Malaysia and China.

Exhibit 1: India – Lowest per-capita power consumption



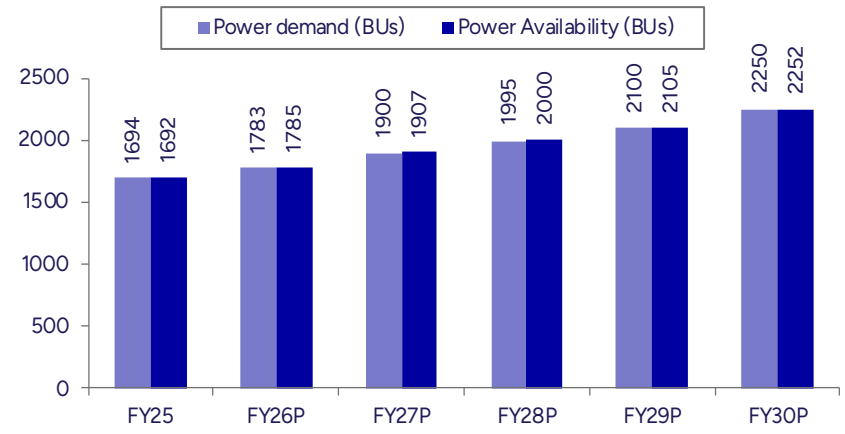
Source: CEA, PL

Exhibit 2: India's per-capita power consumption on the rise



Source: CEA, PL

Exhibit 3: India's power demand to grow by 5.8% CAGR over FY25-30E



Source: CEA, Saatvik RHP, PL

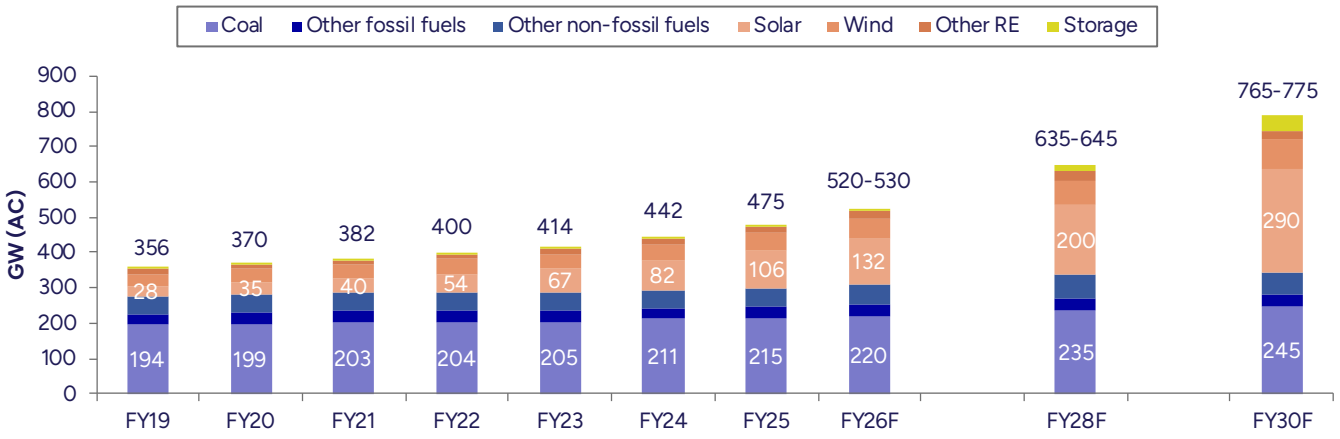
India's RE push driving up overall power capacity

RE to account for 54% of overall power capacity by FY30F vs. ~37% in FY25

India's installed power generation capacity increased from 356GW in FY19 to 475GW as of FY25, driven by strong renewable additions across solar, wind, hybrid, and other clean energy sources, while capacity additions from coal and other conventional fuels remained subdued.

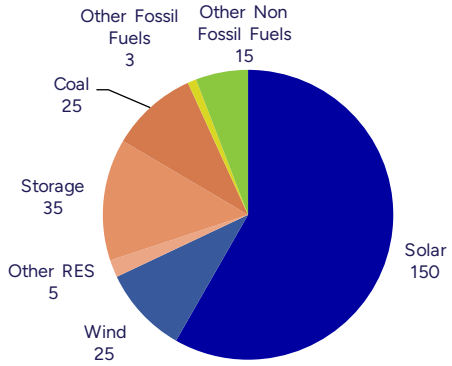
RE installations (excluding large hydro) are expected to increase to ~430GW by FY30F, from ~81GW in FY19, led by various central and state-level incentives. As of Mar'25, installed grid connected RE generation capacity (excluding large hydro) in India constituted ~37% of total installed generation base in India, which is expected to rise to 54% by FY30E. Growth has been led by solar power, which is expected to grow to ~290GW by FY30E from 28GW in FY19.

Exhibit 4: Solar share in India's overall power capacity growing exponentially



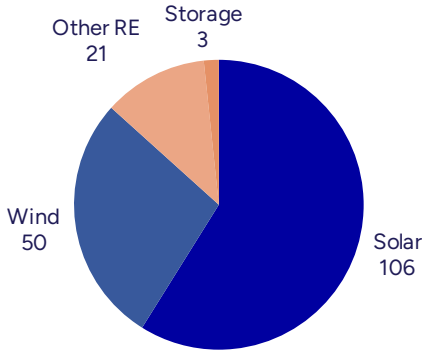
Source: CEA, EMMVEE RHP, PL

Exhibit 5: India cumulative capacity additions in FY26–30E



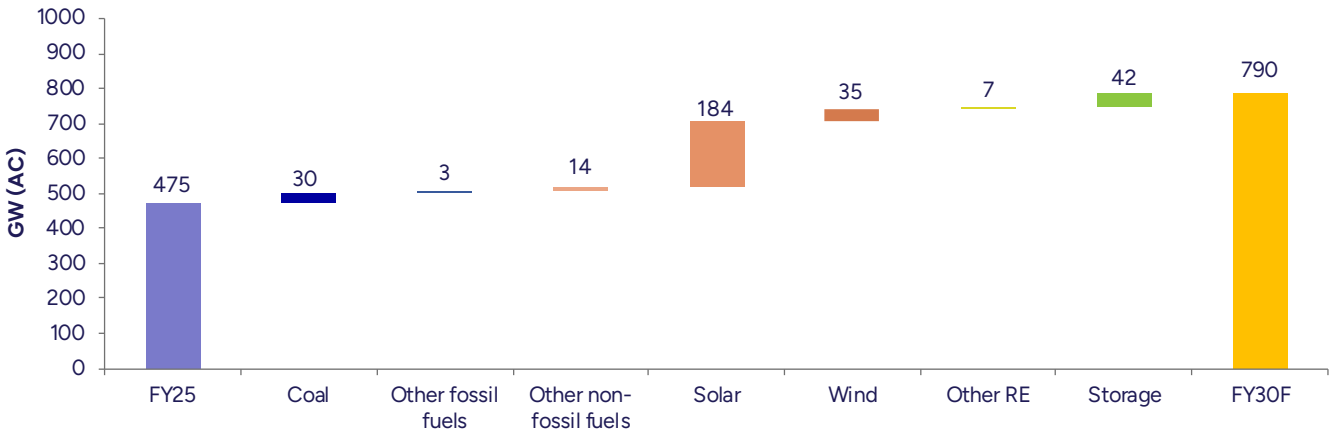
Source: EMMVEE RHP, PL

Exhibit 6: Solar major contributor to India RE (ex-hydro)



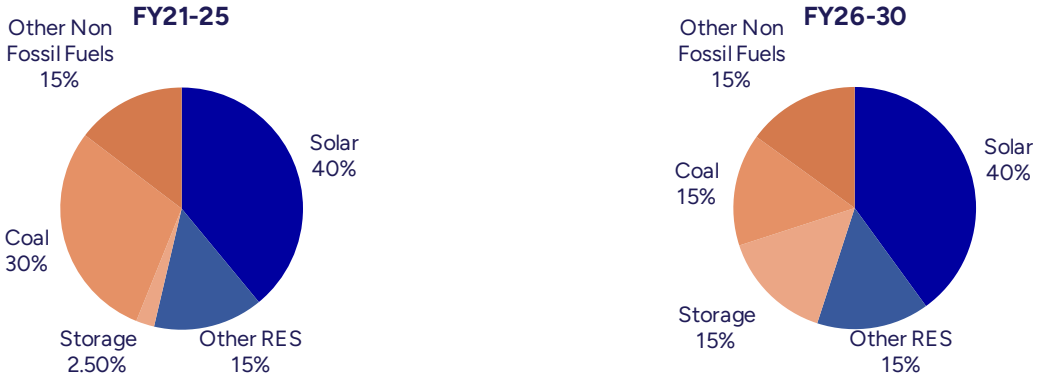
Source: EMMVEE RHP, PL

Exhibit 7: India's installed power capacity to reach ~790GW by FY30E driven by solar



Source: CEA, EMMVEE RHP, PL; Note: Other RE includes small hydro and bio power. Storage includes BESS and PSP

Exhibit 8: RE continues to dominate in overall investment in power generation



Source: EMMVEE RHP, PL; Note: Other fossil fuels include lignite, gas and diesel. Other RE includes wind, hybrid and other renewable sources

Solar sector growth to drive equipment manufacturing

Solar to account for 45% of investment, i.e., Rs9.5trn over FY26-30F

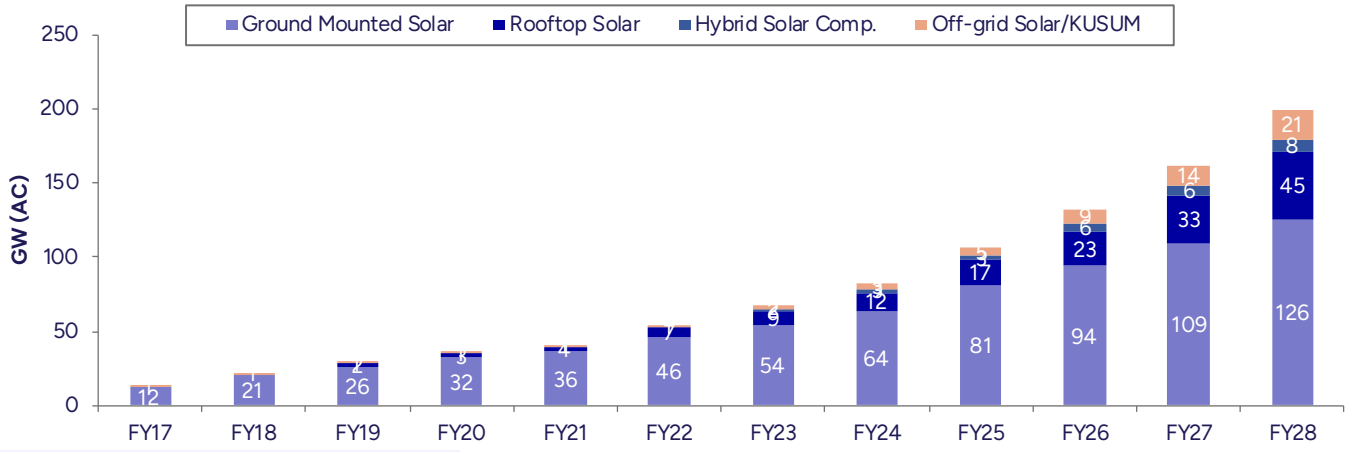
India's solar sector continues to demonstrate strong growth momentum, with installed capacity expected to expand from 106GW in FY25 to 290GW by FY30. Growth will be driven by utility-scale additions, government initiatives such as the PM Surya Ghar: Muft Bijli Yojana and PM-KUSUM scheme, as well as rising captive industrial demand. Further upside could emerge from accelerated progress under the National Green Hydrogen Mission, which would significantly lift solar PV module demand.

Aligned with its commitment to achieve carbon neutrality by CY70, India has set a target of 500GW of non-fossil capacity by CY30, of which 290GW is expected to come from solar. As of Mar'25, solar already accounted for 60% of India's RE portfolio (excluding hydro), underscoring its dominant role in the transition.

Solar accounts for 61% of total RE (ex-hydro) i.e. 106GW of total RE (ex-hydro) capacity of 172GW, in FY25

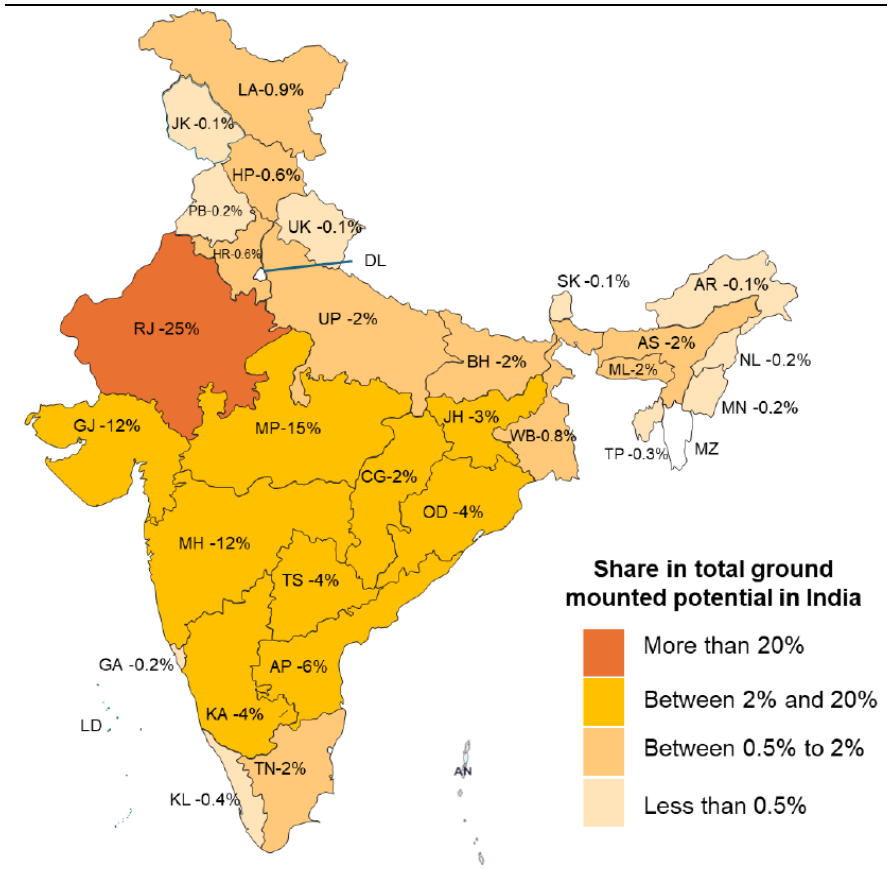
Over the past 5 years, domestic solar sector has seen robust growth: between FY18 and FY25, India added nearly 84GW of solar capacity, at ~25% CAGR. Annual additions have steadily accelerated – 13GW in FY23 (including 2.2GW rooftop), 15GW in FY24 (including 3GW grid-connected rooftop), and a record 24GW in FY25, which pushed India's installed solar base beyond the 100GW milestone to 106GW.

Exhibit 9: Solar installed capacity to clock 24% CAGR over FY25-28F vs. 30% CAGR over FY17-25



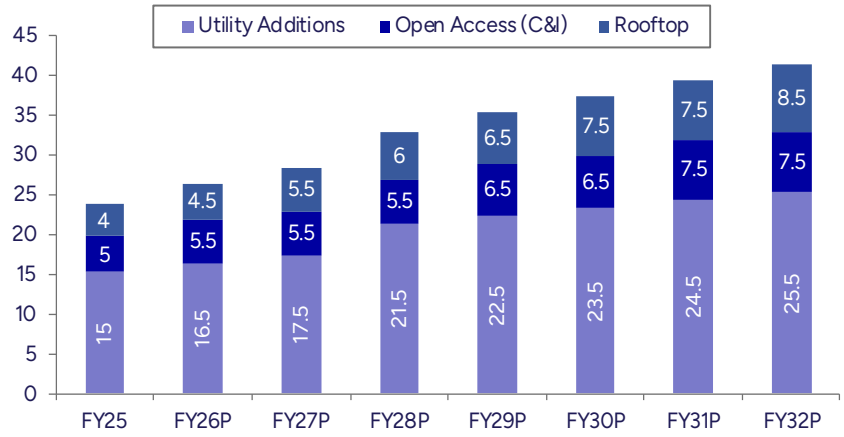
Source: CEA, Saatvik RHP, PL

Exhibit 10: Solar installed capacity distributed across India



Source: EMMVEE RHP, PL

Exhibit 11: Solar capacity additions to see healthy average yearly growth

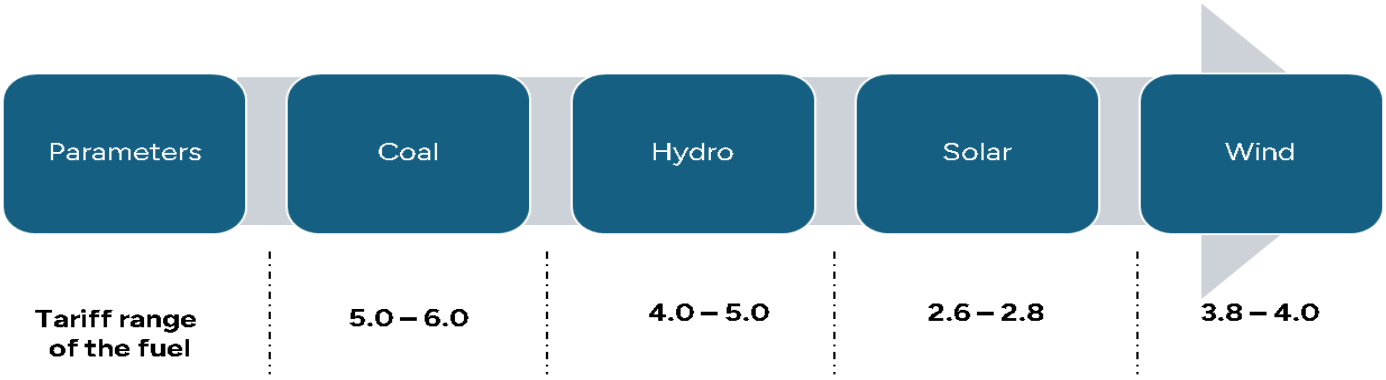


Source: Saatvik RHP, PL

Solar power tariffs decline with tech advancement and mass adoption

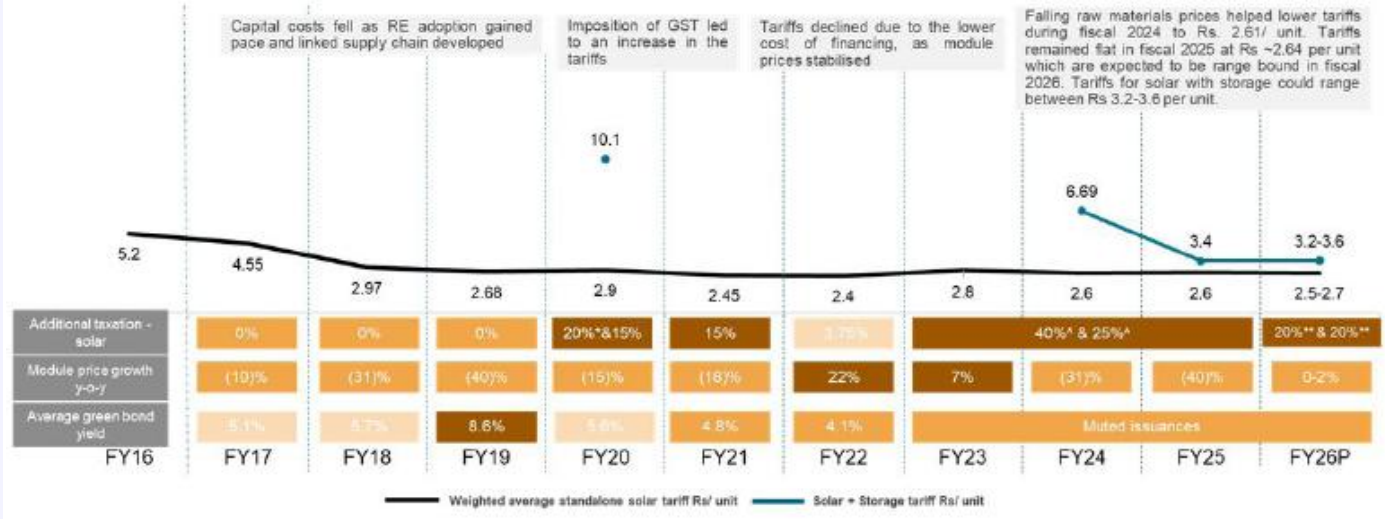
Solar tariffs in India declined sharply from Rs5.2/unit in FY16 to Rs2.63/unit in FY25, making solar cost competitive compared to wind (Rs3.8–4.1/unit) and coal (Rs5–6/unit). This reduction has been driven by significant expansion in global manufacturing capacity, technological improvements, and R&D, with module prices dropping notably in FY25 following substantial capacity additions in CY23 and CY24. As a result, power distribution utilities are increasingly favoring solar energy in their procurement plans.

Exhibit 12: Solar power tariff lowest among major energy sources (Rs/unit)



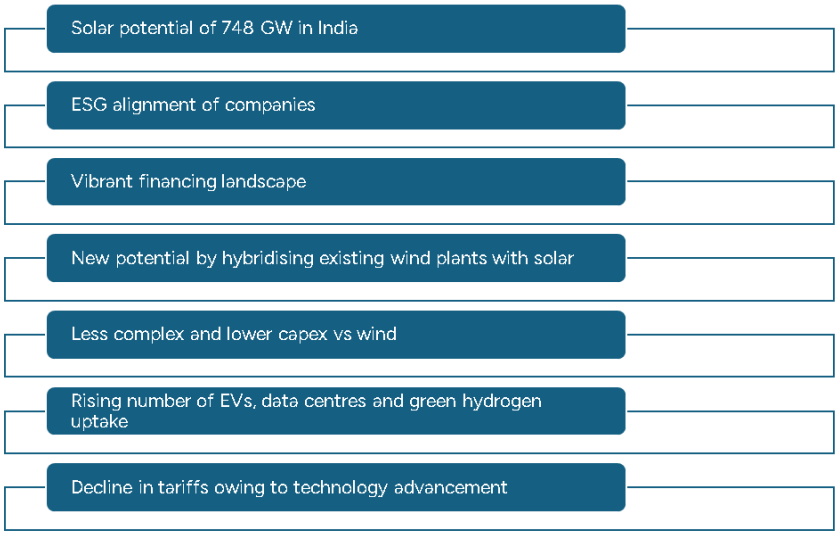
Source: EMMVEE RHP, CEA, PL

Exhibit 13: Solar component prices to remain flat as upstream component costs fall



Source: Industry, EMMVEE RHP, PL

Exhibit 14: Domestic solar industry - Key growth drivers



Source: PL

Solar growth to boost equipment manufacturing ecosystem

India's solar manufacturing ecosystem has expanded at an unprecedented pace, with module capacity rising rapidly from the early 2020s and estimated to reach nearly 180GW by FY30. This scale-up has been supported by policy enablers such as the PLI scheme, renewed enforcement of ALMM norms, and a steady pipeline of utility-scale solar projects that have encouraged long-term domestic investments.

As of FY25, the country's operational manufacturing base stood at ~82GW for modules and ~23GW for cells. The surge in capacity has been triggered by both tariff-based measures like basic customs duty and non-tariff interventions, including DCR and ALMM norms, all of which have collectively nudged developers toward domestic procurement.

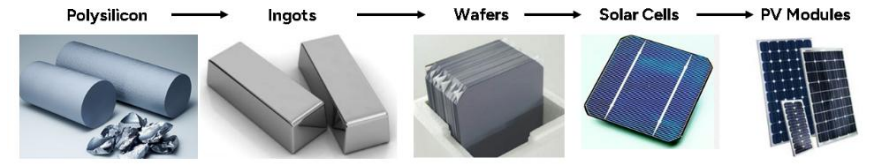
However, the pace of module capacity additions—exceeding 90GW in announced expansions—indicates the industry may move into a surplus situation, creating margin pressure for smaller, module-only manufacturers. On the other hand, upstream cell manufacturing remains structurally tighter. With the proposed introduction of ALMM List-II (from Jun'26) for cells and a push to mandate domestic cells for ALMM modules, demand for India-made cells is expected to accelerate over the next few years. Companies that can scale and stabilize large cell capacities ahead of the broader market—likely before FY28—stand to gain a meaningful competitive edge.

The Ministry of New and Renewable Energy (MNRE) issued the first ALMM List-II for solar cells in Jul'25, covering 11 manufacturers with a combined capacity of 17.8GW. The ministry extended the effective date for mandatory use of domestic cells in government projects to 31st Aug'25, while open access and rooftop projects commissioned after 1st Jun'26 must also comply. Any government bid submitted post-31st Aug'25, must use modules from List-I and cells from List-II.

In Sep'25, MNRE released draft guidelines for ALMM List-III for wafers and ingots, which will become applicable once at least 3 domestic facilities with a cumulative 15GW capacity are operational, with nationwide enforcement scheduled from 1st Jun'28.

Additionally, imported diffused (blue) wafers used for cell production will disqualify those cells from being treated as domestically manufactured, whereas thin-film modules produced in fully integrated Indian factories remain eligible under MNRE schemes.

Exhibit 15: Solar PV module manufacturing value chain



Source: Company, PL

Exhibit 16: India solar manufacturing demand–supply Outlook: Module surplus, stable upstream capacity

(GW)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
Installed Solar Power Capacity in AC	29	36	41	54	67	82	106	132	162	200	243	290
Addition in AC	7	7	5	14	13	15	24	26	30	38	43	47
Addition in DC	10	10	7	20	18	21	34	36	42	53	60	66
Module Capacity (DC)	11	12	12	21	38	63	82	115	145	160	165	180
Effective Module Capacity (DC)	10	11	11	19	34	57	74	104	131	144	149	162
Cell Capacity (DC)	3	3	3	3	7	10	23	45	70	85	85	90
Effective Cell Capacity (DC)	3	3	3	3	6	9	21	41	63	77	77	81
Assumed Plant Utilization	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Cell Production (DC)	2	2	2	2	5	8	18	34	54	65	65	69
Wafer-Ingot Capacity (DC)						2	2	5	15	25	35	40
Polysilicon Capacity (DC)									5	10	15	20

Source: Industry, EMMVEE RHP, PL; Note: Assumed effective capacity is ~90% nameplate capacity in both modules & cells

Exhibit 17: Domestic solar manufacturing enters a rapid capacity expansion phase (FY25)

Players		Existing Capacity (GW)	Planned Capacity (GW)	State where capacity is planned
Waaree Energies	Module	13.3	6	Gujarat
	Cell	5.4	6	Gujarat
Adani Solar	Module	4	6	Gujarat
	Cell	4	6	Gujarat
Reliance New Energy	Module	-	10	Gujarat
	Cell	-	20	Gujarat
Shirdi Sai Electricals	Module	0.5	30	Andhra Pradesh
	Cell	-	30	Andhra Pradesh
Vikram Solar	Module	4.5	17	Tamil Nadu
	Cell	-	12	Tamil Nadu
Premier Energies	Module	5.1	8	Telangana
	Cell	2	8	Telangana
Saatvik Green	Module	3.7	5	Odisha
	Cell	-	4.8	Odisha
Goldi Solar	Module	10.7	4	Gujarat
	Cell	-	4	Gujarat
ReNew	Module	6.4	-	NA
	Cell	2.5	4.0	Gujarat
Grew Energy	Module	2.9	3.5	Jammu & Kashmir
	Cell	-	2.8	Jammu & Kashmir
Solex Energy	Module	1.5	13.5	Gujarat
	Cell	-	5	Gujarat
RenewSys	Module	2.5	3	Maharashtra
	Cell	1.0	1	Andhra Pradesh
TP Solar Ltd	Module	4.9	-	NA
	Cell	4.9	-	NA

Source: Saatvik RHP, PL

GoI incentivizing solar equipment manufacturing

The Government of India has introduced a wide range of policy measures to strengthen domestic solar equipment manufacturing. Incentive programs such as PLI, DCR, ALMM, PM-KUSUM, safeguard duties and incentive schemes are aimed at building scale, reducing import reliance, and supporting exports.

- In the RE sector, policy support has been equally strong. Key initiatives include 100% FDI under the automatic route, large-scale solar park development, PM-KUSUM, the National Rooftop Solar Scheme, and the Green Energy Corridor project to improve transmission infrastructure. These measures collectively encourage long-term domestic capacity creation.
- DCR remain an important tool, mandating the use of India-made cells and modules in several government-backed schemes such as CPSU, PM-KUSUM and rooftop programs. Only projects complying with DCR norms qualify for central or state financial support.
- The ALMM framework has played a key role in strengthening India's solar manufacturing sector by curbing low-cost imports—particularly from China—and ensuring consistent product quality for long-duration projects. After initial inconsistencies, ALMM-I has been firmly enforced since Jan'24, prompting rapid module capacity additions and resulting in a current oversupply of nearly 116GW of ALMM-approved module capacity. To address the upstream gap, ALMM-II for cells is scheduled to take effect from Jun'26, while ALMM-III for wafers and ingots is proposed for implementation from Jun'28.
- In the budget for FY26, GST rate on solar cells, modules and inverters has been reduced from 12% to 5% to support and accelerate growth in the solar sector.

Exhibit 18: Policy support strengthening domestic solar equipment manufacturing

GST on solar cells, modules and inverters slashed from 12% to 5%	Lower project costs >> boost in consumer demand
MNRE announces ALMM-II enforcement timeline	Domestic cells required for utility-scale solar projects bid after August 2025 and for private projects completed after May 2026
ALMM-III proposed for ingot-wafer manufacturing	Expected timeline - June 2028 completion date for rooftop solar and open-access projects; bid cut-off date one month after three manufacturers reach a combined manufacturing capacity of 15 GW per year for utility scale projects
Data localization for inverters	MNRE has mandated India-based data storage for Surya Ghar rooftop solar inverters to enhance cybersecurity and data sovereignty
DGTR recommends anti-dumping duties on Chinese solar cell and module imports	Anti-dumping duties of up to 30% on imports of solar cells and modules originating in or exported from China for a three-year period
BESS VGF scheme amendment to mandate Energy Management System	Ministry of Power has mandated use of India-developed EMS for projects under VGF scheme
MNRE issues guidelines for storage battery testing and approvals	Proposal to mandate BIS registration for energy storage batteries ensuring standardized testing, safety and performance for solar applications
Monitoring regime for solar imports	All imports of solar cells and modules from 1 November 2025 to be monitored by the government

Source: Company, PL

Exhibit 19: Progressive changes in import duty structure on solar modules and cells in India

Year of imposition	Jul'18, to Jul'19	Jul'19, to Jan'20	Jan'20 to Jul'20	Jul'20 to Jan'21	Jan'21 to Jul'21	From Apr 1, 2022 (BCD)	From Feb 2, 2025 (BCD)
Duty rate	25%	20%	15%	14.9%	14.5%	Module – 40%, Cell – 25%	Module – 20%, Cell – 20%

Source: Saatvik RHP, PL

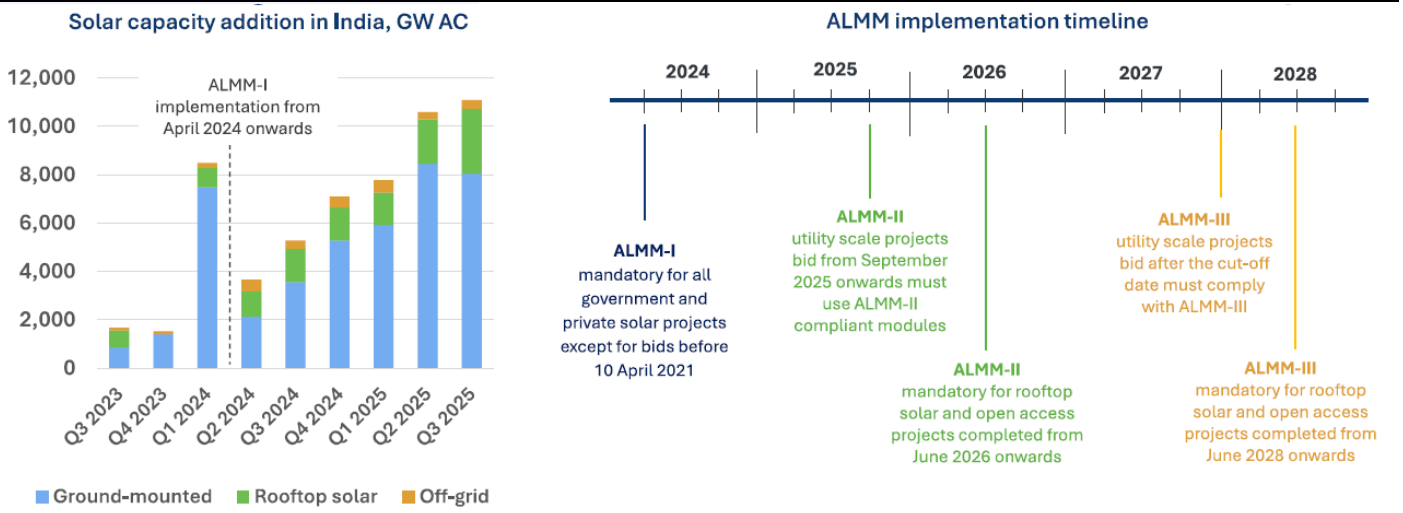
- The PLI scheme for domestic module manufacturing was introduced on 11th Nov'20. In Sep'21, IREDA, the implementing agency, released the list of PLI scheme participants, and the scheme received a response of 54.8GW worth of bids for a 10GW scheme. In Mar'23, the government, through SECI, allocated 39.6GW of domestic solar PV module manufacturing capacity under the PLI scheme (Tranche II) to 11 companies, with a total outlay of ~Rs140bn.

Exhibit 20: Capacity awarded under PLI scheme (Tranche I and II)

Players	Polysilicon (GW)	Wafer (GW)	Cells (GW)	Modules (GW)
Shirdi Sai Electricals Ltd	4.0	4.0	4.0	4.0
Reliance New Solar Energy Ltd	4.0	4.0	4.0	4.0
Adani Infrastructure Pvt Ltd	0.7	0.7	0.7	0.7
Total PLI Tranche I	8.7	0.7	8.7	8.7
Indosol Solar Pvt Ltd	6.0	6.0	6.0	6.0
Reliance New Energy Solar Ltd	6.0	6.0	6.0	6.0
FS India Solar Ventures Pvt Ltd	3.4	3.4	3.4	3.4
Waaree Energies Ltd	0.0	6.0	6.0	6.0
Avaada Ventures Pvt Ltd	0.0	3.0	3.0	3.0
ReNew Solar (Shakti Four) Pvt Ltd	0.0	4.8	4.8	4.8
JSW Renewable Technologies Ltd	0.0	1.0	1.0	1.0
Grew Energy Pvt Ltd	0.0	2.0	2.0	2.0
Vikram Solar Ltd	0.0	0.0	2.4	2.4
AMPIN Solar One Pvt Ltd	0.0	0.0	1.0	1.0
TP Solar Ltd	0.0	0.0	4.0	4.0
Total PLI Tranche II	**15.4**	**32.2**	**39.6**	**39.6**
Total PLI Tranche I + II	**24.1**	**32.9**	**48.3**	**48.3**

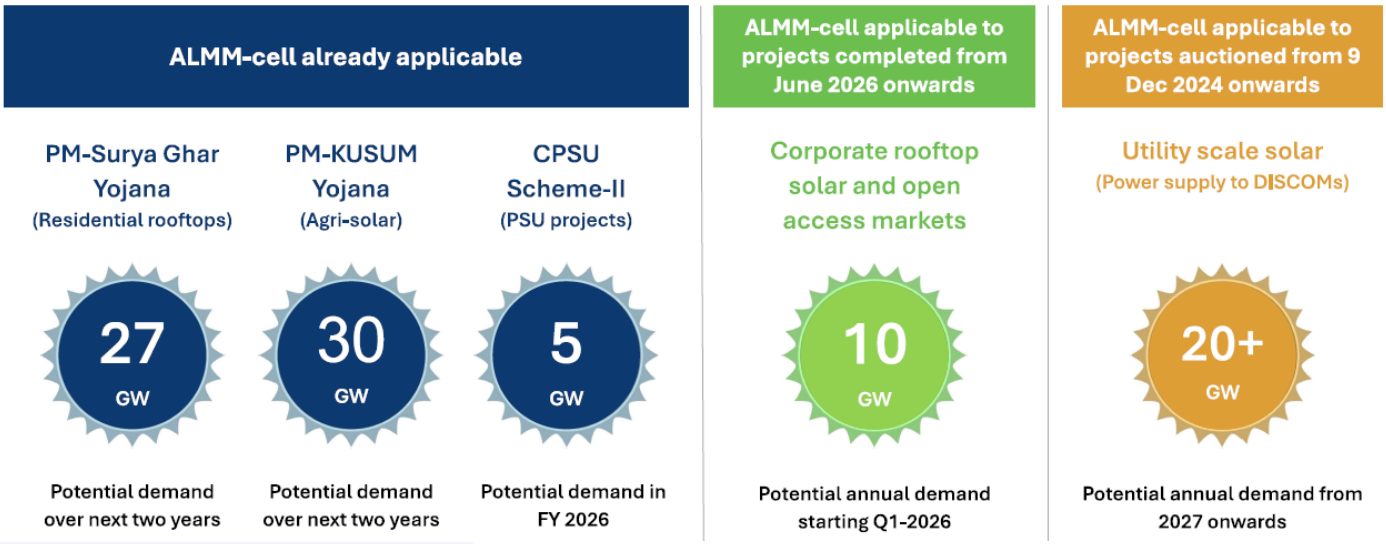
Source: MNRE, PL

Exhibit 21: ALMM framework – Toward 100% domestic manufacturing of solar equipment



Source: MNRE, PL; Note: MNRE has clarified that ALMM-II compliance is mandatory for utility-scale projects bid after 9th Dec'24, depending on respective tender project. ALMM-III policy is currently in the draft stage

Exhibit 22: Domestic solar sector - Clear demand visibility for DCR modules



Source: Company, PL

Solar equipment technology advancing rapidly

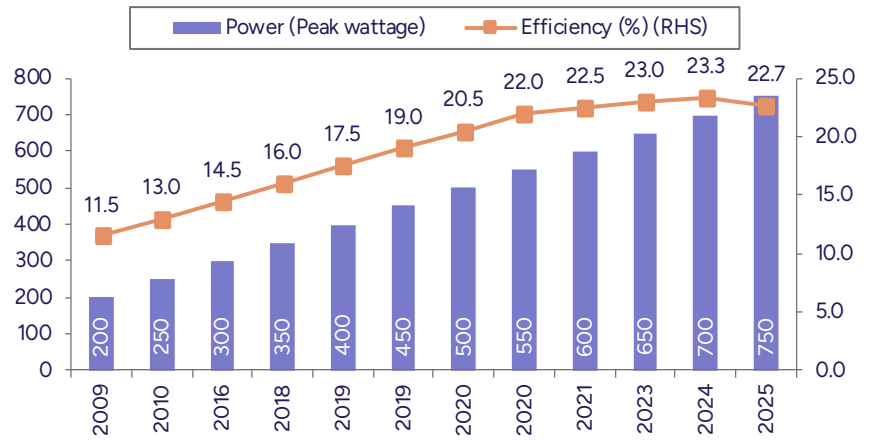
Innovations in solar PV technology have improved cell efficiency significantly: while efficiency has risen by ~60% over the past decade, generation costs have dropped by ~80%. Monocrystalline silicon now dominates the market, driven by its superior efficiency and competitive cost structure. Continued innovation in manufacturing is essential to cut material usage—particularly of silver and copper—and reduce supply chain risks. Alongside process improvements, newer cell architectures are being developed to push efficiency higher while lowering material intensity and production costs.

Exhibit 23: PV cells - Existing vs. upcoming technologies

Parameters	Mono PERC	TOPCon	HJT
Initial Capex	USD 31–38 mn / GW	USD 38–46 mn / GW	USD 69–75 mn / GW
Cell Efficiency	23.2%–23.7%	24.5%–25.2%	24.5%–25.2%
Module Efficiency	20.0%–21.5%	22–23%	22–23%
Bi-faciality	70–75%	80–85%	80–90%
Complexity	Moderately complex	Less complex than HJT; Existing Mono PERC. Production facility can be upgraded to TOPCon.	Most complex
Temperature Co-efficient of Power (Pmax Temperature Co-efficient)	–0.35% / °C; PERC cells experience more noticeable power decline at elevated temperatures	–0.29% / °C; Offers a significant power improvement over PERC cells at elevated temperatures	~–0.24% to –0.26% / °C; Lowest temperature coefficient HJT cells experience minimal power loss at high temperatures.
Losses and Damages	p-type Mono PERC cells prone to LID and PID losses, Such Losses are high compared to peers.	PID and LID losses in TOPC on are lower compared to Mono PERC	Not prone to PID and LID losses since general cell construction in n-type.

Source: Industry, PL

Exhibit 24: PV module efficiency improving



Source: Company, PL

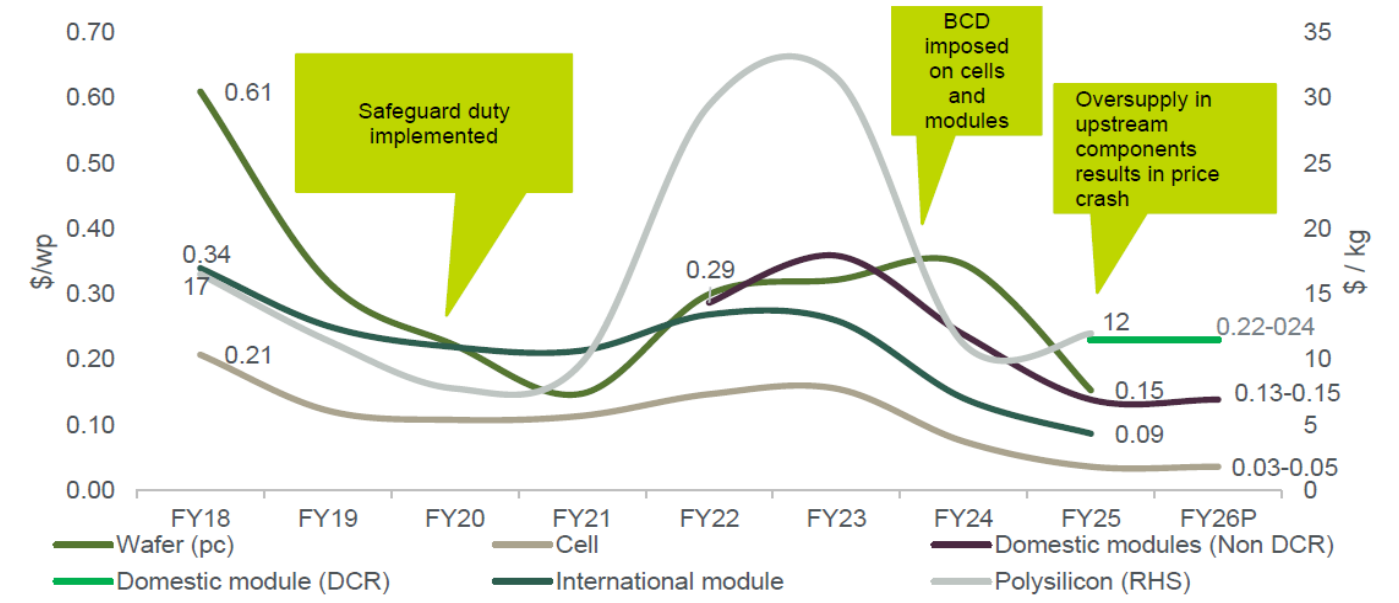
Solar cell and module prices fluctuate with demand-supply trend

Upstream solar material prices have seen sharp fluctuations over the past few years. Polysilicon prices rose from ~USD0.29/kg in FY22 to USD0.39/kg in Q2FY23 due to power rationing in key Chinese provinces and an energy crunch driven by coal shortages. However, with global polysilicon capacity expanding by ~68% by Dec'22—reaching 1,000–1,100t versus 600–650t a year earlier—the market moved into oversupply, pushing prices down to ~USD0.19/kg by FY25.

The surplus triggered steep price corrections across the value chain. Wafer prices fell by more than 50%, declining from USD0.32 per piece in FY23 to USD0.15 in FY25. Major wafer suppliers reduced prices multiple times in CY23 as cell makers rushed to meet contracted volumes. Cell prices dropped ~75% between FY23 and FY25, while module prices declined ~62%. Weak European demand and excess Chinese inventory further kept module prices low through FY24.

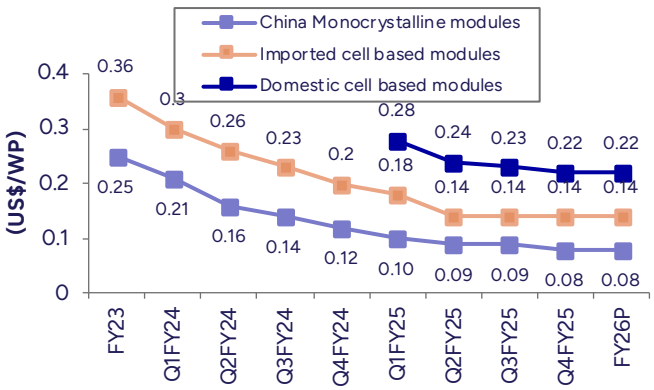
Achieving globally competitive module prices in India requires scale and integrated operations. Indian modules built with domestic cells are ~USD0.08/Wp costlier than those using imported cells, which cost ~USD0.03/Wp more than fully imported modules.

Exhibit 25: Component prices to remain subdued due to oversupply of upstream components



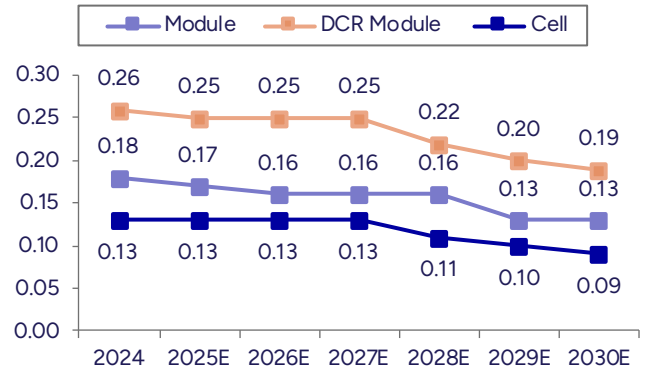
Source: EMMVEE RHP, PL

Exhibit 26: Module prices: China vs imported & domestic cell



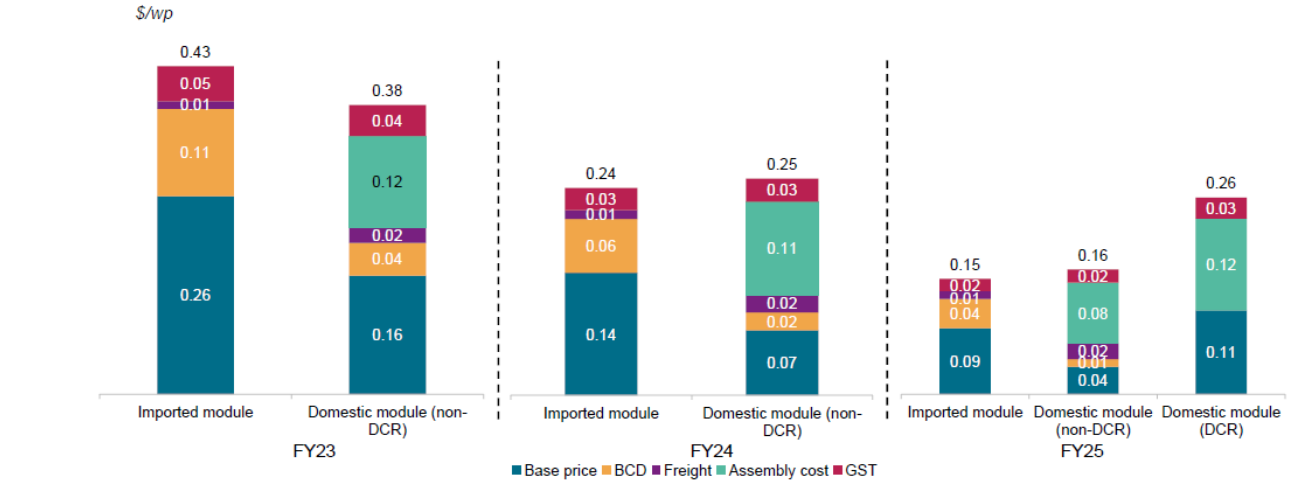
Source: Saatvik RHP, Industry, PL

Exhibit 27: Price trend for solar modules, DCR modules and cells



Source: Industry, PL

Exhibit 28: Structural change in solar module cost over FY23–FY25

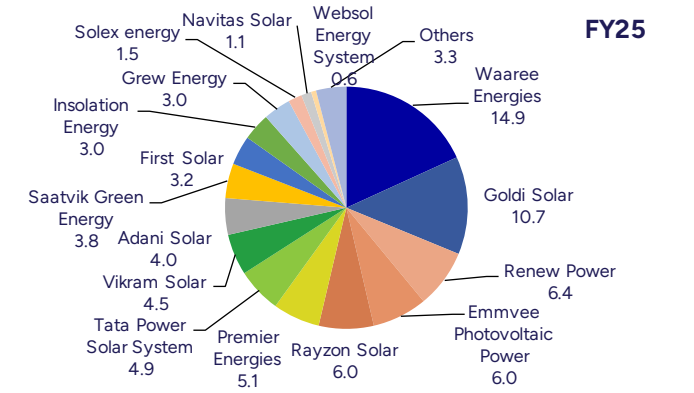


Source: EMMVEE RHP, PL

Top 5 players hold majority of domestic module manufacturing capacity

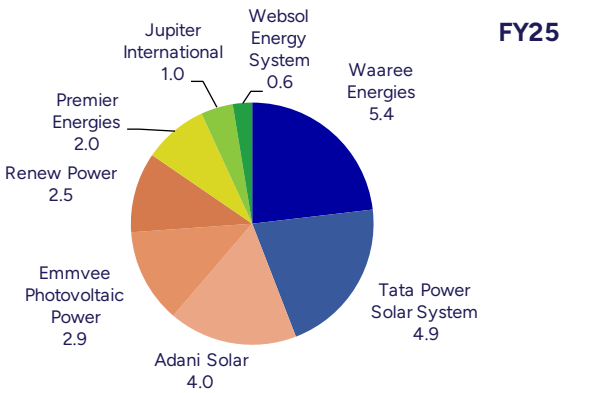
Market concentration is another crucial factor shaping India's solar PV industry. Approximately 54% of total domestic module manufacturing capacity of 82GW, is controlled by the top 5 players – Waaree Energies, Goldi Solar, ReNew Power, Emmvee and Rayzon Solar – account for ~54% of total domestic enlisted module manufacturing capacity of 82GW. The top 5 cells manufacturing players – Waaree Energies, Tata Power, Adani Solar, Emmvee and Renew Power – account for ~85% of total domestic enlisted cells manufacturing capacity of 23GW.

Exhibit 29: Top 5 players account for 54% of module capacity



Source: Company, PL

Exhibit 30: Top 5 players account for 85% of cell capacity



Source: Company, PL

Exhibit 31: India solar PV manufacturing landscape: peer comparison across capacity, technology and integration

Parameter	Saatvik	Waaree Energies	Vikram Solar	Adani Mundra Solar PV	Premier Energies	RenewSys India
Number of manufacturing factories	3 in Haryana	4 in Gujarat	1 each in West Bengal and Tamil Nadu	1 in Gujarat	2 in Telangana	1 each in Karnataka, Telangana and Maharashtra
Experience in PV module manufacturing	9 years	16 years	17 years	8 years	26 years	12 years
Operational capacity (as on April-25)	~3.7 GW modules	13.3 GW modules (incl. 1.3 GW of Indosolar)	4.5 GW modules	4 GW cells & modules	4.1 GW modules, 2 GW cells	2.5 GW modules, ~0.1 GW cells
Under-construction capacity	5GW modules in Phase 1 4.8GW cells in Phase 2	6 GW modules; 5.4 GW cells; Proposed – 6 GW modules, 6 GW cells, 6 GW ingot- Wafer capacity	Proposed 6 GW modules & 3 GW cells (integrated cells & Modules	10 GW cell & module	2 GW wafer; 5 GW cell; 5 GW module	3 GW modules
PLI capacity	NA	6 GW (W+C+M)	2.4 GW (C+M)	0.737 GW (Group, integrated)	NA	NA
NABL accredited lab	–	For modules	For modules	–	–	For encapsulants and backsheets
Enlisted capacity as per ALMM list (30 Jun-25)	1,740 MW	11,961 MW	2,855 MW	3,919 MW	3,646 MW	2,949 MW
% share in total enlisted capacity (ALMM Feb-25)	1.91%	13.16%	3.14%	4.31%	4.01%	3.24%
Key products & services	Solar PV modules, EPC services, O&M services, solar pumps	Solar PV modules, inverters, batteries, EPC services, rooftop solutions, O&M services, solar water pumps	Solar PV modules, EPC services, solar O&M services, water pumps	Solar PV cells & modules, EPC services, O&M services	Solar PV cells & modules, EPC services, O&M services, water pumps	Solar PV modules and cells
Key technologies offered	Bifacial N-TOPCon, Bifacial half-cut, Mono Half-cut, Monocrystalline, Polycrystalline	TOPCon, mono & poly PV modules, Mono PERC, bifacial, flexible modules, BIPV	TOPCon, mono PERC, mono-facial & bifacial, poly-Si modules	TOPCon, multi-crystalline, mono PERC, bifacial modules	TOPCon, poly-Si cells, mono PERC, poly-Si modules	TOPCon, mono/multi PERC, bifacial
Efficiency (%)	Up to 22.84	21 – 23	20.22 – 23.02	20 – 22	Up to 22	Up to 25.3
PE investments	NA	Rs 10bn (Value Quest)	Rs 7.04 bn (multiple investors incl. Viney Equity Market)	USD 394 mn from Barclays PLC & Deutsche Bank	Rs 2bn from GEF Capital	NA

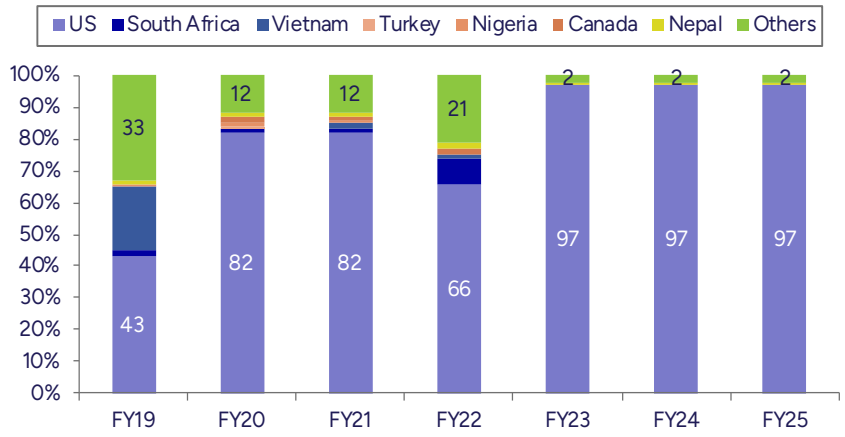
Source: Saatvik RHP, PL

Solar module exports largely to the US

India's solar module exports accelerated sharply after FY22—rising nearly 9x in FY23 and doubling again in FY24—as US sanctions under the Uyghur Forced Labor Prevention Act (UFLPA) curtailed imports from China-linked supply chains. As a result, the **US emerged as the primary destination**, absorbing **~97% of India's solar module exports during FY23–25**, and positioning India as a credible alternative supplier in the global solar value chain.

On cost competitiveness, Indian cell-based modules (though ~USD0.08/Wp costlier than modules assembled using imported cells) remain 19–21% cheaper than US-manufactured modules, sustaining export attractiveness. That said, competitive pressure persists from Southeast Asian exporters, particularly Vietnam and Malaysia, which continue to be strong alternatives in global supply chains.

Exhibit 32: US – Main destination for India's solar module exports (%)

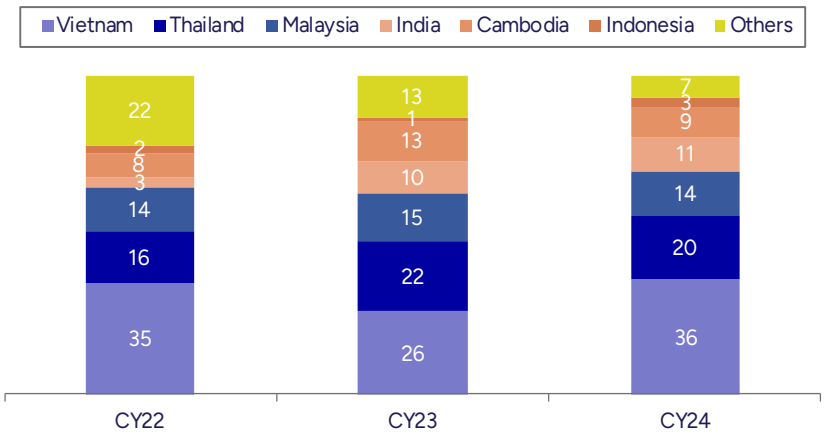


Source: Company, PL

- **US solar capacity crosses 248GW, fuelled by IRA-driven momentum:** The US solar sector recorded a milestone year in CY24, adding 50GW of new capacity, a 54% YoY increase, driven by the full impact of incentives under the Inflation Reduction Act (IRA). Building on 48% growth in CY23, the US accounted for 8% of global solar additions, ranking second only to China. By Q1CY25, cumulative installed capacity crossed 248GW, underscoring the country's growing significance in the global energy transition.

- **Import dependence high amid limited domestic capacities:** The US continues to depend heavily on imports from ASEAN countries, with Vietnam leading at 36% of total solar imports in CY24, followed by Thailand (20%) and Malaysia (14%). India has also gained ground, increasing its share from 3% in CY22 to 11% in CY24.

Exhibit 33: ASEAN countries' share of solar component exports to US



Source: Emmvee RHP, PL

Exhibit 34: Improving outlook for cell manufacturing in the US – A concern for Indian exports

US maintains IRA incentives for solar manufacturers:
Incentives for US-made solar cells and modules remain intact until 2029, with a gradual phase-out by 2032. Projects completed by 2027 are eligible, provided construction begins by mid-2026.

US launches AD/CVD investigations on cell and module imports from India, Indonesia, and Laos:
Alleged dumping margins of 123% for India, 94% for Indonesia, and up to 190% for Laos.

US imposes 50% tariff on Indian imports:
Includes a 25% reciprocal tariff plus an additional 25% penal levy linked to India's continued oil imports from Russia, effective August 2025.

Source: Company, PL

Brief on initiating coverage

Premier Energies (PREMIER): It is one of India's major integrated solar manufacturing companies with capabilities across solar cells, modules, inverters and transformers. With accelerated expansion over the past few years, capacity has reached 5.1GW of module and 3.2GW for cell manufacturing, by adopting advanced technologies such as TOPCon and also expanding towards BESS manufacturing & aluminum frame manufacturing. PREMIER has rolled out a strategic roadmap to scale its capacity to 10.2GW of cells and 11.1GW of modules by FY28. The company is planning 5GW ingot-wafer manufacturing at Naidupeta, Andhra Pradesh, with completion targeted by Dec'27. We estimate revenue/EBITDA/PAT CAGR of 38.8%/34.7%/34.6% over FY25-28E. **We initiate coverage on PREMIER with 'BUY' rating and TP of Rs1,106 valuing at SOTP, implying PE of 22x FY28E.**

Vikram Solar (VIKRAMSO): It is one of India's established solar module manufacturers with 4.5GW operational module capacity and strong domestic presence across 19 states. The company is undergoing extensive capacity expansion for 17.5GW of module and 12GW of cell capacity by FY27, implying significant backward integration from FY28. Expansion includes the largest single-location cell gigafactory (Tamil Nadu), with the aim of achieving ~75% backward integration. Capex for the expansion is ~Rs75bn, funded through IPO proceeds, internal accruals and debt. VIKRAMSO is a key player in the domestic solar equipment manufacturing space, widening its product portfolio with planned focus on expanding its module and cell manufacturing capability. We estimate revenue/EBITDA/PAT CAGR of 60.2%/77.5%/94.6% over FY25-28E led by 1) increase in domestic module manufacturing capacity from 4.5GW to 17.5GW and ramp-up, 2) expansion in cell manufacturing to 12GW for backward integration, and 3) a strong order book of 11.2GW by Sep'25 across IPP, C&I, distribution, etc. **We initiate coverage on VIKRAMSO with 'Accumulate' rating and TP of Rs275 valuing at SOTP, implying PE of 19x FY28E.**

Waaree Energies (WAAREEEN): It is a key player and marker leader in the industry with 14.1% market share as of FY25 in India's module manufacturing and 44.0% in solar module exports as of FY24. WAAREEEN stands at the forefront of the country's renewable manufacturing build-out. The company is uniquely positioned to capitalize on accelerating domestic and global demand, supported by 1) rapid capacity expansion, strategic backward integration, and diversified push into high-growth adjacencies; 2) targeted acquisitions strengthening its presence across the green energy value chain; and 3) sustained government policy momentum in ALMM, DCR obligations, and PLI and large-scale schemes, which create a durable, multi-year runway for growth. We estimate revenue/EBITDA/PAT CAGR of 37.1%/46.5%/39.1% over FY25-28E led by 1) margin accretion from backward integration, 2) ramp-up of module, cell and ingot capacities, and 3) focus on local as well as international markets**. We initiate coverage on WAAREEEN with 'BUY' rating and TP of Rs4,086 valuing at SOTP, implying PE of 24x FY28E.**

Exhibit 35: Waaree/Premier/Vikram Solar revenue to grow at 37.1%/38.8%/57.9% CAGR over FY25-28E

Particulars (Rs bn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR % FY21-25	CAGR % FY25-28
Revenue										
Waaree Energies	20	29	68	114	144	250	325	372	64.9	37.1
Premier Energies	7	7	14	31	65	83	137	174	74.6	38.8
Vikram Solar	16	17	21	25	34	50	92	135	20.8	57.9
Saatvik Green Energy	2	5	6	11	22	-	-	-	94.8	-
Emmvee Photovoltaic Power	4	6	6	10	23	-	-	-	53.0	-
Solar component revenue										
Waaree Energies	19	28	66	107	130	222	294	336	62.3	37.4
Premier Energies	3	3	11	27	62	75	122	143	107.5	32.4
Vikram Solar	16	17	21	25	34	50	92	135	20.8	57.9
Saatvik Green Energy	2	5	6	11	22	-	-	-	94.8	-
Emmvee Photovoltaic Power	-	-	5	9	28	-	-	-	-	-
Gross profit										
Waaree Energies	3.5	4.7	14.3	23.8	39.2	81	102	120	82.7	45.0
Premier Energies	1.2	1.2	2.3	7.5	24.3	32	50	61	110.8	36.0
Vikram Solar	3.9	3.5	4.6	8.3	8.7	15	27	40	21.9	66.9
Saatvik Green Energy	0.3	0.5	0.7	2.6	5.6	-	-	-	112.4	-
Emmvee Photovoltaic Power	-	-	1.2	2.0	9.3	-	-	-	-	-
Gross profit margin (%)										
Waaree Energies	18%	16%	21%	21%	27%	32%	32%	32%		
Premier Energies	18%	17%	16%	24%	37%	39%	36%	35%		
Vikram Solar	24%	20%	22%	33%	25%	30%	30%	30%		
Saatvik Green Energy	18%	11%	11%	24%	26%	-	-	-		
Emmvee Photovoltaic Power	-	-	19%	21%	40%	-	-	-		
EBITDA										
Waaree Energies	1.5	1.1	8.3	16	27	58	73	85	106.3	46.5
Premier Energies	0.5	0.3	0.8	4.8	18	24	36	43	140.0	34.7
Vikram Solar	1.8	0.6	1.9	4.0	4.9	9	17	26	29.1	73.8
Saatvik Green Energy	0.1	0.2	0.1	1.5	3.2	-	-	-	137.8	-
Emmvee Photovoltaic Power			0.6	1.2	7.2	-	-	-	-	-
EBITDA margin (%)										
Waaree Energies	8%	4%	12%	14%	19%	23%	22%	23%		
Premier Energies	8%	4%	5%	15%	27%	29%	26%	25%		
Vikram Solar	11%	3%	9%	16%	14%	19%	18%	19%		
Saatvik Green Energy	7%	3%	2%	14%	15%	-	-	-		
Emmvee Photovoltaic Power	-	-	9%	13%	31%	-	-	-		
EBIT										
Waaree Energies	1.2	0.7	6.7	13.0	23.2	49	59	68	110.6	43.1
Premier Energies	0.4	0.0	0.2	3.8	12.8	18	27	32	135.1	35.5
Vikram Solar	1.4	0.1	1.2	2.6	3.4	7	10	14	24.9	62.4
Saatvik Green Energy	0.1	0.1	0.1	1.4	2.9	-	-	-	145.1	
Emmvee Photovoltaic Power	-	-	0.1	0.8	5.7	-	-	-		
EBIT margin (%)										
Waaree Energies	6%	2%	10%	11%	16%	20%	18%	18%		
Premier Energies	6%	0%	2%	12%	20%	22%	20%	18%		
Vikram Solar	9%	1%	6%	10%	10%	15%	11%	11%		
Saatvik Green Energy	5%	3%	1%	13%	13%	-	-	-		
Emmvee Photovoltaic Power	-	-	2%	8%	24%	-	-	-		

Particulars (Rs bn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR % FY21-25	CAGR % FY25-28
PAT										
Waaree Energies	1	1	5	9	19	37	42	48	110.1	37.0
Premier Energies	0.2	-0.1	-0.1	2	9	14	20	23	151.5	34.6
Vikram Solar	0.4	-1	0	1	1	5	5	5	38.3	55.1
Saatvik Green Energy	0.04	0.06	0.05	1.0	2.1	-	-	-	170.4	
Emmvee Photovoltaic Power	-	-	0.1	0.3	3.7	-	-	-		
PAT margin (%)										
Waaree Energies	5%	3%	7%	8%	13%	15%	13%	13%		
Premier Energies	3%	-2%	-1%	7%	14%	17%	14%	13%		
Vikram Solar	2%	-4%	1%	4%	4%	9%	5%	4%		
Saatvik Green Energy	3%	1%	1%	9%	10%	-	-	-		
Emmvee Photovoltaic Power	-	-	1%	3%	16%	-	-	-		
RoCE (%)										
Waaree Energies	16%	13%	19%	18%	29%	27%	30%	23%		
Premier Energies	14%	4%	6%	25%	42%	37%	39%	35%		
Vikram Solar	30%	2%	13%	23%	27%	25%	14%	13%		
Saatvik Green Energy	-	-	-	-	-	-	-	-		
Emmvee Photovoltaic Power	-	-	-	-	-	-	-	-		

Source: Company, PL

Exhibit 36: Coverage peer comparison

Peer Comparison	Vikram Solar	Waaree Energies	Premier Energies
Module Capacity (FY25)	4.5GW	14.9GW	5.13GW
Target Module Capacity (FY27)	17.5GW	26.5GW	11.13GW
Cell Capacity (FY25)	-	5.4GW	2GW
Target Cell Capacity (FY27–28)	12GW	15.4GW	10.2GW
Backward Integration	Behind peers; catching up rapidly	Strongest; already adding wafers/ingots	Ahead of Vikram; wafers/ingots under way
Market Position	Emerging integrated player	Clear market leader	Strong challenger with integration
Order Book	11.1GW	24GW	9.1GW
Brand & Reliability	Tier-1 BNEF, PVEL top performer	Widely accepted global bankability	Strong quality reputation; PLI winner
Financial Leverage	Low currently; rising due to capex	Moderately leveraged but strong cash flow	Moderate; improving
Key Strengths	Large domestic franchise + upcoming scale-up	Scale, leadership in integration	Strong process excellence & cost discipline
Key Weaknesses	Zero cell capacity till FY27; execution-critical	Higher ASP sensitivity; global export reliance	Smaller scale vs Waaree

Source: Company, PL

Outlook and valuations

We believe the Indian solar industry will continue to grow at a faster pace, driven by

- **Aggressive capacity expansion**: Large-scale capex across modules, cells, wafers, and upstream integration enables cost savings over time through scale, localization, and reduced import dependency, driving EBITDA expansion and earnings compounding over FY26–28E.
- **Rising export opportunity**: Export markets offer better realizations versus domestic realizations, supported by IRA-linked demand and limited approved supplier pools, translating into structurally superior EBITDA margins and ROCE.
- **Strong domestic demand tailwinds:** India's annual solar installations are expected to sustain, backed by CPSU, utility-scale, rooftop, and open-access demand, ensuring high capacity utilization and steady cash flows.

We initiate coverage with a 'BUY' rating on PREMIERE/ WAAREEEN and 'Accumulate' rating on VIKRAMSO with TP of Rs1,106/Rs4,086/Rs275 based on SOTP, implying PE of 22x/24x/19x FY28E.

Exhibit 37: Aggregate revenue for Top5 Solar Manufacturer coverage logged 65.6% CAGR over FY22-25

(Rs mn)	FY22	FY23	FY24	FY25	YoY chng. (%)	FY22-25 CAGR (%)	FY26E	FY27E	FY28E	FY25-28 CAGR (%)
Waaree Energies	29	68	114	144	26.7	71.7	250	325	372	*37.1*
Premier Energies	7	14	31	65	107.4	106.3	83	137	174	*38.8*
Vikram Solar	17	21	25	34	36.3	25.5	50	92	135	*57.9*
Saatvik Green Energy	5	6	11	22	98.4	65.1	-	-	-	-
Emmvee Photovoltaic Power	6	6	10	23	145.4	61.4	-	-	-	-
Aggregate	64	115	191	289	51.3	65.6	-	-	-	-
Aggregate (Coverage Universe)	53	103	171	244	43.0	66.0	382	554	681	40.8

Source: Company, PL

Exhibit 38: Valuation matrix

	CMP (Rs)	TP (Rs)	Mcap (Rs bn)	EBITDA (Rs bn)				EV/EBITDA (x)				RoE (%)				RoCE (%)			
				FY 25	FY 26E	FY 27E	FY 28E	FY 25	FY 26E	FY 27E	FY 28E	FY 25	FY 26E	FY 27E	FY 28E	FY 25	FY 26E	FY 27E	FY 28E
Waaree Energies	3,077	4,086	891	27	58	73	85	30x	14x	12x	10x	27.6	32.9	27.7	24.6	36.7	41.4	32.3	27.9
Premier Energies	886	1,106	395	18	24	36	43	22x	17x	12x	10x	54.0	39.9	38.3	31.5	41.9	37.3	39.4	34.6
Vikram Solar	241	275	88	5	9	17	26	16x	9x	10x	6x	16.6	20.7	13.6	13.3	27.3	25.1	13.9	13.0

Source: Company, PL

Key Challenge

- **Policy challenges**: India's solar equipment manufacturing sector remains highly dependent on government policies, with measures such as ALMM, safeguard duties, BCD and the PLI scheme shaping the industry's competitiveness and growth. While these policies have provided strong support, frequent revisions and shifting regulations create uncertainty and operational challenges for manufacturers.

- **Import dependency for upstream components**: The government has sanctioned 24GW of polysilicon, 40GW of wafer, and 48.3GW of cell and module capacity under 2 PLI tranches, complemented by several private sector expansion plans in the cell-to-module segment. By FY30, this scale-up is expected to reduce India's reliance on imported cells and modules to as low as 0–5%. However, dependence on imported wafers and polysilicon is likely to persist, as domestic capacity additions in these upstream segments remain limited over the next 5 years.

- **Aggressive capacity expansion**: Favorable demand outlook and policy-driven support for domestic manufacturing have triggered a wave of capacity expansion plans across the sector. This rapid scale-up raises the risk of future overcapacity and potential consolidation, particularly among smaller and less integrated players. The extent to which these capacities actually materialize, will remain a critical area to watch over the next 5 years.

- **Export concentration risk:** Over 90% of India's exports in FY23–25 were directed to the US due to the UFLPA. This heavy US dependence has limited India's presence in other key markets such as the Netherlands, Germany, Spain and Brazil. Further, with no trade agreement and 50% US tariff, Indian exporters face significant uncertainty. Meanwhile, the US has announced 370GW of domestic capacity under the IRA (currently on hold).

- **Rapid technological shifts**: Solar PV technology is fast evolving toward higher efficiency, lower cost modules, which can make existing products less competitive. Much of the current know-how, equipment and technical expertise still comes from Chinese suppliers. Manufacturers that adapt swiftly to these shifts tend to benefit, but keeping pace with rapid advancements while maintaining quality remains a key challenge for the industry.

COMPANIES

Premier Energies (PREMIERE IN)

Rating: BUY | CMP: Rs886 | TP: Rs1,106

December 26, 2025

Company Initiation

High-quality, integration-focused challenger

We initiate coverage on Premier Energies (PEL) with 'BUY' rating and TP of Rs1,106 valuing at SOTP, implying PE of 22x FY28E. PEL is a major integrated solar manufacturing company in India with capabilities across solar cells, modules, inverters and transformers. Over the past few years, the company has accelerated capacity expansion and reached 5.1GW/3.2GW of module/cell manufacturing, adopting advanced technologies and also expanding toward BESS manufacturing and aluminum frame manufacturing. PEL has built a strategic roadmap to scale capacity to 10.2GW of cells and 11.1GW of modules by FY28. The company is planning 5GW ingot-wafer manufacturing at Naidupeta, AP, with target completion by Dec'27. We estimate revenue/EBITDA/PAT CAGR of 38.8%/34.7%/34.6% over FY25-28E led by 1) healthy volume growth, 2) capacity expansion plans in modules & cells, 3) focus on domestic market, and 4) contraction in margin with correction in realization and higher RM prices. Initiate with 'BUY'.

- **Growth visibility through capacity expansion & integration:** PEL offers strong growth visibility underpinned by multi-year capacity expansion across cells, modules, ingots and wafers, with the company already commanding ~24% of India's domestic cell capacity (CY24) and targeting expansion to 10.2GW of cell and 11.1GW of module capacity by FY27 under PEL's Mission 2028, supported by estimated Rs120bn capex program. In parallel, PEL is deepening backward integration to mitigate supply-chain risks, to set up a 5GW ingot–wafer facility by Dec'27. We expect this integrated expansion to reinforce PEL's long-term competitiveness, and with domestic content requirements (DCR) likely to rise further, early movers such as PEL should benefit disproportionately.

- **Inorganic expansion into new verticals:** PEL is expanding into adjacent verticals through inorganic acquisitions, entering the transformer and inverter segments to strengthen its integrated platform and diversify revenue beyond cells and modules. The company acquired 51% stake in Transcon Ind Ltd providing entry into transformer manufacturing with 2.5GVA capacity, expandable to 6.75GVA by Jan'26, and further 10GVA via a JV (Neotrafo) by Apr'26. In parallel, PEL acquired 51% of KSolare Energy, adding solar inverter manufacturing with capacity ramp-up from 0.5mn to 1.5mn units by Jun'26. Overall, these moves align with India's renewable and grid expansion, reinforcing PEL's long-term growth and integrated positioning.

- **Foray into BESS**: PEL will initially focus on assembly-led operations. It has outlined a two-phase expansion with ~Rs6bn capex, commissioning a 6GWh BESS line by Jun'26, translating into revenue potential of over Rs10bn in the first year.

- **Robust domestic order book**: PEL reported a 9,114MW domestic order book in H1FY26, supported by policy tailwinds and execution visibility. With capacity expansion, technology adoption, and limited domestic competition, the company is well positioned to capture India's growing renewable energy demand.

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	65,187	82,564	1,37,399	1,74,212
EBITDA (Rs. m)	17,809	24,098	35,830	43,481
Margin (%)	*27.3*	*29.2*	*26.1*	*25.0*
PAT (Rs. m)	9,371	14,027	19,784	22,827
EPS (Rs.)	20.8	31.0	43.7	50.4
Gr. (%)	*136.7*	*48.9*	*41.0*	*15.4*
DPS (Rs.)	0.5	1.0	1.0	1.0
Yield (%)	*0.1*	*0.1*	*0.1*	*0.1*
RoE (%)	*54.0*	*39.9*	*38.3*	*31.5*
RoCE (%)	*41.9*	*37.3*	*39.4*	*34.6*
EV/Sales (x)	6.0	4.9	3.1	2.4
EV/EBITDA (x)	21.9	16.7	11.7	9.8
PE (x)	42.6	28.6	20.3	17.6
P/BV (x)	14.2	9.6	6.5	4.8

Key Data	PEME.BO | PREMIERE IN
52-W High / Low	Rs.1,384 / Rs.756
Sensex / Nifty	85,409 / 26,142
Market Cap	Rs.401bn/ $ 4,470m
Shares Outstanding	453m
3M Avg. Daily Value	Rs.1236.66m

Shareholding Pattern (%)

Promoter's	63.17
Foreign	9.19
Domestic Institution	13.25
Public & Others	14.39
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(10.4)	(13.3)	(32.9)
Relative	(11.0)	(16.7)	(38.3)

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PEL: Integrated, future-ready manufacturing

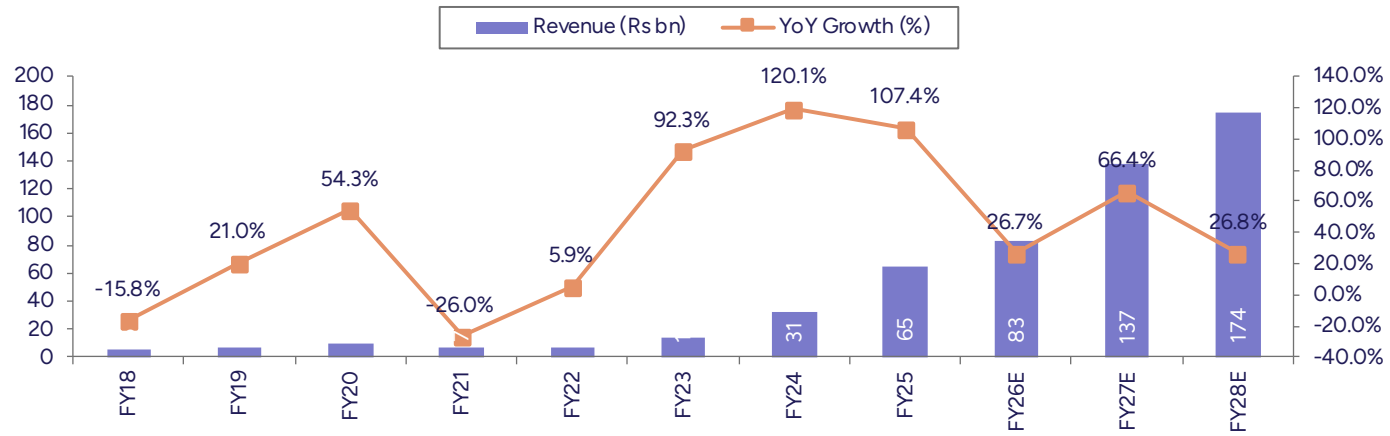
Incorporated in 1995 and started with small-scale module manufacturing, Premier Energies (PEL) is one of India's major integrated solar manufacturing companies with capabilities across solar cells, modules, inverters and transformers. Over the past few years, the company has accelerated capacity expansion and reached 5.1GW/3.2GW module and cell manufacturing, adopting advanced technologies such as TOPCon and also expanding toward BESS manufacturing and aluminum frame manufacturing. Its automated mono-PERC cell lines deliver 23.2% efficiency using M10 wafers, alongside upcoming TOPCon technology in FY25. With a proven execution track record, strong customer relationships, and a focus on process-driven manufacturing, PEL has positioned itself as a trusted supplier for both domestic and export markets.

The company benefits from the broader industry shift toward domestic solar manufacturing driven by the PLI scheme, import substitution, and stronger tariff barriers. PEL continues to build capabilities in efficiency improvement, yield enhancement and supply-chain localization—key strengths that support margin stability even in a competitive environment.

- PEL has built a strategic roadmap to scale its capacity to 10.2GW of cells and 11.1GW of modules by FY27. As one of the early adopters of TOPCon technology in India, the company is reinforcing its commitment to indigenous solar manufacturing and the adoption of advanced technologies.
- The company planning 5GW ingot-wafer manufacturing at Naidupeta, AP, with target completion by Dec'27.
- PEL is planning to establish BESS manufacturing at Pune, Maharashtra, with commissioning likely by Jun'26.
- PEL is expected to commence commercial operations of its aluminum manufacturing plant by Mar'27 with Phase I capacity of 18,000MT.

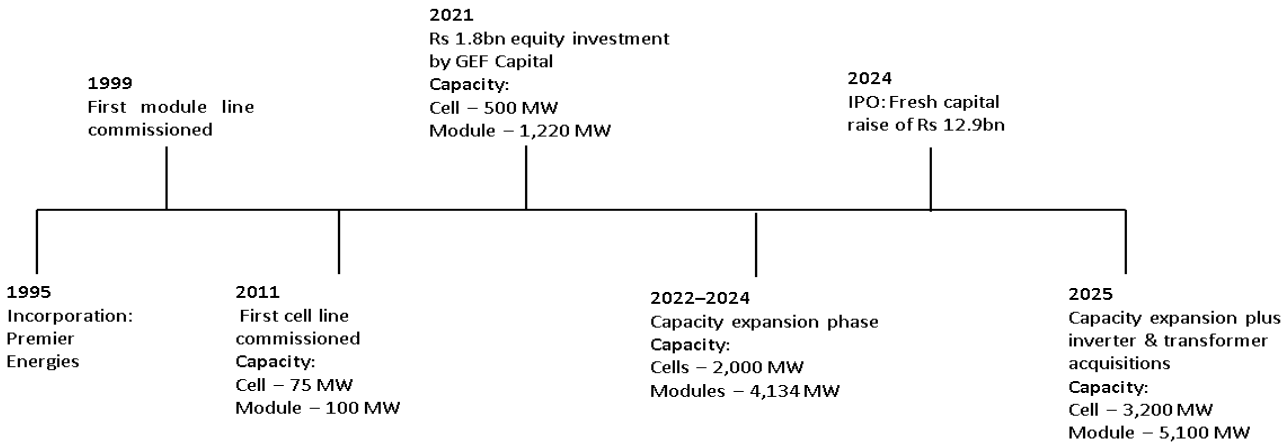
We believe PEL is well positioned to sustain healthy growth and margin improvement, supported by a) capacity expansion with backward integration, b) inorganic expansion in transformer and inverter businesses, c) strong policy support for domestic manufacturing, and d) clear demand visibility for solar modules. Over FY22-25, overall revenue/EDITDA CAGR stood at 106.3%/292.0%, with positive PAT of Rs9.4bn in FY25 against loss of Rs144mn in FY22, along with module/cell production CAGR of 118.3%/144.9%.

Exhibit 39: Revenue clocks 74.6% CAGR over FY21-25



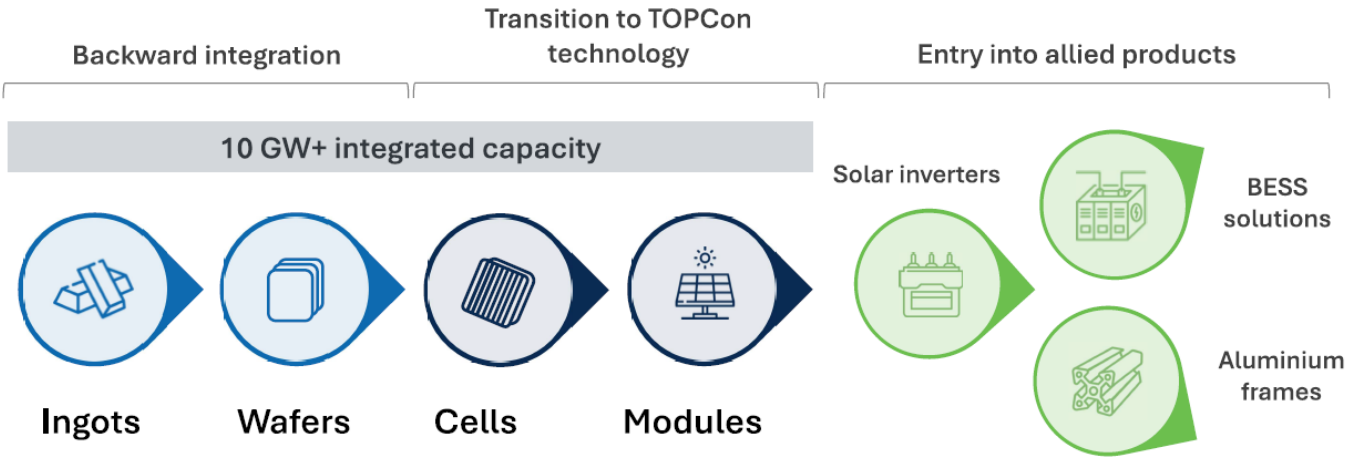
Source: Company, PL

Exhibit 40: PEL - Pioneer in solar manufacturing



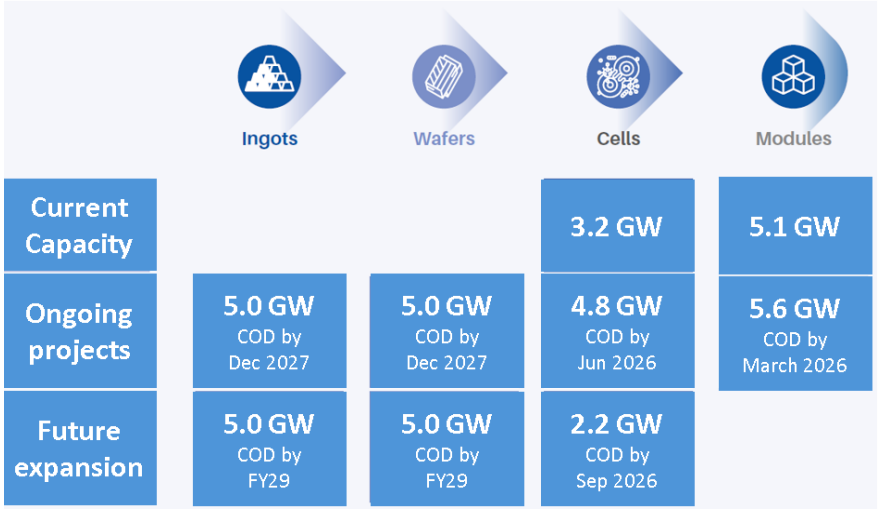
Source: Company, PL

Exhibit 41: PEL's Mission 2028 - Expanding to become integrated player



Source: Company, PL

Exhibit 42: Capacity expansion planned by FY29



Source: Company, PL

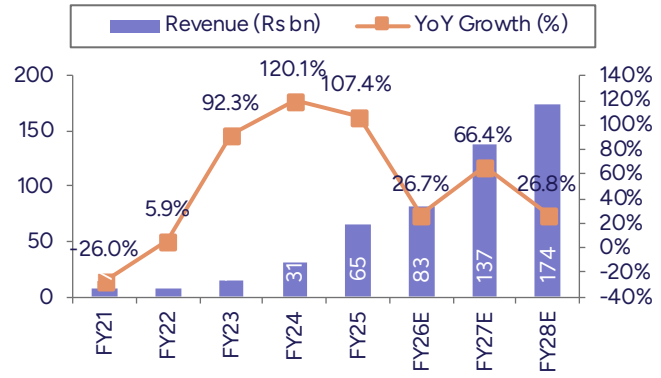
Exhibit 43: Business overview

	FY23	FY24	FY25	FY26E	FY27E	FY28E
Module Capacity (GW)	1.4	3.4	5.1	10.7	11.1	11.1
Module Sales (GW)	0.5	1.0	2.4	3.8	5.2	6.5
Cell Capacity (GW)	0.8	2.0	2.0	3.2	10.2	10.2
Cell Production (GW)	0.2	0.8	1.6	2.3	5.6	7.9
Total Order book (Rs mn)	**9,860**	**54,332**	**84,457**	**1,15,590**	**1,92,359**	**2,43,896**
Revenue (Rs mn)	**14,285**	**31,438**	**65,187**	**82,564**	**1,37,399**	**1,74,212**
%growth	*92.3*	*120.1*	*107.4*	*26.7*	*66.4*	*26.8*
EBITDA (Rs mn)	**782**	**4,778**	**17,809**	**24,098**	**35,830**	**43,481**
EBITDA margin (%)	*5.5*	*15.2*	*27.3*	*29.2*	*26.1*	*25.0*
PAT (Rs mn)	**-128**	**2,314**	**9,371**	**14,027**	**19,784**	**22,827**
PAT margin (%)	*-0.9*	*7.4*	*14.4*	*17.0*	*14.4*	*13.1*
EPS (Rs)	**-0.5**	**8.8**	**20.8**	**31.0**	**43.7**	**50.4**
Gross Debt (Rs mn)	7,635	13,922	18,935	20,457	23,166	24,966
Net Debt (Rs mn)	5,183	9,895	-9,445	1,376	19,486	23,970
Net Debt/Equity (x)	1.2	1.5	-0.3	0.0	0.3	0.3
RoE (x)	**-3.2**	**43.7**	**54.0**	**39.9**	**38.3**	**31.5**
RoCE (x)	**5.9**	**25.5**	**41.9**	**37.3**	**39.4**	**34.6**
Capex (Rs mn)	-2,733	-4,514	-6,202	-28,935	-45,847	-37,349
Net Working Capital (days)	56	39	33	35	38	40
Net cash from operations	367	902	13,480	20,002	29,777	35,343
Free Cash to Firm (FCFF)	-2,366	-3,612	7,278	-8,934	-16,070	-2,006

Source: Company, PL

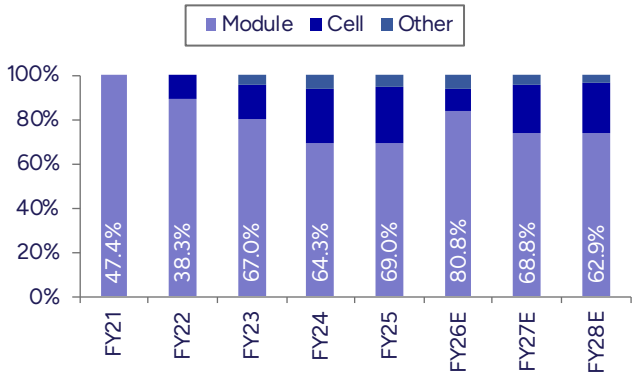
Story in charts

Exhibit 44: Revenue to grow at 38.8% CAGR over FY25-28E



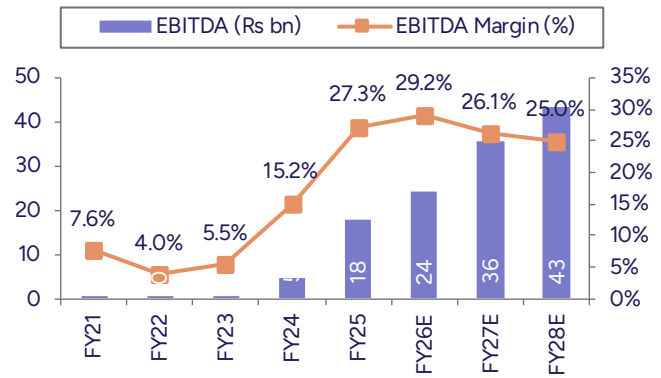
Source: Company, PL

Exhibit 45: Segment-wise revenue contribution (%)



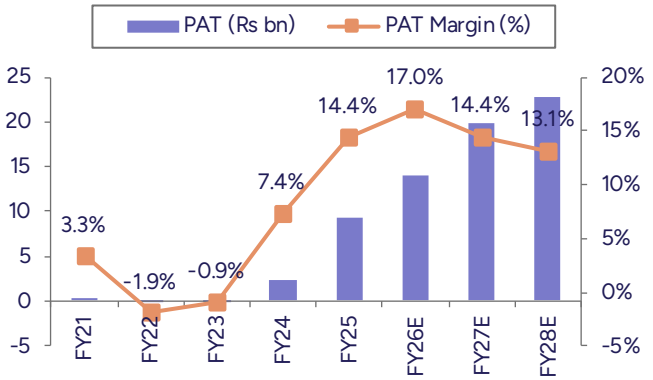
Source: Company, PL

Exhibit 46: EBITDA to clock 34.7% CAGR over FY25-28E



Source: Company, PL

Exhibit 47: PAT to clock 34.6% CAGR over FY25-28E



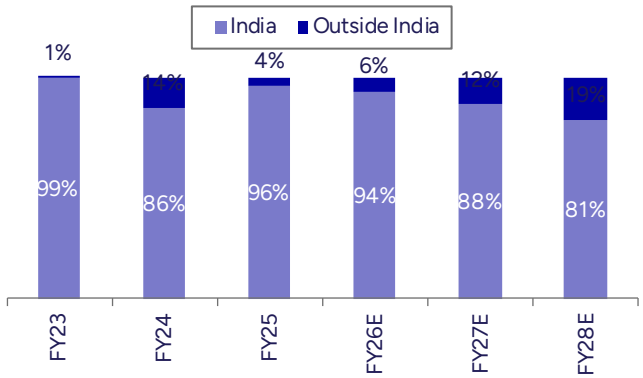
Source: Company, PL

Exhibit 48: Major capex planned for backward integration

Capex (Rs mn)	FY26	FY27	FY28	FY29
Module (GW)	11,000	-	-	-
Cell (GW)	14,700	34,300	-	-
Ingot-Wafer (GW)	-	15,750	36,750	-
BESS	-	-	3,000	3,000
Inverter	1,112	163	-	-
Transformer	5,285	657	-	-
Total	**32,096**	**50,870**	**39,750**	**3,000**

Source: Company, PL

Exhibit 49: Focused on domestic manufacturing



Source: Company, PL

Investment Arguments

Growth visibility through capacity expansion

PEL is in the midst of a multi-year capacity build-out across cells, modules, ingots, and wafers. PEL holds ~24% of domestic cell capacity (2024)—ahead of peers. It is planning aggressive expansion to 10.2GW cell capacity by FY27, with ~Rs120bn capex.

The milestone aligns with Mission 2028, PEL's strategic roadmap to expand its TOPCon cell capacity to 8.2GW, with total cell capacity of 10.2GW and module manufacturing capacity to 11.1GW by FY27. As one of the early adopters of TOPCon technology in India, the company is reinforcing its commitment to indigenous solar manufacturing and adoption of cutting-edge technologies. These expansions provide strong topline visibility over the next 3–4 years. With India's demand pipeline supported by utility-scale tenders and rising C&I adoption of RE, PEL is well positioned to capture market share.

Backward integration to strengthen PEL's competitive position

India currently lacks meaningful domestic capacity in polysilicon, ingots and wafers, creating structural dependence on imports across the solar value chain. Against this backdrop, PEL has articulated a clear strategy to deepen backward integration by entering ingot and wafer manufacturing. As part of this plan, PEL has entered into a 74:26 joint venture with Taiwan-based Sino-American Silicon Products Inc (SAS)—the world's third-largest producer of semiconductor-grade silicon wafers—to set up a 5GW ingot–wafer facility targeted for commissioning by Dec'27. This will significantly strengthening its domestic manufacturing footprint.

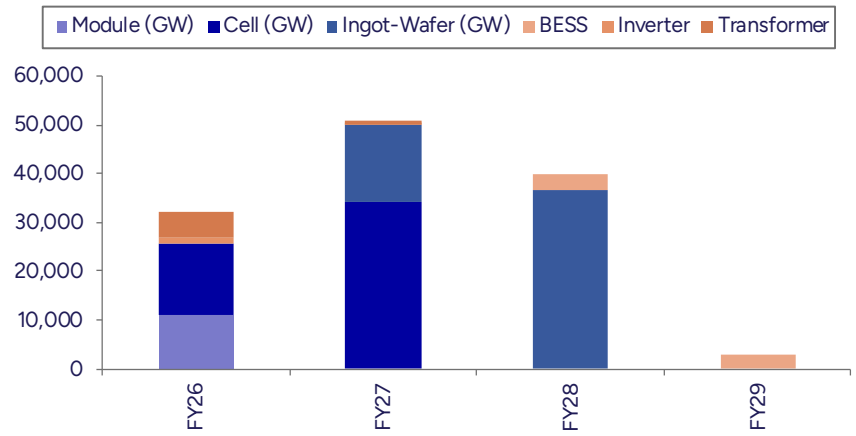
PEL's steady execution and commitment to backward integration are expected to reinforce its long-term competitiveness and reduce supply-chain risks. With DCR in solar modules likely to increase further, early-stage integrated players such as PEL are positioned to benefit disproportionately. While market concerns persist around potential oversupply of solar cell capacity from FY27 and possible pressure on realizations, we believe these concerns are overstated, as rising DCR norms should continue to underpin demand for locally manufactured cells, favoring early movers with integrated capabilities.

Exhibit 50: Capacity expansion and integration plan

Capacity (GW)	Current	FY27E	FY28E	Integration
Module	5.1	11.1	11.1	
Cell	3.2	10.2	10.2	92%
Wafer-Ingot	0.0	0.0	5.0	45%

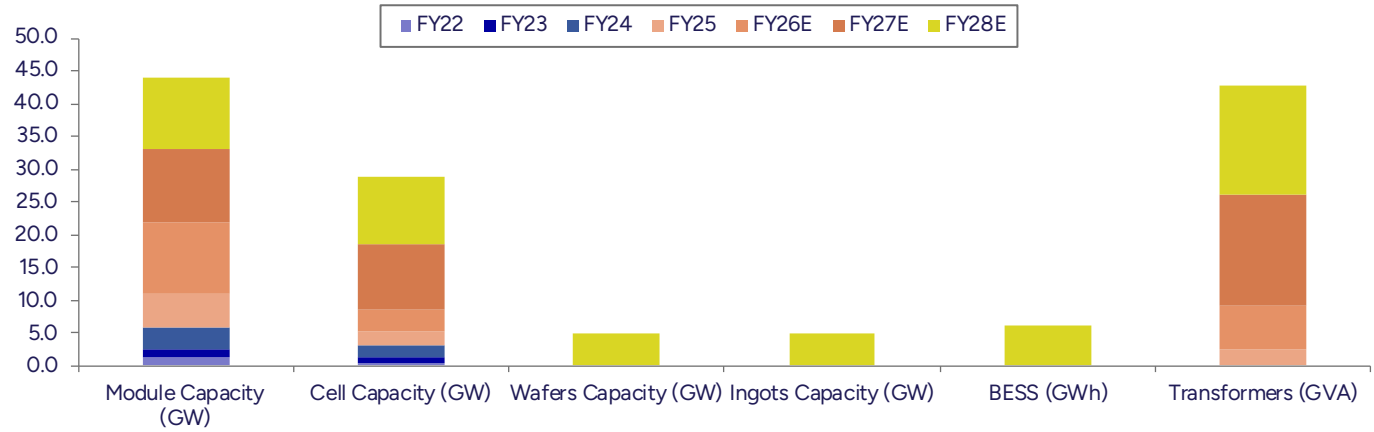
Source: Company, PL

Exhibit 51: Segment wise capex plan (Rs mn)



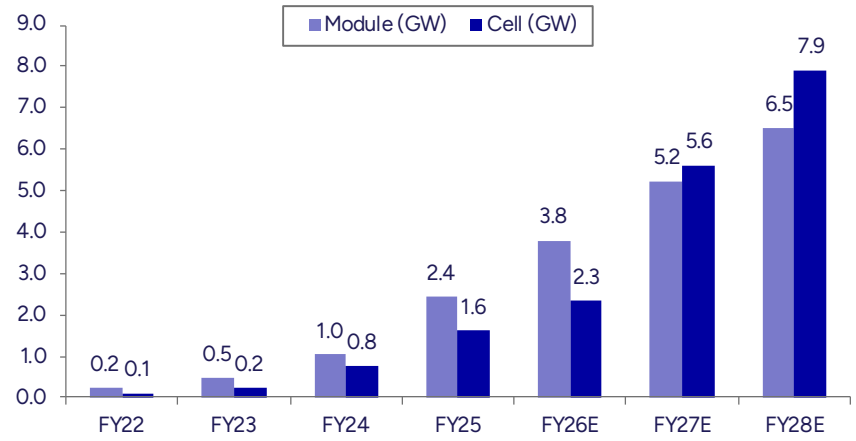
Source: Company, PL

Exhibit 52: PEL ahead of peers in backward integration (Capacity details)



Source: Company, PL

Exhibit 53: Cell production to surpass module by FY27E



Source: Company, PL

Inorganic expansion to different verticals

PEL has entered the inverter and transformer segments through inorganic expansions, aimed at further strengthening its integrated capabilities and long-term growth positioning. Addition of the transformers and inverters businesses is expected to enhance PEL's end-to-end solar ecosystem and diversify revenue streams beyond modules and cells. These segments are structurally aligned with India's renewable capacity expansion and grid infrastructure build-out, supporting sustained growth and reinforcing the company's integrated and differentiated market positioning.

PEL's transformers business to grow at faster pace with capacity increase and healthy demand from rising energy demand due to population growth and industrialization

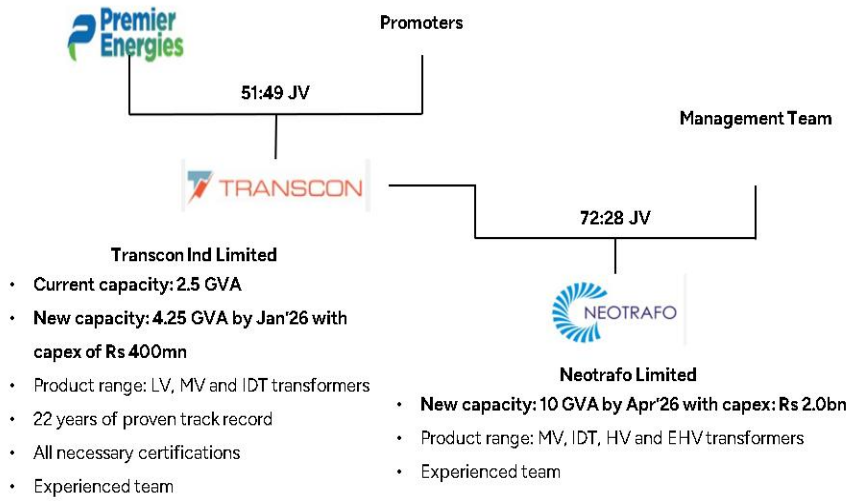
Entry in transformers business with acquisition of Transcon Ind

The company has entered into manufacturing and sale of transformers through acquisition of 51% stake in Transcon Ind Ltd for a total consideration of up to Rs 5bn. Transcon has current capacity of 2.5GVA and is expanding to 6.75GVA by Jan'26 with capex of Rs400mn. The company has an extensive range of LV, MV and IDT transformers.

- Transcon further created a JV with the existing management team (72:28) to expand capacity, Neotrafo Ltd. The JV is planned to create capacity of 10GVA by Apr'26 with capex of Rs2bn. The JV is expanding into extensive range of MV, IDT, HV and EHV transformers.
- Transcon reported revenue of Rs2.7bn in FY25 with decline of 9.3% YoY and EBITDA margin of 12.8%, expected to grow at a faster pace with capacity additions.
- The management indicated that transformer margins are expected to trend upward over the medium term, driven by a strategic shift toward higher value-added, larger and more specialized transformer products. The management highlighted that leading players in the industry typically generate EBITDA margin in the range of 20–25%, supported by strong RoCE. The company aims to progressively align its profitability and capital efficiency with these industry benchmarks. However, we estimate EBITDA margin to remain at 12.8%, in line with FY25 levels, while revenue is likely to clock 41% CAGR over FY25–28E.
- Domestic transformers market is projected to reach USD5.34bn in FY32 and clock 8.5% CAGR from FY25-32. Technological advancements in the industrial sector and growing energy demand in the residential industry drive demand for transformers in India. Transformers play a crucial role to ensure efficient transmission and distribution of electricity from power plants to end-users. Indian power transformer market is influenced by factors such as rising energy demand due to population growth and industrialization.

PEL's transformer capacity to increase from 2.5GVA to 16.8GVA by Apr'26

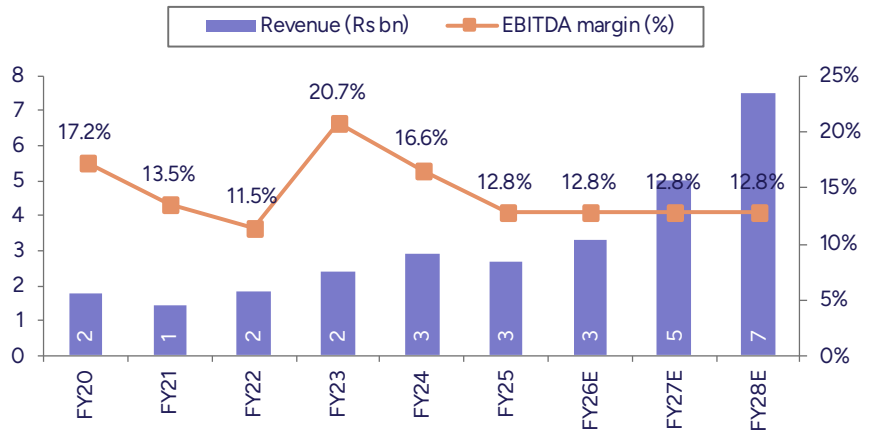
Exhibit 54: PEL - Expanding to transformers manufacturing



Source: Company, PL

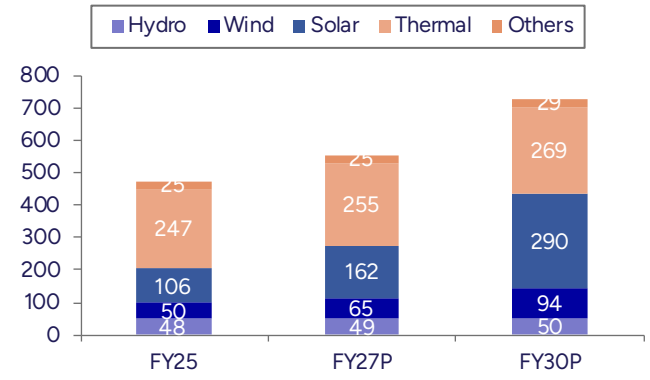
Transcon Ind revenue CAGR estimated at 41.2% over FY25-28E, with EBITDA margin at 12.8%

Exhibit 55: Transcon Ind to clocks revenue CAGR of 41.2% over FY25-28E



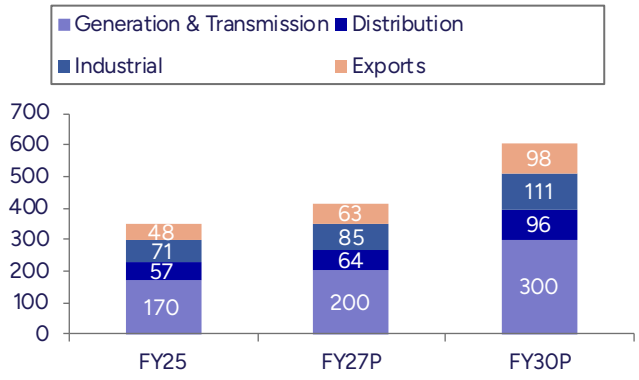
Source: Company, CARE, PL

Exhibit 56: India's power capacity to reach >730GW



Source: Company, PL

Exhibit 57: Opportunity with favorable market fundamentals



Source: Company, PL

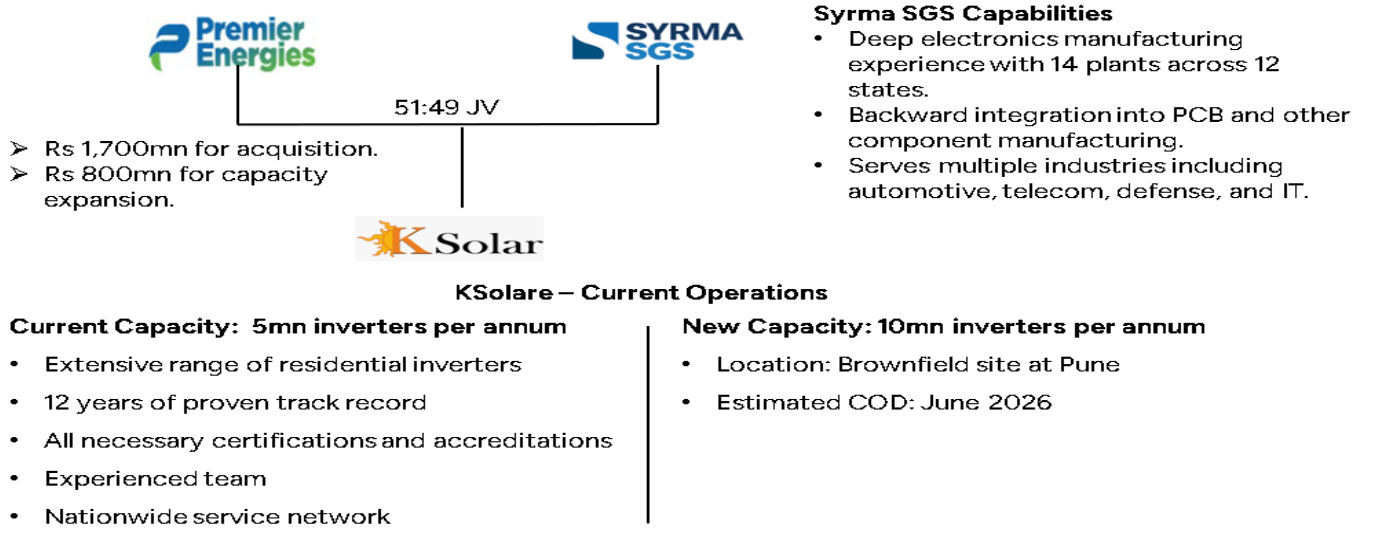
Regulatory developments enhance growth visibility for domestic inverters

Entry into inverters business with acquisition of KSolare Energy

PEL has entered into the manufacturing of solar inverters through the acquisition of 51% stake in KSolare Energy for a total consideration of Rs867mn. KSolare has current capacity of 0.5mn inverters and will expand to 1.5mn inverters by Jun'26 with capex of Rs800mn. KSolare is a manufacturer of solar inverters with an integrated portfolio of smart energy solutions.

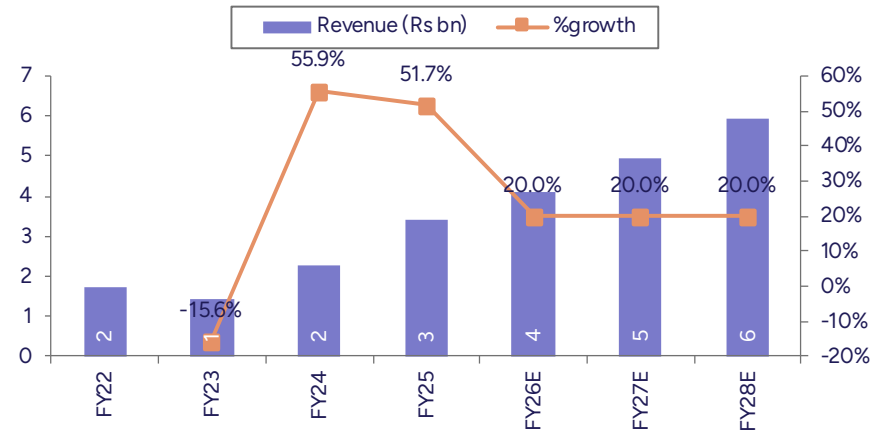
- KSolare reported revenue of Rs3.4bn in FY25, up 51.7% YoY, and EBITDA margin of 9.2%, which is expected to grow at 20% CAGR over FY25-28E.
- PM Surya Ghar (rooftop solar) was launched in Feb'24 with a total capital outlay of Rs750bn, offering 300 units of free electricity per month to eligible households. The scheme targets 10mn households by CY27, translating into ~30GW of rooftop solar capacity. Rooftop additions stood at ~3GW in FY25, while FY26E additions are expected at ~10GW, supported by ~7.34GW of cumulative installations as of Dec'25. MNRE has mandated India-based data storage for inverters deployed under the Surya Ghar rooftop solar scheme, aimed at strengthening cybersecurity and data sovereignty. In addition, MNRE has proposed mandatory BIS registration for off-grid, grid-tied, and hybrid solar inverters to ensure compliance with safety, performance and quality standards. These regulatory measures are expected to accelerate import substitution and formalization of the domestic inverter market. Consequently, the domestic inverter business is likely to witness sustained growth, benefiting integrated Indian players such as PEL, which are well positioned to capture incremental demand.

Exhibit 58: PEL - Expending to inverter space



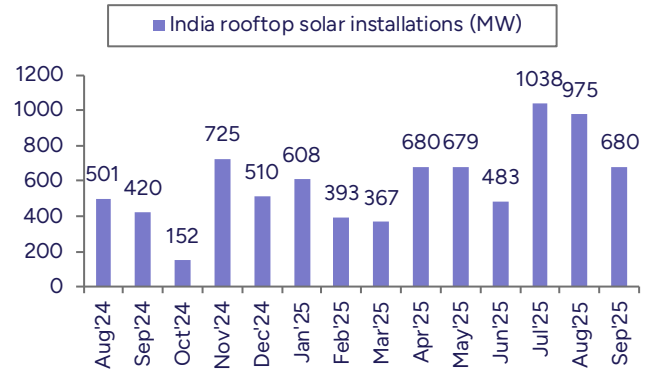
Source: Company, PL

Exhibit 59: KSolare Energy to clocks revenue CAGR of 20.0% over FY25-28E



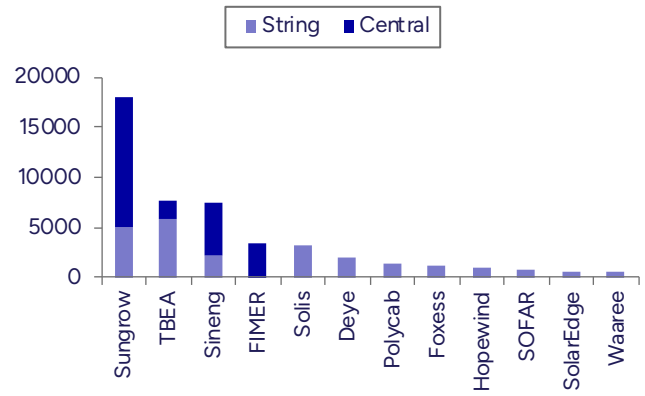
Source: Company, PL

Exhibit 60: Rooftop solar installations drive inverter demand



Source: MNRE, Company, PL

Exhibit 61: Invertor shipments into India (MW)



Source: MNRE, Company, PL

Foray into BESS enhances integration

BESS play a critical role in addressing intermittency by storing surplus energy during periods of low demand and releasing it during peak demand hours. India's BESS market is witnessing rapid growth, driven by the rising penetration of renewable energy sources and the increasing need to enhance grid stability and reliability.

- As India's renewable energy capacity continues to scale up, BESS are emerging as a critical enabler of the clean energy transition. As of CY24, India's installed BESS capacity reached ~341MWh, marking a sharp increase from ~51MWh in CY23, according to CEA and IEA.
- India's BESS market stood at ~USD250mn in CY24 and is projected to expand to ~USD1.2bn by CY30, implying a CAGR of ~27% over CY25–30. This strong growth is expected to be driven by rising renewable energy integration, supportive policy initiatives such as the National Energy Storage Mission, and the growing need to enhance grid stability, balance demand–supply dynamics and reduce carbon emissions.

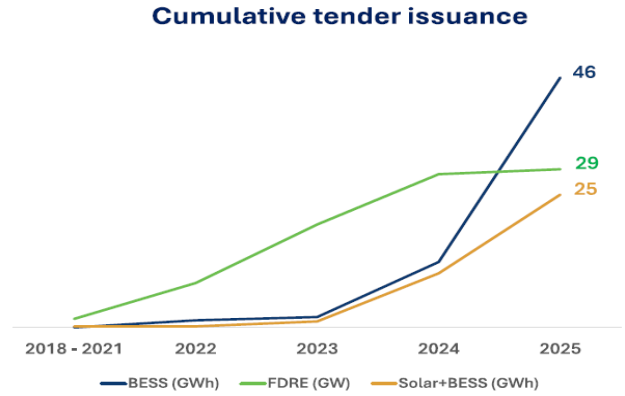
- Global BESS market is expected to expand from USD76.7bn in CY25 to USD172.2bn by CY30, clocking CAGR of 17.6%. A key catalyst has been the sharp decline in battery costs, with global lithium-ion prices falling to USD115/kWh in CY24 from USD144/kWh in CY23, down 20%, while it is ~82% down since CY13, driven by ongoing R&D-led improvements in materials, design efficiency, and manufacturing processes.

Entry into BESS with planned investment of Rs6bn

PEL is entering into BESS business, which is structurally different from the cell and module businesses as per the company. In the initial phase, the company's BESS foray will focus on assembly, involving the import of cells, conversion into battery packs, and eventually containerized solutions. EBITDA/PAT margin in this segment is expected to be lower than those in cell/module manufacturing, broadly comparable to module assembly margins.

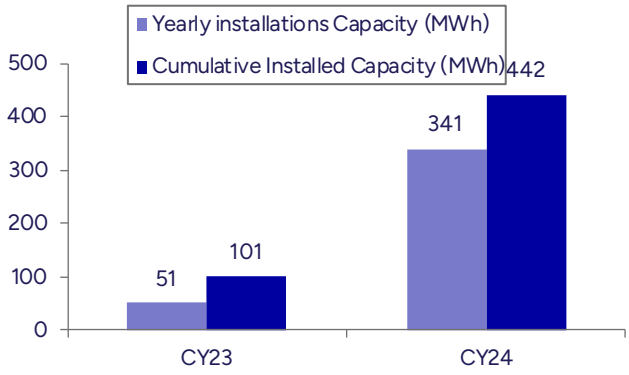
- The company outlined a two-phase BESS expansion plan with a cumulative capex of ~Rs6bn, comprising Rs3bn in Phase I (to be completed by Jun'26) and Rs3bn over the subsequent 9 months, forming a key component of the company's capex roadmap through FY28. The Phase I BESS line, with a rated capacity of 6GWh, is expected to be commissioned by Jun'26, with a gradual ramp-up, translating into ~4GWh of effective output capacity. The company expects ~50% utilization in the first full year, implying ~2GWh of BESS production by FY28 with revenue potential of over Rs10bn in the first year of operations.

Exhibit 62: BESS cumulative demand soaring



Source: Company, PL

Exhibit 63: Domestic installed BESS capacity on the rise



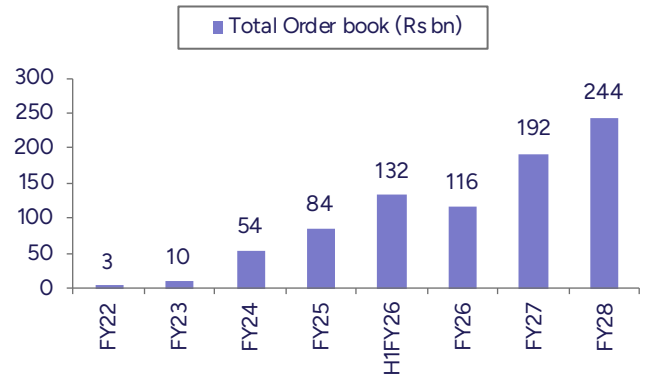
Source: Company, PL

Healthy order book and strengthened market positioning

As of H1FY26, PEL reported a robust multi-GW order book, predominantly driven by domestic demand, underscoring strong policy tailwinds and high execution visibility. Total order book stood at 9,114MW and Rs132.5bn as of Sep'25, with 100% contribution from the domestic market. The value-wise mix—~40% modules, ~59% cells, and ~1% EPC—provides visibility on volumes while supporting margin stability over the medium term.

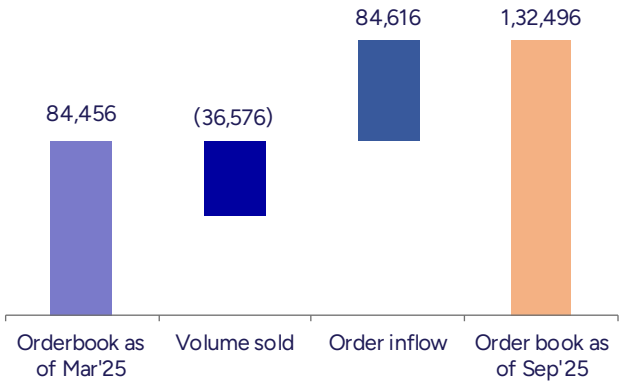
- The recent order wins from a diversified set of leading independent power producers validate the company's ability to deliver advanced, bankable products at competitive pricing with healthy margins.
- PEL continues to benefit from a favorable post-PLI industry structure, limited credible domestic cell suppliers, and a growing preference for Indian manufacturers. With capacity expansion, advanced technology adoption, and backward integration, the company is well positioned to capture incremental demand from India's accelerated renewable energy deployment over the next decade.

Exhibit 64: Order book on the rise, at Rs132.5bn in H1FY26



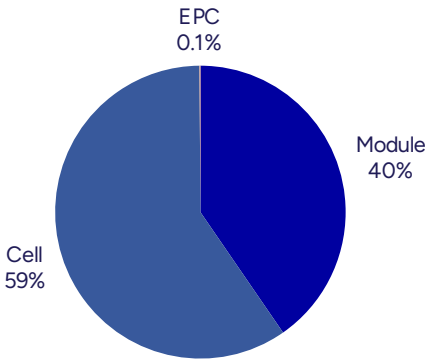
Source: Company, PL

Exhibit 65: Healthy order inflow – Rs84.6bn in H1FY26



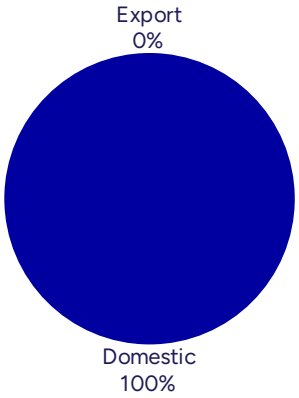
Source: Company, PL

Exhibit 66: Orderbook skewed toward cells



Source: Company, PL

Exhibit 67: Orderbook – Fully domestic focussed



Source: Company, PL

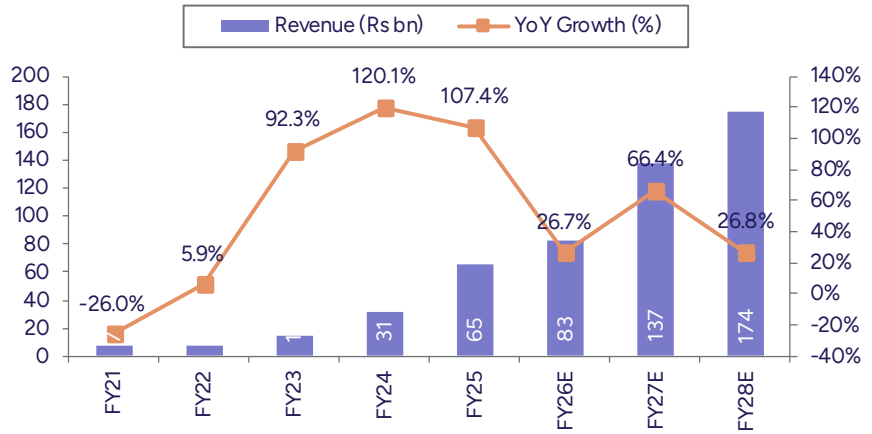
Financials & valuations

Revenue to clock CAGR of 38.8% over FY25-28E

The company reported a strong revenue CAGR of 106.3% over FY22–25, driven by a) solar PV modules, which contributed ~69% of revenue (FY25) and delivered 151% revenue CAGR, supported by 118.3% volume CAGR; and b) external solar cells, which accounted for ~23% of FY25 revenue and recorded 252% revenue CAGR, with 145% volume CAGR, reflecting rapid manufacturing scale-up and strong demand.

We expect consolidated revenue to grow at 38.8% CAGR over FY25–28E, led by a) solar PV modules (~34.5% revenue CAGR), driven by capacity expansion to 11.1GW from 5.1GW over FY25–28E and sustained order inflows; b) external solar cells (~31.9% revenue CAGR), supported by capacity enhancement to 10.2GW from 2.0GW over FY25–28E; and c) transformers and inverters businesses, which are expected to together contribute to ~7% of consolidated revenue by FY28, aided by capacity ramp-up.

Exhibit 68: Revenue to grow at 38.8% CAGR over FY25-28E



Source: Company, PL

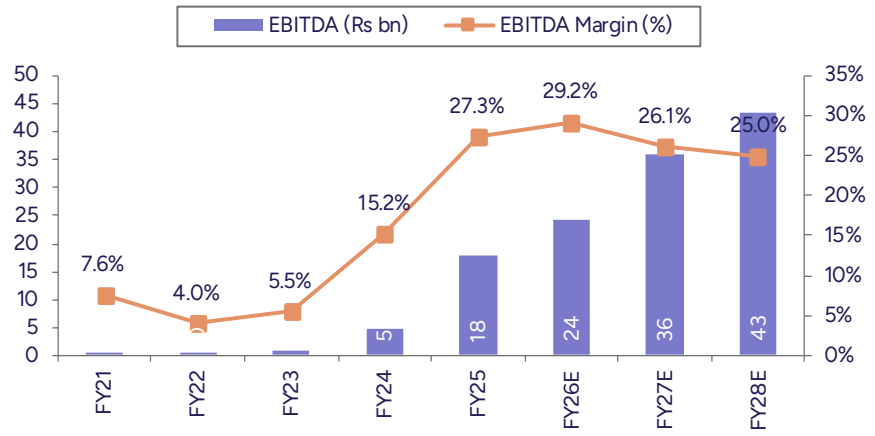
EBITDA CAGR estimated at 34.7% over FY25-28E

PEL reported a sharp expansion in profitability over FY22–25, with gross margins improving by ~2,050bps and EBITDA margins by ~2,330bps, driven by the introduction of DCR for cells and modules. Historically, the company has delivered above-industry margins, underpinned by a strong focus on process efficiencies, early progress in integrated expansion, and disciplined operational execution.

We expect EBITDA margins to contract by 240bps over FY25-28E, due to correction in cell and module prices and extensive capacity addition, which is expected to ramp up capacity with time.

We estimate EBITDA CAGR of ~34.7% over FY25–28E, driven by strong revenue growth and contraction in operating margins.

Exhibit 69: EBITDA to clock 34.7% CAGR over FY25-28E

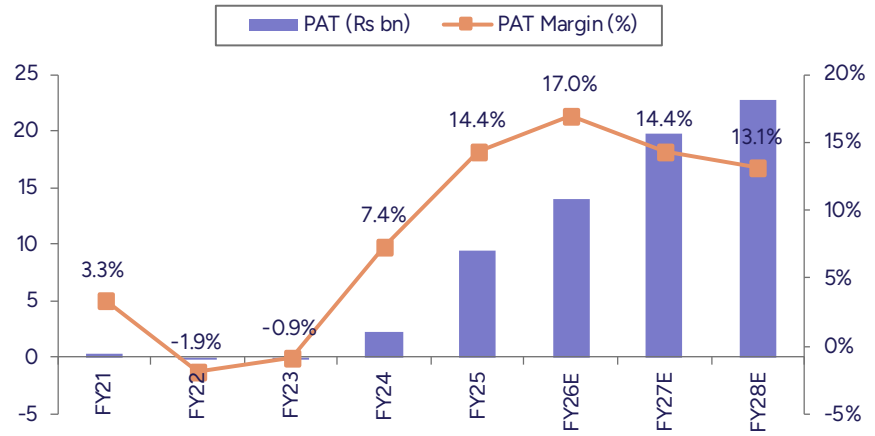


Source: Company, PL

PAT to grow at 34.6% CAGR over FY25-28E

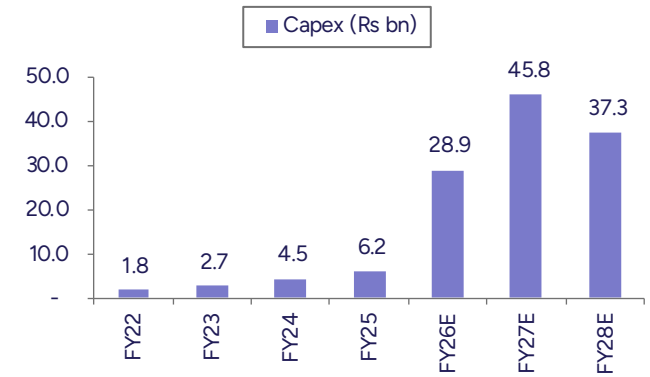
We expect PAT CAGR of 34.6% over FY25-28E, led by revenue growth and margin contraction, as well as a huge capex of Rs112bn with net debt increasing to Rs24bn by FY28E.

Exhibit 70: PAT margin to reach 13.1% in FY28E



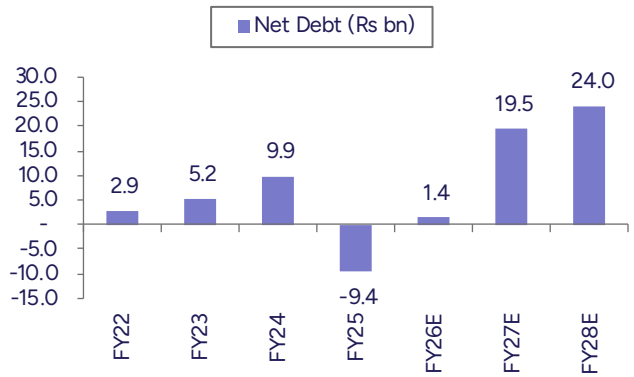
Source: Company, PL

Exhibit 71: PEL capex estimated at Rs112bn over FY26-28



Source: Company, PL

Exhibit 72: Net debt est to increase to Rs24bn by FY28



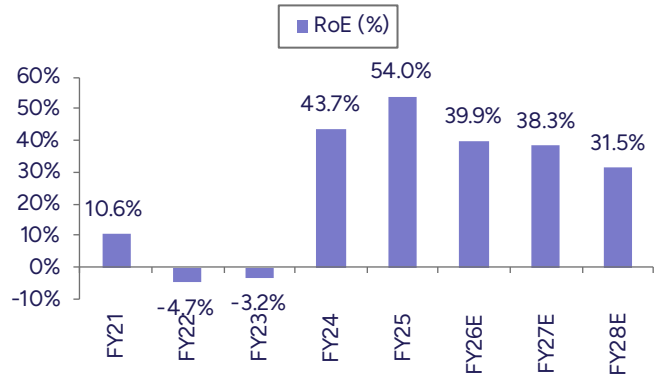
Source: Company, PL

Exhibit 73: Consolidated P&L statement

(Rs bn)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**14,285**	**31,438**	**65,187**	**82,564**	**1,37,399**	**1,74,212**
Growth (%)	*92.3*	*120.1*	*107.4*	*26.7*	*66.4*	*26.8*
Module	9,567	20,221	44,993	66,736	94,532	1,09,586
Growth (%)	*236.5*	*111.4*	*122.5*	*48.3*	*41.6*	*15.9*
Cells	1,856	7,066	16,755	8,203	27,958	33,733
Growth (%)	*452.4*	*280.7*	*137.1*	*-51.0*	*240.8*	*20.7*
Others	2,863	4,151	3,440	4,522	4,974	5,472
Growth (%)	*-32.6*	*45.0*	*-17.1*	*31.5*	*10.0*	*10.0*
Gross Profit	2,300	7,528	24,297	32,461	49,722	61,127
Gross margins (%)	*16.1*	*23.9*	*37.3*	*39.3*	*36.2*	*35.1*
Operational Cost	1,518	2,750	6,488	8,363	13,892	17,646
% of sales	*10.6*	*8.7*	*10.0*	*10.1*	*10.1*	*10.1*
EBITDA	**782**	**4,778**	**17,809**	**24,098**	**35,830**	**43,481**
Margins (%)	*5.5*	*15.2*	*27.3*	*29.2*	*26.1*	*25.0*
Other Income	347	275	1,333	2,480	2,026	1,550
Depreciation	532	961	4,975	6,105	8,877	11,584
Interest	686	1,212	1,774	1,896	2,132	2,389
PBT	**-90**	**2,880**	**12,393**	**18,577**	**26,847**	**31,057**
Tax	56	580	3,028	4,458	6,757	7,817
PAT	**-128**	**2,314**	**9,371**	**14,027**	**19,784**	**22,827**
EPS (Rs)	**-0.5**	**8.8**	**20.8**	**31.0**	**43.7**	**50.4**

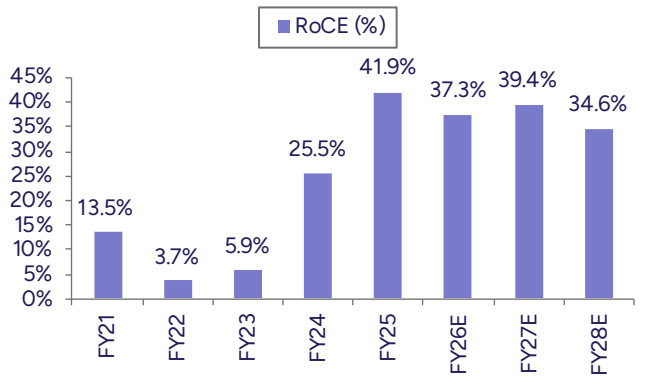
Source: Company, PL

Exhibit 74: RoE to reach ~31.5% by FY28E



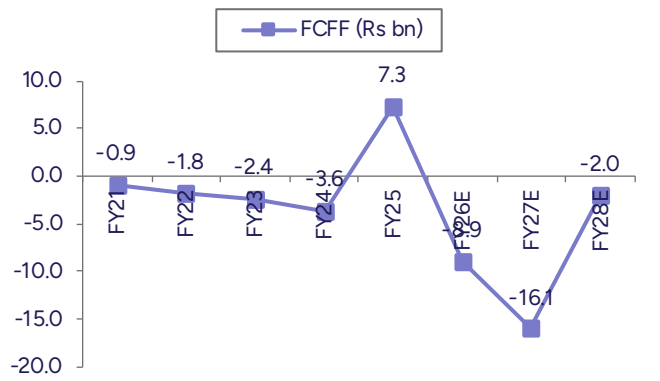
Source: Company, PL

Exhibit 75: RoCE to reach ~34.6% by FY28E



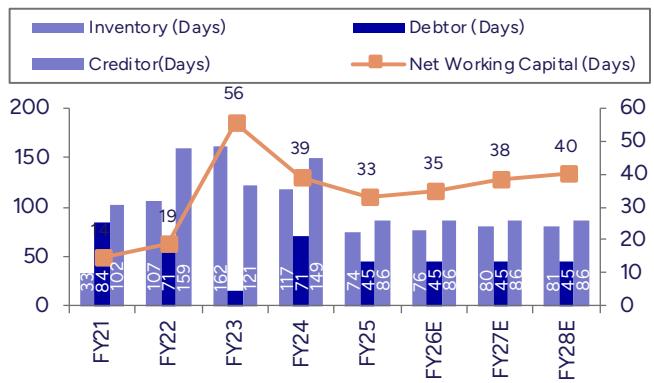
Source: Company, PL

Exhibit 76: FCFF turns negative amid elevated capex



Source: Company, PL

Exhibit 77: Working capital days improving



Source: Company, PL

Outlook & Valuations

Cell manufacturing scale-up in India has been progressing slower than initially announced, owing to operational and execution challenges. We estimate that only ~60% of the announced capacity is likely to be commissioned, with meaningful delays in timelines. Against this backdrop, PEL is better positioned than peers, benefiting from 5x expansion in cell manufacturing capacity over FY25-27E at a time when DCR in modules is increasing.

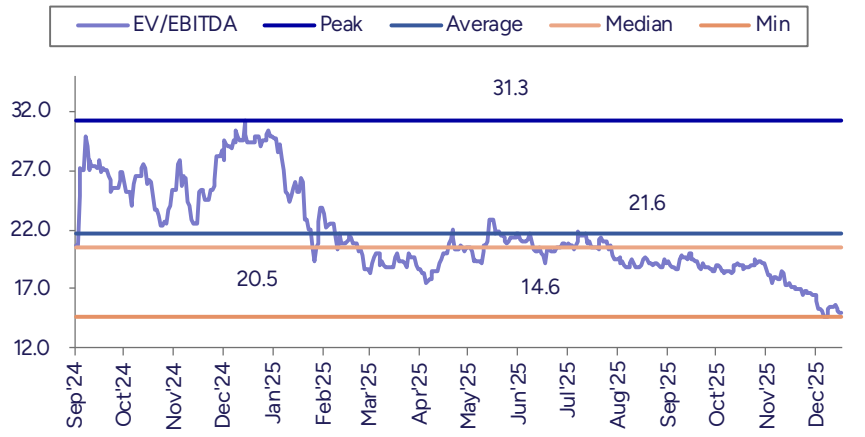
We value PEL's core business at 12x FY28E EV/EBITDA and BESS separately at 0.5x capex (invested capital) of Rs6.0bn and adjusting the minority interest (~15x target PE). We arrive at TP of Rs1,106, which provides 25% upside from the CMP. Our TP implies a target P/E of 22x. We initiate coverage on PEL with 'BUY'.

Exhibit 78: SOTP-based PEL's valuation – 12x FY28E EV/EBITDA

Consolidated (Mar'28E)	(Rs mn)
EBITDA	43,481
Target EV/EBITDA (x)	12
EV	5,28,293
Net Debt (Mar'28 end)	23,970
Equity Value	5,04,323
Minority Interest	420
Target P/E (x)	15
Value of Net Minority	6,303
Target Equity Value	4,98,019
Target Price (Rs)	1,099
Investment in BESS	6,000
Target P/B (x)	0.5
Value of investment in BESS	3,000
Value of investment in BESS/share (Rs)	7
Target Price (Rs)	**1,106**

Source: Company, PL

Exhibit 79: PEL Trading at 12x/10x FY27/FY28E EV/EBITDA



Source: Company, PL

Key risks

- **High import dependence:** India remains reliant on imports for key inputs such as polysilicon, wafers, and high-efficiency cells, with limited domestic availability of ancillary materials (glass, back sheets, junction boxes), resulting in only 30–40% domestic content in modules.
- **Supply chain vulnerability:** Heavy dependence on imported raw materials, particularly from China, exposes manufacturers to geopolitical, trade and pricing risks.
- **Overcapacity risk:** Concurrent capacity additions across the industry could lead to temporary oversupply, pressuring margins and utilization rates.
- **Policy risk:** Any rollback of supportive policies or adverse regulatory changes in domestic or export markets could impact growth and profitability.
- **Technology transition risk:** Delays in adopting high-efficiency technologies may weaken competitiveness and pricing power.

Annexure

Board of Directors & KMP

Exhibit 80: Board of Directors

Name	Designation
Mr. Surender Pal Singh Saluja	Chairman and Whole-time Director
Mr. Chiranjeev Singh Saluja	Managing Director
Mr. Uday Sudhir Pilani	Non-executive Independent Director
Mr. Raghunathan Kannan	Non-executive Independent Director
Mr. Jasbir Singh Gujral	Non-executive Independent Director
Ms. Priyanka Gulati	Non-executive Independent Director
Ms. Revathi Rohini Buragadda	Whole-time Director
Mr. Sudhir Moola	Whole-time Director

Source: Company, PL

Exhibit 81: Management team

Name	Designation
Mr. Surender Pal Singh Saluja	Chairperson and Whole-time Director
Mr. Chiranjeev Singh Saluja	Managing Director
Mr. Sudhir Reddy	Chief Strategy Officer and Director
Mr. Nand Kishore Khandelwal	Chief Financial Officer
Mr. Vinay Rustagi	Chief Business Officer

Source: Company, PL

Exhibit 82: Auditors

Name	Designation
Deloitte Haskins & Sells	Statutory Auditors
M/s. SS Zanwar & Associates	Cost Auditors
M/s. PS Rao & Associates	Secretarial Auditor

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	**65,187**	**82,564**	**1,37,399**	**1,74,212**
YoY gr. (%)	*107.4*	*26.7*	*66.4*	*26.8*
Cost of Goods Sold	40,891	50,103	87,678	1,13,085
Gross Profit	24,297	32,461	49,722	61,127
Margin (%)	*37.3*	*39.3*	*36.2*	*35.1*
Employee Cost	1,057	1,321	2,198	2,787
Other Expenses	3,550	4,533	7,518	9,565
EBITDA	**17,809**	**24,098**	**35,830**	**43,481**
YoY gr. (%)	*272.7*	*35.3*	*48.7*	*21.4*
Margin (%)	*27.3*	*29.2*	*26.1*	*25.0*
Depreciation and Amortization	4,975	6,105	8,877	11,584
EBIT	**12,834**	**17,993**	**26,953**	**31,897**
Margin (%)	*19.7*	*21.8*	*19.6*	*18.3*
Net Interest	1,774	1,896	2,132	2,389
Other Income	1,333	2,480	2,026	1,550
Profit Before Tax	**12,393**	**18,577**	**26,847**	**31,057**
Margin (%)	*19.0*	*22.5*	*19.5*	*17.8*
Total Tax	3,028	4,458	6,757	7,817
Effective tax rate (%)	*24.4*	*24.0*	*25.2*	*25.2*
Profit after tax	**9,364**	**14,118**	**20,090**	**23,240**
Minority interest	-	98	313	420
Share Profit from Associate	7	7	7	7
Adjusted PAT	**9,371**	**14,027**	**19,784**	**22,827**
YoY gr. (%)	*305.1*	*49.7*	*41.0*	*15.4*
Margin (%)	*14.4*	*17.0*	*14.4*	*13.1*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**9,371**	**14,027**	**19,784**	**22,827**
YoY gr. (%)	*305.1*	*49.7*	*41.0*	*15.4*
Margin (%)	*14.4*	*17.0*	*14.4*	*13.1*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	9,371	14,027	19,784	22,827
Equity Shares O/s (m)	**451**	**453**	**453**	**453**
EPS (Rs)	**20.8**	**31.0**	**43.7**	**50.4**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	**16,213**	**45,225**	**91,171**	**1,28,620**
Tangibles	16,190	45,225	91,171	1,28,620
Intangibles	23	-	-	-
Acc: Dep / Amortization	**6,430**	**12,512**	**21,389**	**32,973**
Tangibles	6,407	12,512	21,389	32,973
Intangibles	23	-	-	-
Net fixed assets	**9,783**	**32,713**	**69,783**	**95,647**
Tangibles	9,783	32,713	69,783	95,647
Intangibles	-	-	-	-
Capital Work In Progress	2,420	2,320	2,220	2,120
Goodwill	0	0	0	0
Non-Current Investments	877	998	1,055	1,230
Net Deferred tax assets	482	1,039	1,039	1,039
Other Non-Current Assets	2,515	2,320	2,526	2,561
Current Assets				
Investments	8,357	7,357	1,357	357
Inventories	13,256	17,158	30,027	38,728
Trade receivables	8,009	10,144	16,882	21,405
Cash & Bank Balance	20,023	11,725	2,322	638
Other Current Assets	2,012	2,477	1,649	2,091
Total Assets	**68,414**	**89,103**	**1,29,985**	**1,67,061**
Equity				
Equity Share Capital	451	453	453	453
Other Equity	27,770	41,571	60,902	83,276
Total Networth	**28,221**	**42,024**	**61,355**	**83,729**
Non-Current Liabilities				
Long Term borrowings	9,238	10,460	12,868	14,368
Provisions	1,894	2,394	3,985	5,052
Other non current liabilities	603	764	1,271	1,612
Current Liabilities				
ST Debt / Current of LT Debt	9,697	9,997	10,297	10,597
Trade payables	9,647	11,820	20,685	26,679
Other current liabilities	8,490	10,795	17,869	22,618
Total Equity & Liabilities	**68,414**	**89,103**	**1,29,985**	**1,67,061**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	12,400	18,584	26,854	31,065
Add. Depreciation	4,975	6,105	8,877	11,584
Add. Interest	1,102	1,896	2,132	2,389
Less Financial Other Income	1,333	2,480	2,026	1,550
Add. Other	527	120	1,893	1,239
Op. profit before WC changes	19,003	26,705	39,757	46,277
Net Changes-WC	(1,529)	(2,245)	(3,222)	(3,117)
Direct tax	(3,994)	(4,458)	(6,757)	(7,817)
Net cash from Op. activities	**13,480**	**20,002**	**29,777**	**35,343**
Capital expenditures	(6,202)	(28,935)	(45,847)	(37,349)
Interest / Dividend Income	674	1,652	1,202	302
Others	(18,574)	10,370	7,516	2,016
Net Cash from Invt. activities	**(24,103)**	**(16,913)**	**(37,129)**	**(35,031)**
Issue of share cap. / premium	12,468	2	-	-
Debt changes	4,940	1,272	2,121	1,377
Dividend paid	(224)	(226)	(453)	(453)
Interest paid	(1,105)	(1,896)	(2,132)	(2,389)
Others	-	-	-	-
Net cash from Fin. activities	**16,078**	**(848)**	**(464)**	**(1,465)**
Net change in cash	**5,456**	**2,240**	**(7,816)**	**(1,153)**
Free Cash Flow	7,278	(8,934)	(16,070)	(2,006)

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26E
Net Revenue	**16,208**	**18,207**	**18,369**	**22,489**
YoY gr. (%)	*43.9*	*9.9*	*20.3*	*31.3*
Raw Material Expenses	9,565	11,243	10,990	13,628
Gross Profit	6,643	6,965	7,379	8,861
Margin (%)	*41.0*	*38.3*	*40.2*	*39.4*
EBITDA	**5,285**	**5,483**	**5,609**	**6,612**
YoY gr. (%)	*186.5*	*53.0*	*47.4*	*28.8*
Margin (%)	*32.6*	*30.1*	*30.5*	*29.4*
Depreciation / Depletion	1,766	1,575	1,457	1,500
EBIT	**3,519**	**3,907**	**4,152**	**5,112**
Margin (%)	*21.7*	*21.5*	*22.6*	*22.7*
Net Interest	432	368	325	350
Other Income	595	488	845	320
Profit before Tax	**3,682**	**4,027**	**4,672**	**5,082**
Margin (%)	*22.7*	*22.1*	*25.4*	*22.6*
Total Tax	903	952	1,138	1,238
Effective tax rate (%)	*24.5*	*23.6*	*24.3*	*24.3*
Profit after Tax	**2,779**	**3,076**	**3,535**	**3,845**
Minority interest	-	-	-	-
Share Profit from Associates	(1)	2	-	-
Adjusted PAT	**2,778**	**3,078**	**3,534**	**3,845**
YoY gr. (%)	*167.2*	*55.3*	*71.6*	*50.7*
Margin (%)	*17.1*	*16.9*	*19.2*	*17.1*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**2,778**	**3,078**	**3,534**	**3,845**
YoY gr. (%)	*167.2*	*55.3*	*71.6*	*50.7*
Margin (%)	*17.1*	*16.9*	*19.2*	*17.1*
Other Comprehensive Income	(5)	-	(10)	3
Total Comprehensive Income	**2,773**	**3,078**	**3,524**	**3,848**
Avg. Shares O/s (m)	451	451	453	451
EPS (Rs)	**6.2**	**6.8**	**7.8**	**8.5**

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	20.8	31.0	43.7	50.4
CEPS	31.8	44.4	63.3	76.0
BVPS	62.6	92.8	135.4	184.8
FCF	16.1	(19.7)	(35.5)	(4.4)
DPS	0.5	1.0	1.0	1.0
Return Ratio(%)				
RoCE	41.9	37.3	39.4	34.6
ROIC	179.8	38.3	28.9	25.0
RoE	54.0	39.9	38.3	31.5
Balance Sheet				
Net Debt : Equity (x)	(0.3)	0.0	0.3	0.3
Net Working Capital (Days)	33	35	38	40
Valuation(x)				
PER	42.6	28.6	20.3	17.6
P/B	14.2	9.6	6.5	4.8
P/CEPS	27.8	19.9	14.0	11.7
EV/EBITDA	21.9	16.7	11.7	9.8
EV/Sales	6.0	4.9	3.1	2.4
Dividend Yield (%)	0.1	0.1	0.1	0.1

Source: Company Data, PL Research

Waaree Energies (WAAREEEN IN)

Rating: BUY | CMP: Rs3,077 | TP: Rs4,086

December 26, 2025

Company Initiation

Emerging full-stack clean energy player

We initiate coverage on Waaree Energies Ltd (WAAREEEN IN) with 'BUY' rating and TP of Rs4,086 valuing at SOTP, implying PE of 24x FY28E. WAAREEEN is a leader in the domestic solar module manufacturing industry with 14.1% market share as of FY25 and 44.0% in solar module exports as of FY24. The company is uniquely positioned to capitalize on accelerating domestic and global demand, supported by 1) rapid capacity expansion, strategic backward integration, and a diversified push into high-growth adjacencies; 2) its extensive presence across the green energy value chain, strengthened by targeted acquisitions; and 3) sustained government policy momentum in Approved List of Models and Manufacturers (ALMM), DCR obligations, and government schemes. We estimate revenue/EBITDA/PAT CAGR of 37.1%/46.5%/37.0% over FY25-28E led by 1) margin accretion from backward integration, 2) ramp-up of module, cell and ingot capacities, and 3) focus on local as well as international markets. Initiate with 'BUY'.

- **Capacity expansion catalyzing growth:** WAAREEEN has built a best-in-class manufacturing platform with ~18.7GW of module and 5.4GW of cell capacity operational as of H1FY26, and a defined expansion plan to reach 26.8GW of module, 15.4GW of cell, and 10GW of ingot-wafer capacity by FY27. In parallel, the company is building out adjacencies, including battery energy storage systems (BESS), electrolyzers and inverters. Accelerated backward integration, supported by PLI schemes, positions WAAREEEN as one of the most competitive suppliers in global markets. Additionally, its US capacity is expected to reach 4.2GW by FY26. Expanding US footprint not only strengthens WAAREEEN's export opportunity by improving access to high-growth US demand but also mitigates tariff risks and enhances realization through domestic content incentives.

- **Acquisitions strengthening presence across value chain:** WAAREEEN's acquisition strategy is focused on expanding its presence across the energy value chain and reinforcing integration. The purchase of Enel Green Power India scales up its IPP portfolio, while the acquisition of Kotsons and Kamath Transformers strengthens its position in power-infrastructure and transformer manufacturing. Racemosa Energy adds smart-meter capability, enabling participation in the digital grid ecosystem. Together, these transactions broaden WAAREEEN's addressable market, enhance supply-chain control, and accelerate its transition into a full-stack renewable solutions provider.

- **US-led export growth visibility**: WAAREEEN's export-led growth is underpinned by a strong & diversified US opportunity. Overseas order book stands at ~Rs280bn, largely driven by the US. The company's US manufacturing capacity is fully backed by a multi-year order pipeline with executions scheduled for 2-3 years, providing high revenue visibility. WAAREEEN is a direct beneficiary of US policy tailwinds: the US target to scale solar capacity to ~500GW by 2030E, continuation of 45X manufacturing tax credits, and structurally rising power demand from data centers.

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	1,44,445	2,49,597	3,25,049	3,72,299
EBITDA (Rs. m)	27,216	58,261	72,886	85,490
Margin (%)	*18.8*	*23.3*	*22.4*	*23.0*
PAT (Rs. m)	18,714	37,236	42,082	48,154
EPS (Rs.)	65.1	129.6	146.5	167.6
Gr. (%)	*91.2*	*99.0*	*13.0*	*14.4*
DPS (Rs.)	-	4.0	6.0	8.0
Yield (%)	*-*	*0.1*	*0.2*	*0.3*
RoE (%)	*27.6*	*32.9*	*27.7*	*24.6*
RoCE (%)	*36.7*	*41.4*	*32.3*	*27.9*
EV/Sales (x)	5.6	3.3	2.7	2.4
EV/EBITDA (x)	29.9	14.3	12.1	10.2
PE (x)	47.2	23.7	21.0	18.4
P/BV (x)	9.3	6.7	5.1	4.0

Key Data	WAAN.BO | WAAREEEN IN
52-W High / Low	Rs.3,865 / Rs.1,809
Sensex / Nifty	85,409 / 26,142
Market Cap	Rs.885bn/ $ 9,857m
Shares Outstanding	288m
3M Avg. Daily Value	Rs.4206.8m

Shareholding Pattern (%)

Promoter's	64.22
Foreign	6.35
Domestic Institution	2.82
Public & Others	26.60
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.6)	3.5	7.2
Relative	(6.1)	(0.5)	(1.5)

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Company Overview

WAAREEEN: A fully integrated solar powerhouse

WAAREEEN energies limited is India's largest solar module manufacturer and exporter, with a strategically scaled and backward-integrated business model. The company operates at the center of India's energy-transition ecosystem, supported by large-scale manufacturing, global accreditations and a rapidly expanding international footprint. The company's product portfolio spans high-efficiency TOPCon modules, utility-grade solutions, and global EPD-certified panels, enabling entry into premium markets. with a roadmap to expand into ingot-wafers, BESS, inverters and green hydrogen, WAAREEEN is evolving into a full-stack renewable equipment supplier, positioned to benefit from the China+1 sourcing strategy and the US IRA.

Waaree contributed 44% of India's solar module exports in FY24

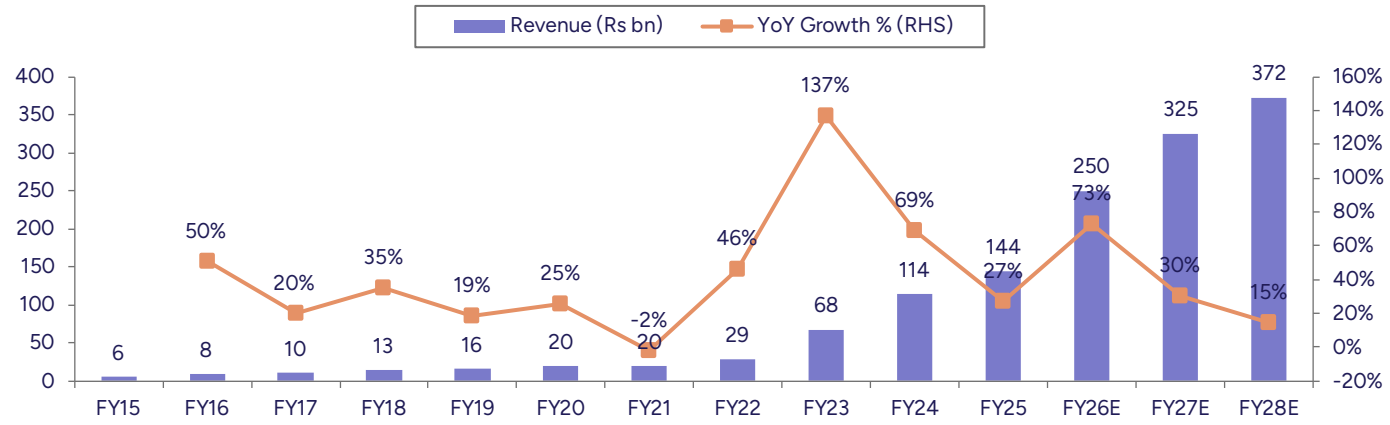
- WAAREEEN has firmly established itself as India's largest and most influential solar module manufacturer, commanding leadership in both domestic supply and exports.
- WAAREEEN accounted for 44% of India's solar module exports in FY24, making it the country's largest module exporter. Export sales contributed 16.6% of total revenue in FY25 and 40.8% in H1FY26.
- Its H1FY26 order book stands at 24GW, valued at Rs470bn, comprising Rs190bn of domestic orders and Rs280bn from overseas markets.
- The company has multiple manufacturing facilities in India, supporting 16.05GW of module capacity and 5.4GW of cell capacity as of H1FY26. Ongoing expansion is expected to lift capacity to 26.8GW for modules by FY26 and 15.4GW for cells by FY27.
- In addition, the company operates a facility in the US with total 2.6GW of module capacity, including the Meyer Burger (1GW), and intends to expand its US capacity to 4.2GW by FY26E.
- The company has outlined capex of ~Rs125bn for expanding its solar module, cell and ingot/wafer capacity FY26 onwards, along with ~Rs104bn earmarked for establishing manufacturing in BESS, inverters, and electrolyzers. This will increase its total planned capex for FY26–28E to ~Rs250bn.

Order book as on Sep'25: 24GW worth Rs470bn (Rs190bn domestic; Rs280bn overseas).

- Strategic acquisitions in smart metering, transformer manufacturing and renewable energy development are strengthening its integration across the power value chain and enhancing its capability to offer comprehensive clean-energy solutions.

We believe WAAREEEN is strategically placed to lead the next phase of solar manufacturing growth, supported by a) its aggressive capex plan of ~Rs250bn to strengthen its manufacturing scale and integration; b) rising domestic solar demand and strong policy support, creating a sizable multi-year growth opportunity; and c) strategic diversification into upstream manufacturing and adjacent clean-energy technologies. Over FY21-25, overall revenue/EDITDA/PAT CAGR stood at 64.9%/106.3%/110.1%, with solar PV modules revenue logging 62.1% CAGR.

Exhibit 83: Revenue CAGR of 37% estimated over FY25-28E



Source: Company, PL

US capacity at 2.6GW, planned to scale up to 4.2GW by FY26

Building a complete solar power solutions portfolio

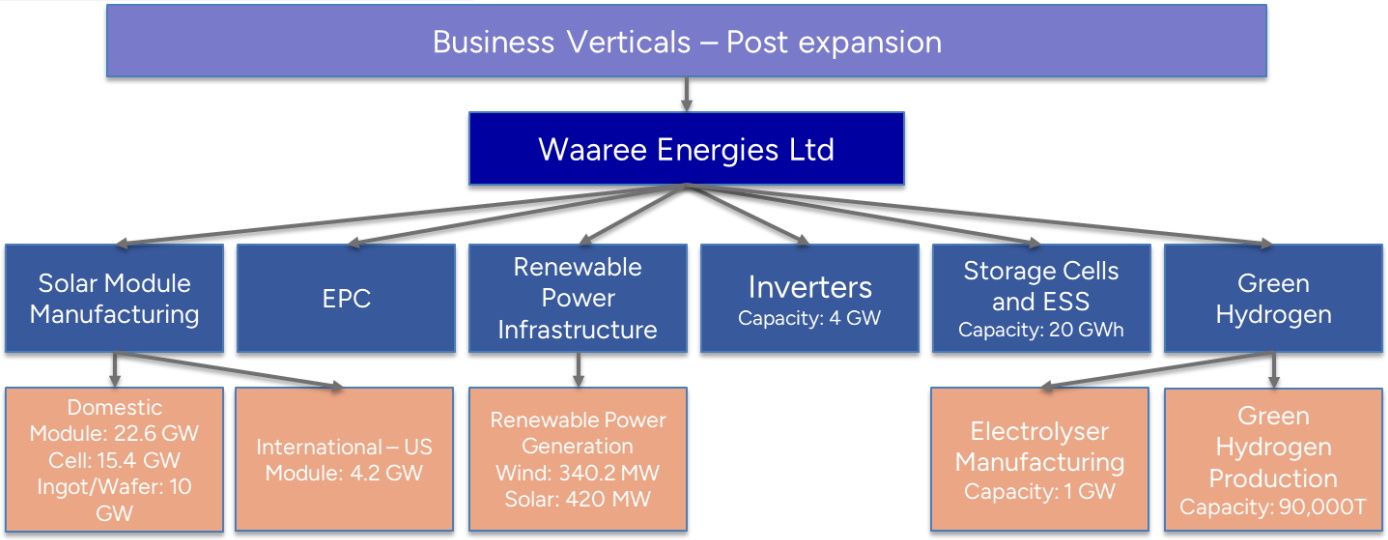
WAAREEEN has scaled from a modest 400MW module line to one of India's largest renewable manufacturing platforms, driven by consistent capacity additions and timely backward integration. The company expanded rapidly to 12GW by CY23, supported by the Indo Solar acquisition, and has since commissioned India's largest 5.4GW cell plant and scaled module capacity to ~18.7GW as of H1FY26.

WAAREEEN has also established meaningful US presence with a 1.6GW module operational facility in Texas and further added Meyer Burger's US assets to accelerate expansion to 4.2GW. Expanding US footprint has helped strengthen the company's position as a reliable, non-Chinese supplier to the rapidly growing US solar market.

WAAREEEN is simultaneously building out adjacencies with a 20GWh BESS facility under development, a fully integrated 10GW ingot-wafer line planned by FY27, and an expanding inverter platform scaling toward 4GW, reinforcing its transition into a comprehensive energy-transition solutions player.

Overall, WAAREEEN's transition into a global multi-GW manufacturer reflects disciplined capex execution, a diversified business model, and a strategic pivot toward full-stack energy-transition solutions.

Exhibit 84: WAAREEEN - organizational structure



Source: Company, PL

Exhibit 85: Business overview

	FY23	FY24	FY25	FY26E	FY27E	FY28E
Module Capacity (GW)	9.0	12.0	14.9	26.8	26.8	26.8
Module Production (GW)	2.6	4.8	7.1	11.3	14.1	16.3
Cell Capacity (GW)	-	-	5.4	5.4	15.4	15.4
Cell Production (GW)	-	-	0.1	2.9	7.4	10.6
Total Order book (Rs bn)	**-**	**-**	**470**	**752**	**982**	**1,125**
Revenue (Rs bn)	**68**	**114**	**144**	**250**	**325**	**372**
% growth (%)	*136.5*	*68.8*	*26.7*	*72.8*	*30.2*	*14.5*
EBITDA (Rs bn)	**8**	**16**	**27**	**58**	**73**	**85**
EBITDA margin (%)	*12.4*	*13.8*	*18.8*	*23.3*	*22.4*	*23.0*
PAT (Rs bn)	**5**	**12**	**19**	**37**	**42**	**48**
PAT margin (%)	*7.2*	*10.9*	*12.9*	*14.9*	*12.9*	*12.9*
EPS (Rs)	**19.8**	**47.0**	**65.0**	**129.6**	**146.5**	**167.6**
Gross Debt (Rs bn)	3	3	9	25	59	66
Net Debt (Rs bn)	-18	-38	-78	-74	-61	-75
Net Debt/Equity (x)	-0.9	-0.9	-0.8	-0.6	-0.3	-0.3
RoE (%)	**44.4**	**30.2**	**27.6**	**32.9**	**27.7**	**24.6**
RoCE (%)	**54.7**	**47.0**	**36.7**	**41.4**	**32.3**	**27.9**
Capex (Rs bn)	-9	-13	-33	-50	-98	-55
Net Working Capital (days)	65	54	20	20	20	20
Net cash from operations	16	23	32	28	53	64
Free Cash to Firm (Rs bn)	7	10	-1	-22	-45	9

Source: Company, PL

Rs27.8bn IPO proceeds allocated to 6GW integrated ingot–wafer, cell and module facility

Project funding and IPO proceeds

- The company raised Rs43.2bn through its Oct'24 IPO, including Rs36bn of fresh proceeds, of which Rs27.8bn was earmarked for the 6GW fully integrated ingot–wafer, cell and module manufacturing project; the residual amount was allocated toward general corporate purposes.
- Total project outlay of Rs90.5bn is expected to be financed through a calibrated mix of Rs27.8bn of IPO proceeds, ~Rs55.2bn of long-term debt, and internal accruals.
- Rest of the capex will be funded through internal accruals.

Exhibit 86: IPO – Use of proceeds and timeline as per RHP for the project

Particulars (Rs mn)	Total estimated amount/ expenditure	Total amount spent on the Objects as of Aug'24	Balance amount to be incurred	Estimated utilisation from Net Proceeds	FY25	FY26	FY27
Cost of proposed Project	90.5	1.5	89.0	27.8	2.8	20.0	5.0
General corporate purposes	-	-	-	-	-	-	-
Total	**-**	**1.5**	**-**	**-**	**-**	**-**	**-**

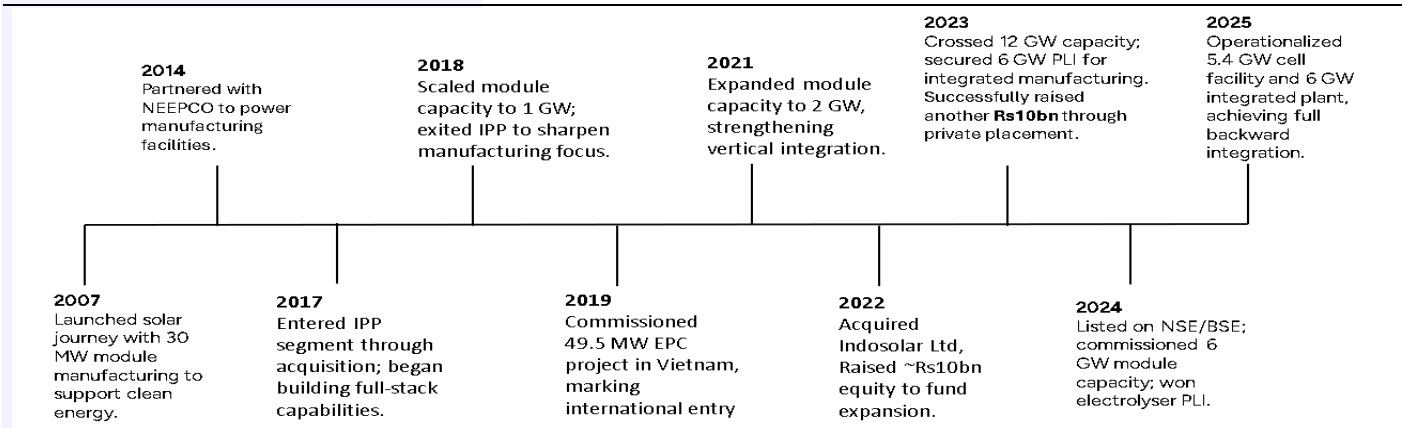
Source: WAAREE RHP, PL

Exhibit 87: IPO Money raised, use of proceeds and timeline

IPO amount (Rs bn)	Raised	Utilised (Sep'25)	Unutilised
Capex - Phase I Project	27.8	2.2	25.5
General Corp. purposes	7.0	7.0	0.0

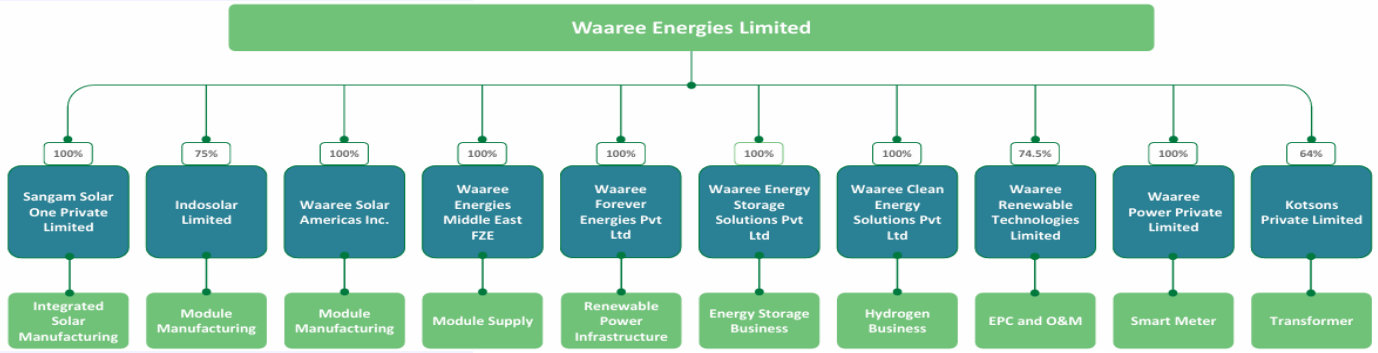
Source: Company, PL

Exhibit 88: WAAREEEN – History



Source: Company, PL

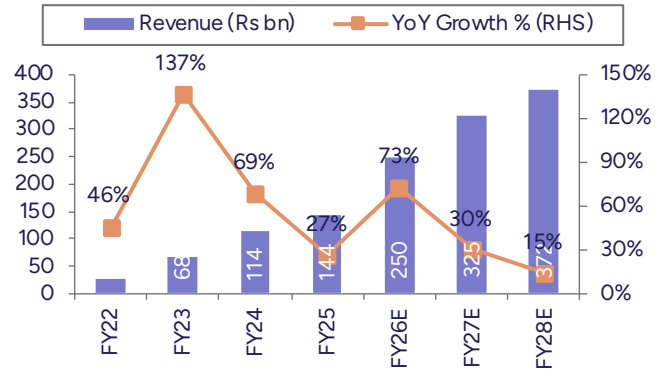
Exhibit 89: Corporate structure – Waaree Energies Limited



Source: Company, PL

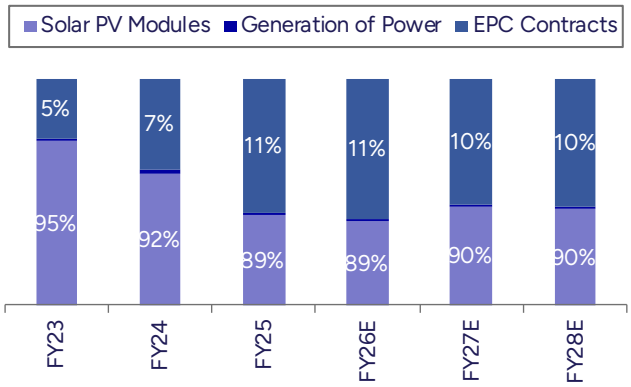
Story in Charts

Exhibit 90: Revenue to clock 37% CAGR over FY25-28E



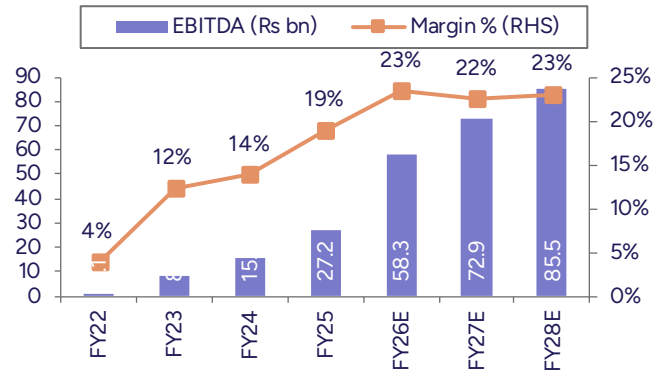
Source: Company, PL

Exhibit 91: Solar PV Module to clock 37% CAGR over FY25-28E



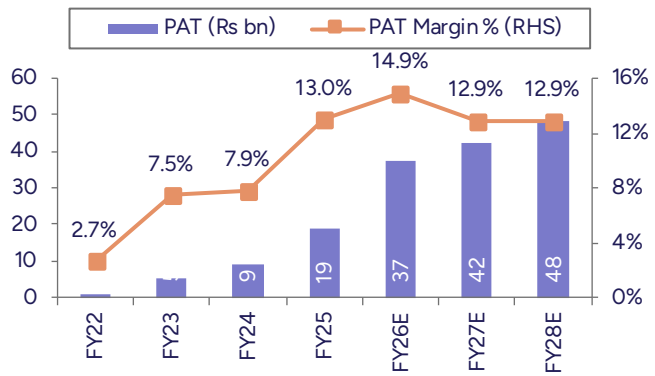
Source: Company, PL

Exhibit 92: EBITDA margin to expand by 400bps by FY28E



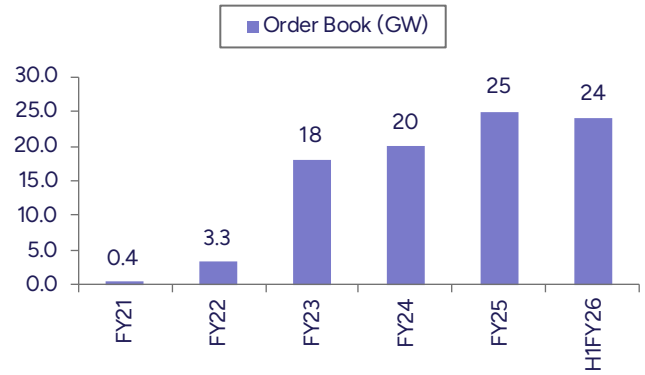
Source: Company, PL

Exhibit 93: PAT to clock 37% CAGR over FY25-28E



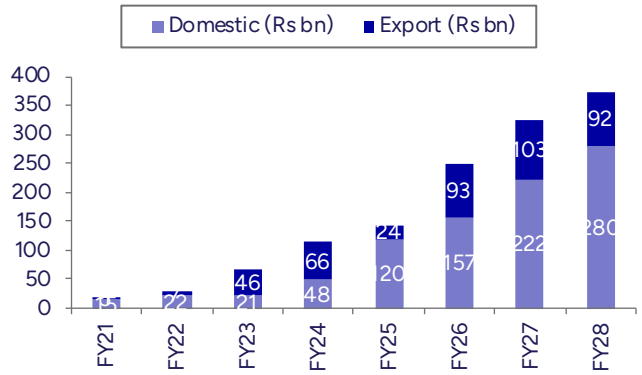
Source: Company, PL

Exhibit 94: Strong order book – 24GW in H1FY25



Source: Company, PL

Exhibit 95: Domestic to clock 33% CAGR from FY25-28E



Source: Company, PL

Investment Arguments

Capacity expansion catalyzing overall growth

Module capacity of 18.7GW is set to scale up to 26.8GW by FY26

WAAREEEN's accelerated capacity build-out remains the central pillar of its growth strategy, reinforcing competitive positioning across the solar value chain and enabling meaningful cost-down benefits through scale and integration. With parallel investments in modules, cells, ingot–wafers and adjacencies such as BESS and inverters, the company is structurally widening its addressable market while improving supply chain reliability for global customers. This integrated expansion framework is instrumental in sustaining growth momentum and capturing rising demand across India, US and other key geographies.

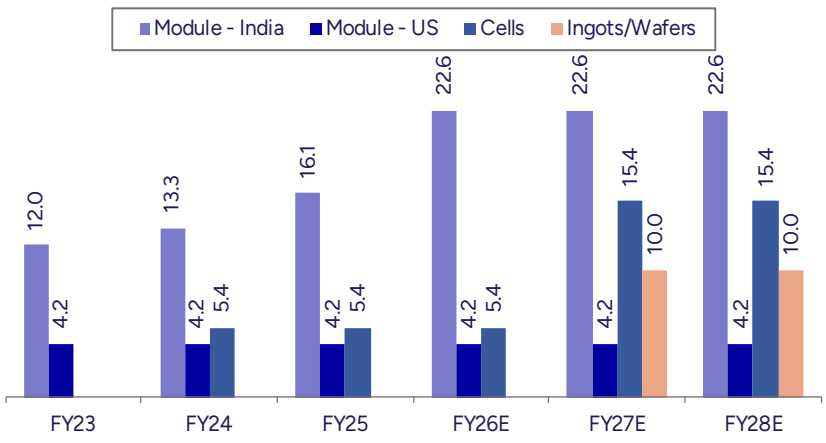
Cell capacity of 5.4GW is expected to expand to 15.4GW by FY27

- WAAREEEN's current 18.7GW / 5.4GW of module / cell capacity is set to scale to 26.8GW / 15.4GW by FY26/FY27, supported by the 6GW fully integrated PLI capacity. This backward integration will reduce bill-of-material dependence, sharpen cost competitiveness, and position the company to benefit from ALMM, DCR and global de-risking trend.

- Its US capacity has increased by 1GW through the Meyer Burger acquisition, taking operational module capacity to 2.6GW in H1FY26, which is set to rise further to 4.2GW by end-FY26 as the additional 1.6GW line comes online. This expansion will enhance access to US markets, aligns the company with IRA-linked manufacturing incentives, and position 4.2GW of onshore capacity to address a rapidly expanding US solar market, with total installed capacity projected to scale to ~500GW by 2030E.

- The company has concurrently expanded into high-adjacency verticals, including BESS (ramping from 3.5GWh to 20GWh), inverters (3GW to 4GW), electrolyzers (300MW to 1GW), and transformers via targeted acquisitions. These initiatives have accelerated WAAREEEN's transition into a full-stack energy solutions provider, enhancing wallet share potential and customer stickiness across EPC, IPP and utility-scale segments.

Exhibit 96: Capacity ramp-up from FY26 and FY27



Source: Company, PL

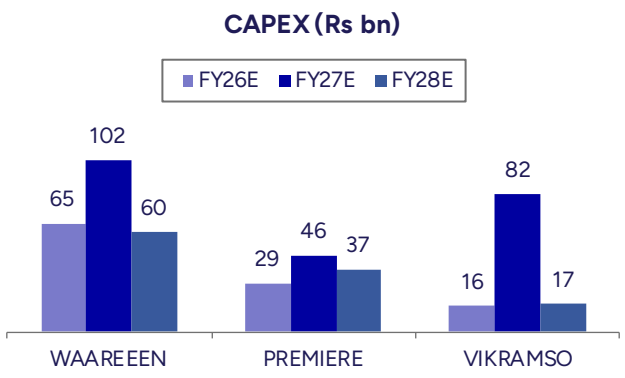
Majority of capex directed toward BESS (~Rs100bn), cells (~Rs71bn) and ingot–wafer (~Rs34bn).

Integration-led capex to drive scale and cost competitiveness

- WAAREEEN has articulated one of the most aggressive and diversified capex programs in the domestic solar manufacturing space, with cumulative investments of ~Rs250bn planned across modules, cells, ingot–wafers, BESS, inverters, electrolyzers and transformers during FY26–28E, to be funded through a calibrated mix of internal accruals and incremental debt. Bulk of the outlay will be directed toward high-value, structurally accretive segments—BESS (~Rs100bn for ~20GWh), solar cells (~Rs71bn for 10GW) and ingot–wafer (~Rs34bn for 10GW)—materially deepening backward integration and enhancing long-term cost competitiveness.
- In addition, the company is undertaking a relatively modest Rs1.6–2.0bn capex to upgrade cell technology from mono PERC to TOPCon in FY28, for better efficiency gains and alignment with global demand trends at limited incremental capital intensity.
- WAAREEEN already has ~3GW of module capacity operational at its Samakhiali (Kutch, Gujarat) facility under the PLI scheme, providing early monetization opportunities and visibility on integrated returns.

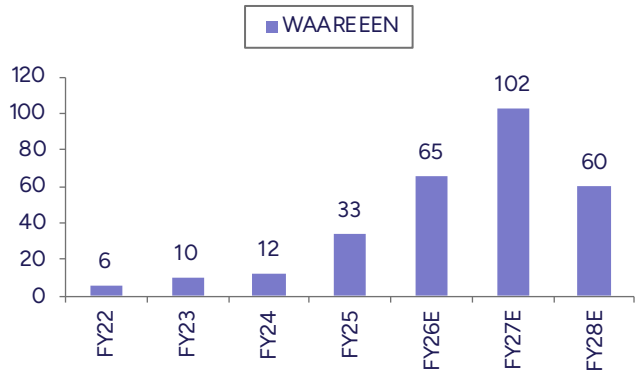
Overall, WAAREEEN's planned capex intensity over FY26–28 is estimated to be ~2x that of major peers, highlighting a materially faster scale-up trajectory and stronger balance sheet. This front-loaded, integration-led investment strategy positions the company to capture policy-led domestic demand, benefit from rising global localization requirements, and structurally improve margins over the medium term.

Exhibit 97: WAAREEEN's ~Rs250bn capex exceeds peers



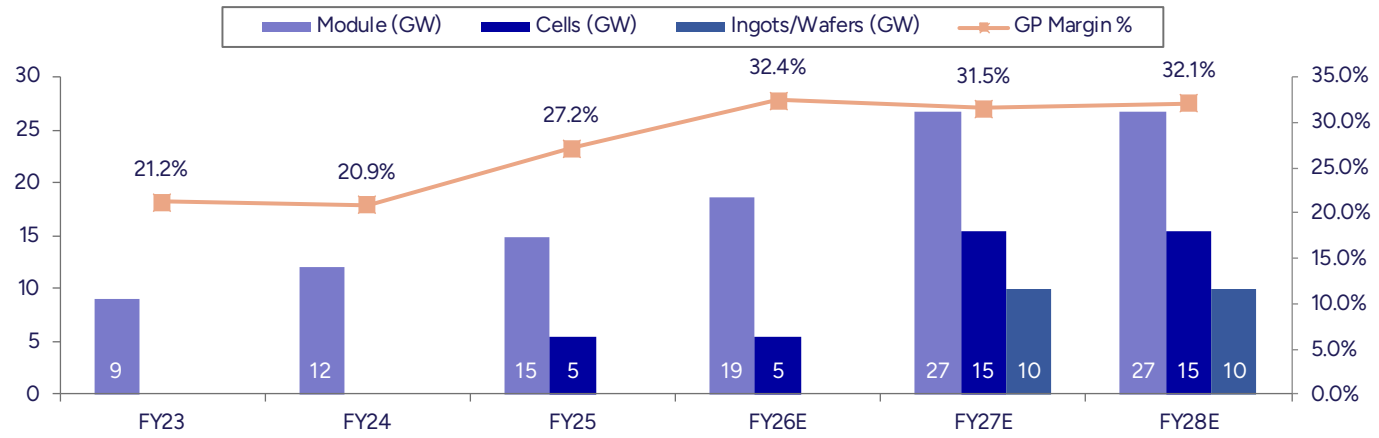
Source: Company, PL

Exhibit 98: Capex acceleration over FY25–27



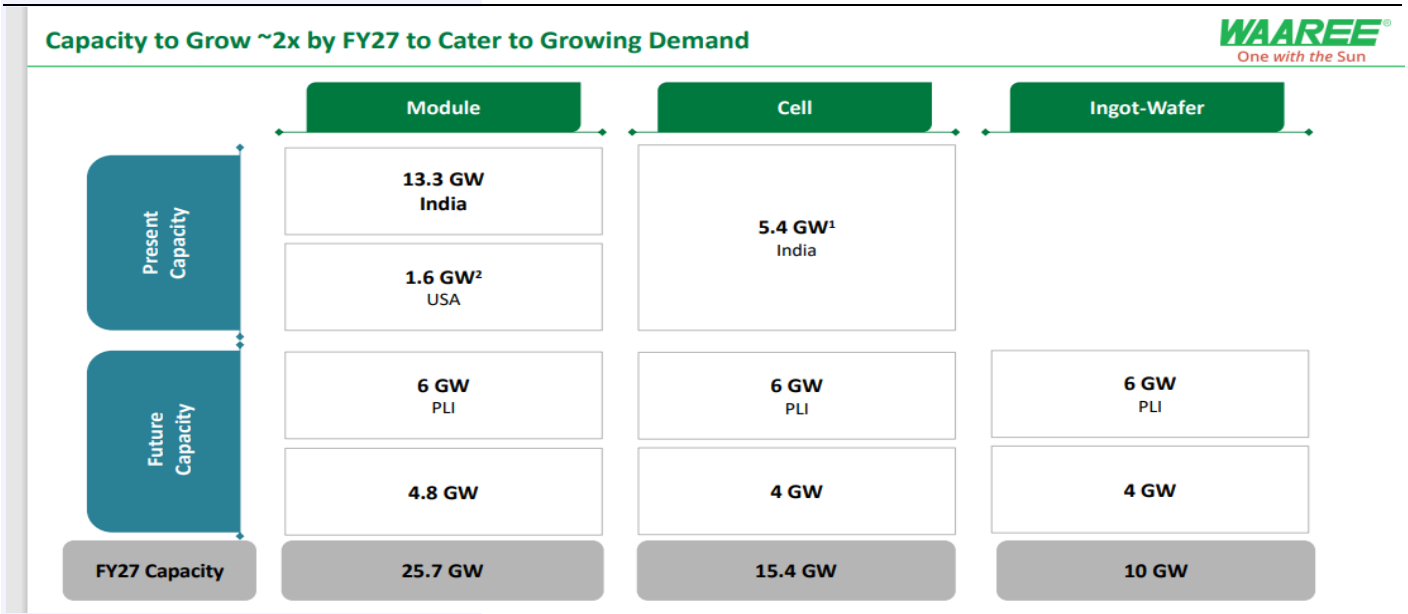
Source: Company, PL

Exhibit 99: Gross margins to scale up on backward integration



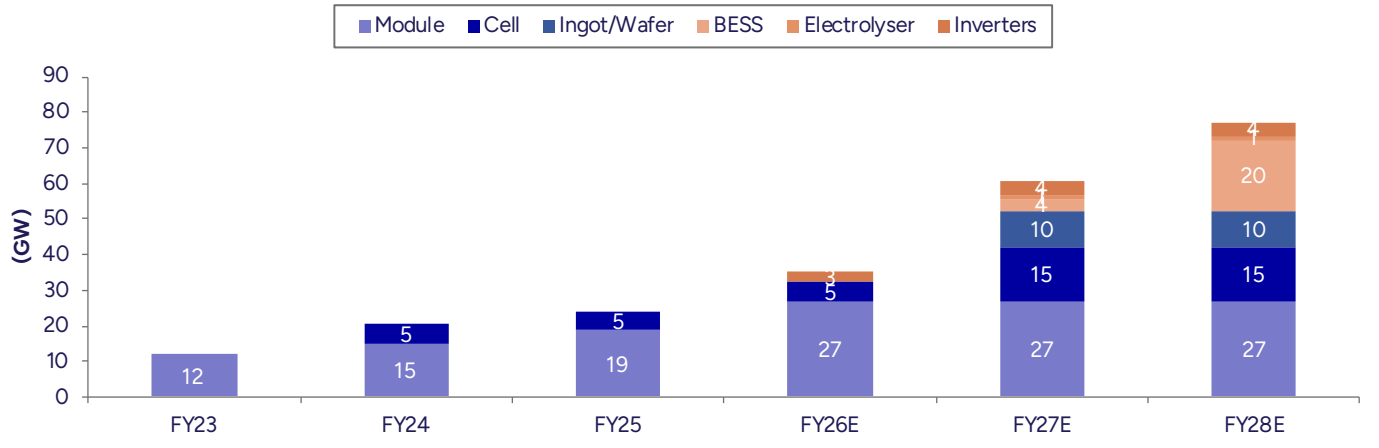
Source: Company, PL

Exhibit 100: Capacity and capex till FY27



Source: Company, PL

Exhibit 101: Accelerating capacity build-outs across integrated manufacturing and new energy platforms



Source: Company, PL

India's green hydrogen and electrolyser market to grow from ~USD9bn to ~USD34bn by 2030E (~25% CAGR).

Domestic solar and inverter market to grow at ~24% CAGR from 104.5GW in 2024 to ~715.5GW by 2033E.

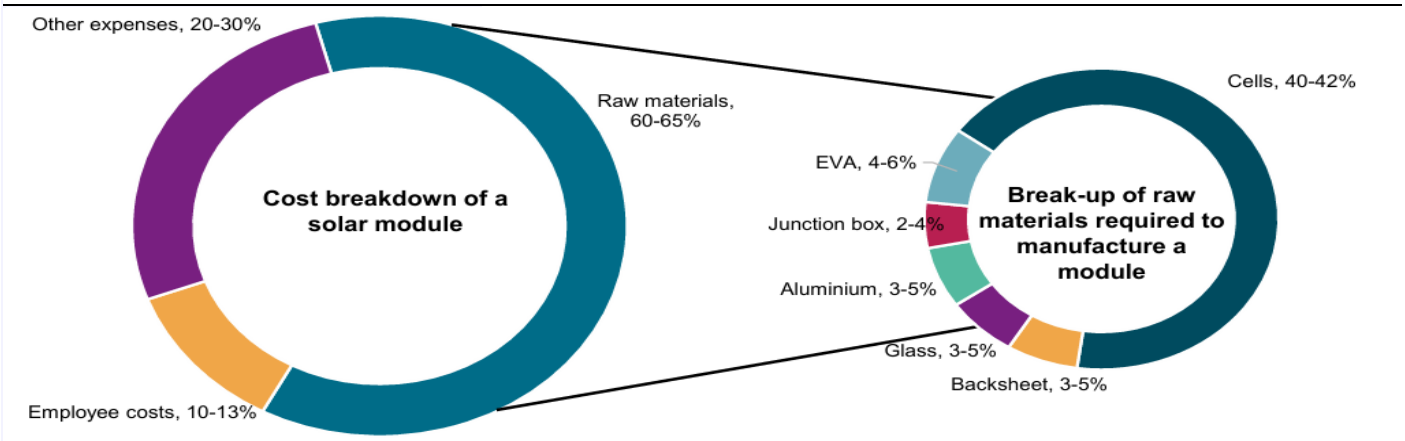
Backward integration to support multi-year growth

WAAREEEN's accelerated backward integration across upstream manufacturing and adjacent energy segments marks structural evolution from a predominantly high-volume module manufacturer to a diversified, full-stack energy solutions platform. By internalizing critical value pools that were earlier captured by external suppliers, the company is structurally strengthening its margin architecture while reducing bill-of-material volatility and exposure to input price cycles. Over the medium term, this integration is expected to support sustainably higher gross margins, to reach 32.1% by FY28E from 27.2% in FY25.

- **BESS:** WAAREEEN has committed ~Rs100bn toward BESS to build 16.5GWh of capacity and scaling its overall BESS platform to 20GWh by FY28E. This positions the company to capitalize on a structurally accelerating storage market, with the domestic BESS market valued at ~USD250mn in 2024 and projected to expand to USD1.2bn by 2030E, growing at an estimated CAGR of ~30%.
- **Electrolyzers:** WAAREEEN's ~Rs1.3bn investment to build 1.7GW electrolyser capacity adds a strategic option on India's green hydrogen build-out, positioning the company to participate early in a structurally high-growth adjacencies beyond the core solar value chain, with the India's green hydrogen and electrolyser manufacturing market projected to expand from ~USD9.0bn in 2024 to ~USD34.0bn by 2030E at ~25% CAGR.
- **Inverters:** WAAREEEN's calibrated investment of ~Rs0.5bn to add ~1GW of inverter capacity, will strengthen downstream integration and scale total inverter capacity to ~4GW, positioning the company to capture a disproportionate share of India's rapidly expanding solar inverter opportunity, with the domestic solar electric system and inverter market expected to compound at ~24% CAGR from 104.5GW in 2024 to ~715.5GW by 2033E.

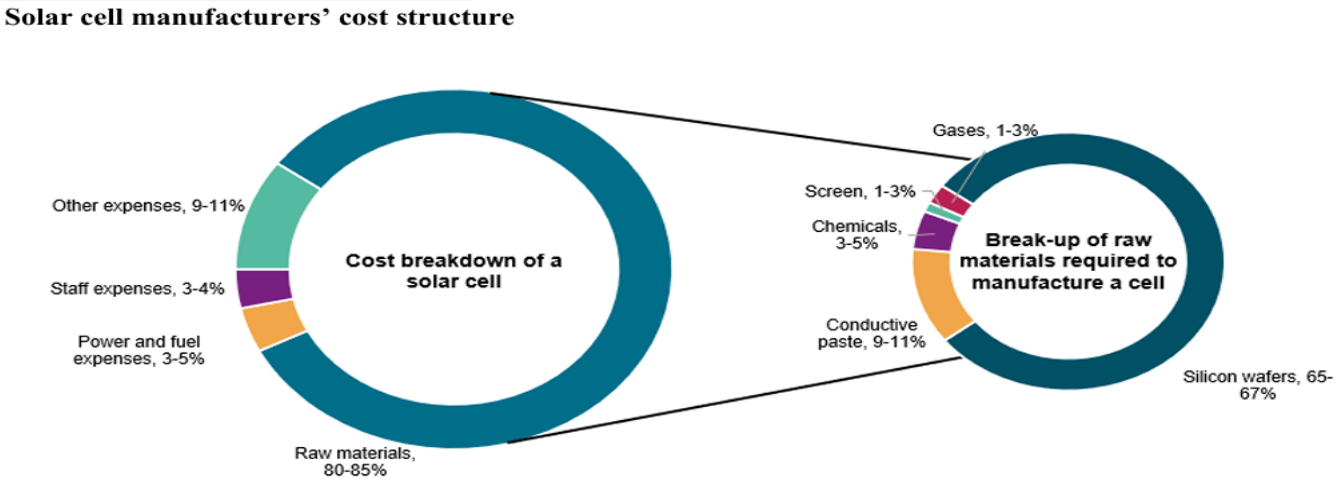
Backward integration and scale advantage: WAAREEEN's investments to expand to ~10GW ingot–wafer capacity, ~20GWh BESS and ~4GW inverters, are aimed at enhancing supply-chain control, lowering COGS and improving margin resilience, while aligning the manufacturing footprint with multi-year demand tailwinds across solar, storage and energy transition adjacencies.

Exhibit 102: Cost breakdown – Module manufacturing



Source: Company, PL

Exhibit 103: Cost breakdown – Cell manufacturing



Source: Company, PL

Exhibit 104: Accelerated backward integration

	Battery Energy Storage System	Inverters	Green Hydrogen Electrolyser	Renewable Power Infrastructure	
	Lithium-ion Storage Cell and Energy Storage System	Renewable Power Projects and Bidding Pipeline	Awarded PLI* for Electrolyser Manufacturing Facility	Renewable Power Generation	Renewable Power Infrastructure
Investment	Up to ₹10,000 Cr	Up to ₹180 Cr	Up to ₹676 Cr	Discussions ongoing with EGPIPL	Committed Outlay of ₹2,250 Cr + approved
Key Updates	• Plant capacity: 20 GWh • Phase-I 3.5GWh by FY27; Remaining by FY28	• Plant capacity: 4 GW per annum • Phase-I of 3 GW by FY26; remaining by FY27	• Plant capacity: 1 GW • Operational by FY27	PPA signed/Bid Won – 413 MW	
Current Status	On track; Factory under construction at Rola (Valsad), Gujarat	On track; Factory under construction at Sarodhi (Valsad), Gujarat	On track; Factory under construction at Dungri (Valsad), Gujarat	Secured connectivity of ~6.1 GW	

Source: Company, PL

Acquisitions strengthening presence across value chain

WAAREEEN's acquisitions are a core strategic lever to accelerate its transition from a module-led manufacturer to an integrated energy platform. The company has pursued selective, capability-driven acquisitions to deepen vertical integration, enter adjacencies, and strengthen execution across power infrastructure, storage and grid equipment. This approach expands WAAREEEN's addressable market while enhancing margin resilience, RoCE and long-term earnings visibility.

United Solar Holding Inc.: *Secures polysilicon procurement*

- **United Solar Holding Inc**: WAAREEN's investment of USD 30mn strategic investment in United Solar Holding Inc. secures long-term access to high-purity polysilicon with ~100,000MT polysilicon capacity, materially strengthening upstream integration. The Oman-based, non-China and traceable supply chain de-risks raw material sourcing for Waaree's expanding U.S. and global manufacturing footprint, reducing input volatility and supporting structurally more resilient margins over the medium term.

Meyer Burger: *Access to US market*

- **Meyer Burger:** The acquisition of Meyer Burger's US module manufacturing assets in H1FY26 for USD18.5mn meaningfully strengthens WAAREEEN's export platform by securing an immediate manufacturing foothold in the US, one of the fastest-growing global solar markets. The US aims to add 60GW per year between 2025 and 2030. The acquired facility brings 1GW of advanced HJT capacity, enabling WAAREEEN to address the premium, high-efficiency segment while benefiting from strong US policy tailwinds, including domestic-content incentives. This on-ground presence enhances access to utility-scale and corporate buyers, mitigates trade and tariff risks, and supports higher margin exports, thereby diversifying earnings beyond the domestic market and reinforcing WAAREEEN's strategic positioning in the US solar value chain.

Enel Green Power India: *Scale-up in the IPP segment*

- **Enel Green Power India:** The acquisition of Enel Green in Jan'25 marks a strategic step in WAAREEEN's evolution into an integrated renewable energy platform. Through the purchase of 100% equity for up to Rs7.92bn, WAAREEEN acquires ~640MW AC (760MW DC) of operational solar and wind assets, providing immediate scale in the IPP segment and diversifying revenues beyond manufacturing. The acquisition strengthens WAAREEEN's execution capabilities in wind and utility-scale projects, improves earnings stability, and enhances downstream integration, supporting structurally resilient returns over the medium term. It's operating capacity stands at 640MWac (760MWdc) of solar and wind energy plants.

Kamath Transformers & Kotsons Pvt Ltd: *Strengthens transformer manufacturing capabilities*

- **Kamath Transformers:** This acquisition strengthens WAAREEEN's downstream integration into grid and power-evacuation infrastructure, a critical bottleneck in large-scale renewable deployment. Through May'25 acquisition of Kamath Transformers for Rs2.93bn, WAAREEEN secures transformer manufacturing capability, improving execution control, reducing supplier dependence and enhancing cost and timeline certainty across IPP, EPC and utility-scale projects. Its revenue grew at 56% CAGR from FY21-24, while EBITDA margin stood at 18.9% in FY24, up from 4.5% in FY23.

- **Kotsons Pvt Ltd:** Acquisition of 64% stake in Kotsons in Oct'25 for Rs1.92bn marks WAAREEEN's strategic entry into transformer manufacturing, a critical component of the renewable power value chain. Kotsons adds in-house capability in grid and power infrastructure, improving control over project execution, reducing dependence on third-party suppliers, and mitigating cost and timeline risks across WAAREEEN's expanding IPP and EPC operations. This acquisition strengthens downstream integration, supports faster scale-up of renewable capacity, and enhances margin resilience as WAAREEEN transitions toward a more comprehensive, end-to-end energy solutions platform.

Racemosa Energy (India) Pvt Ltd: *Foraying smart meter manufacturing*

- **Racemosa Energy (India) Pvt Ltd**: The acquisition of 76% stake in Racemosa Energy for ~Rs0.5bn strengthens WAAREEEN's downstream power infrastructure capabilities through entry into smart meters. This adds a complementary adjacency to the core solar manufacturing business, supporting greater participation across grid-linked, distributed and storage-led applications as India's smart metering rollout scales up.

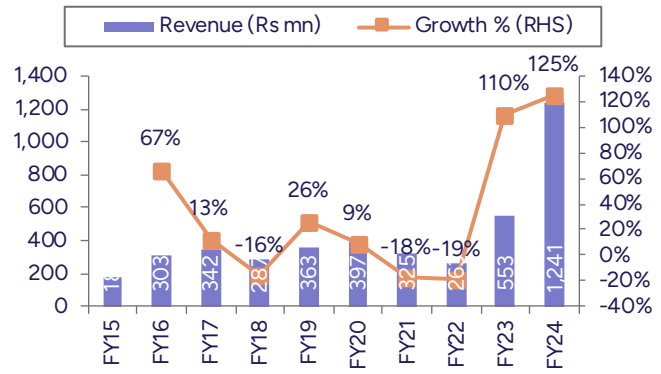
Overall, WAAREEEN's selective, capability-driven acquisitions strengthen vertical integration, expand downstream participation, and materially improve execution control across the energy value chain. This structurally enhances margin resilience, RoCE and earnings visibility, supporting WAAREEEN's transition into a diversified, integrated energy platform.

Exhibit 105: Strategic acquisitions strengthening presence across green energy value chain

Acquisition Date	Company	Waaree Stake	Acquisition Amt (Rs mn)	Equity Value (Rs mn)	Revenue (Rs mn)
May'22	Indo Solar ltd	96%	400	416	3,247 (FY25)
Jan'25	Enel Green Power India Private Limited (EGPIPL)	100%	7,920	7,920	3,830 (FY24)
May'25	Kamath Transformers Pvt Ltd	100%	2,930	2,930	1,241 (FY24)
Sep'25	Meyer Burger	-	1,628	-	-
Sep'25	Racemosa Energy (India) Private Limited	76%	530	697	-
Oct'25	Kotsons Private Limited	64%	1,920	3,000	-
Dec'25	United Solar Holding Inc	-	2,670	-	Nil

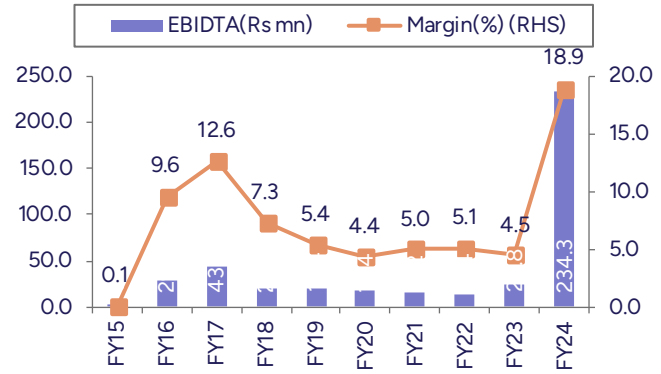
Source: Company, PL

Exhibit 106: Kamath revenue CAGR 33% from FY20-24



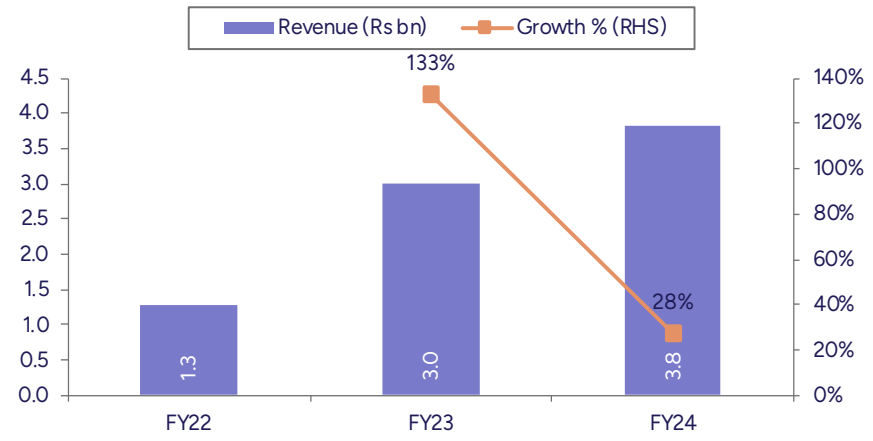
Source: Company, PL

Exhibit 107: Kamath EBITDA margin stood at 18.9% in FY24



Source: Company, PL

Exhibit 108: EGPIPL revenue grew by 28% in FY24



Source: Company, PL

Policy momentum unlocking domestic demand

Structural policy levers such as ALMM, DCR mandates for government-backed schemes, safeguard duties, BCD and the PLI schemes are key drivers supporting domestic sourcing and integrated manufacturers. WAAREEEN is a prime beneficiary of a structurally supportive policy environment that is simultaneously accelerating domestic solar demand while opening up a large, high-margin export opportunity — particularly to the US.

Policy instruments structurally favoring domestic manufacturers are as follows:

- **ALMM:** Introduced by MNRE, the list restricts sourcing for government and government-backed projects to approved domestic suppliers. WAAREEEN is an ALMM-enlisted solar PV module manufacturer, with 21.09% market share in terms of ALMM-enlisted module manufacturing capacity as of Sep'24.
- **ALMM List II**: In Jul'25, MNRE notified the first ALMM List II for solar cells, covering 6 manufacturers with 13.07GW capacity, mandating use of List II cells and List I modules for all government bids submitted after 31st Aug'25, with compliance also extended to open-access and rooftop projects commissioned post 1st Jun'26, thereby accelerating adoption of domestically manufactured cells across project categories.
- **ALMM List III**: In Sep'25, MNRE issued draft guidelines for ALMM List III (ingots and wafers), proposing nationwide implementation from Jun'28, subject to at least 3 domestic facilities being operational in India with a combined capacity of 15GW.
- **CPSU Scheme:** Introduced in Jan'15 and expanded from 1GW to 12GW in Feb'19, the scheme structurally supports demand for domestically manufactured cells and modules, directly benefiting integrated players like WAAREEEN through sustained DCR-linked offtake and improved capacity utilization.
- **PLI schemes:** WAAREEEN's 6GW PLI award across modules, cells and ingot–wafers strengthen its fully integrated platform, driving cost competitiveness, margin resilience and assured access to DCR/ALMM-linked demand.
- **PM Surya Ghar: Muft Bijli Yojana**: The scheme is driving large-scale rooftop solar adoption, materially expanding DCR-compliant module demand.

Government tenders remain a key demand driver for the Indian solar market, and ALMM and DCR materially influence supplier selection and pricing dynamics.

US-led export growth visibility

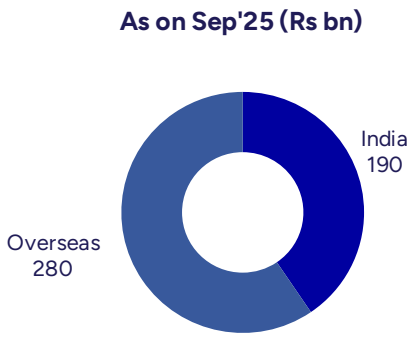
As of Q2FY26, WAAREEEN's order book stood at ~24GW, valued at ~Rs470bn, with overseas markets accounting for ~59.5% (~Rs280bn), largely driven by exports to the US, underscoring strong visibility in international demand.

- The company's US manufacturing capacity is fully backed by a robust order pipeline, with cumulative orders scheduled for execution over FY25–27, providing multi-year revenue visibility.

US solar market capacity scaling to ~500GW by 2030.

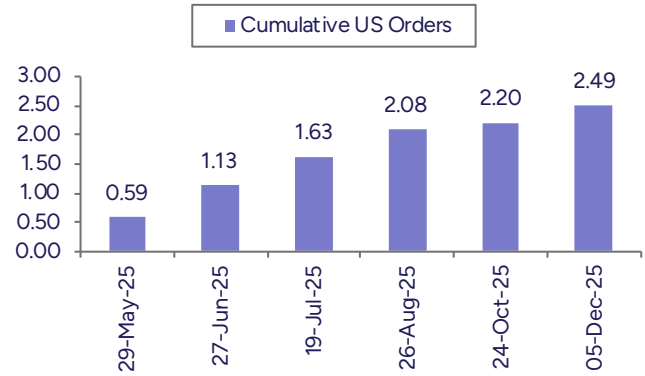
- WAAREEEN is well-positioned to benefit from superior realizations through its access to advanced HJT via the Meyer Burger acquisition, enabling participation in premium, high-efficiency module demand from the US.
- Notably, the US has been WAAREEEN's largest export market, accounting for 98–100% of export revenue over FY22–24, with the company leveraging US policy tailwinds and its positioning as a preferred supplier to multinational customers.
- The US solar market offers a strong multi-year demand and margin tailwind, supported by solar capacity scaling to ~500GW by 2030, continued 45X manufacturing tax credits, and a sharp rise in power demand from data centers.

Exhibit 109: Geographic split of order book



Source: Company, PL

Exhibit 110: WAREEN's US capacity to reach its optimum level



Source: Company, PL

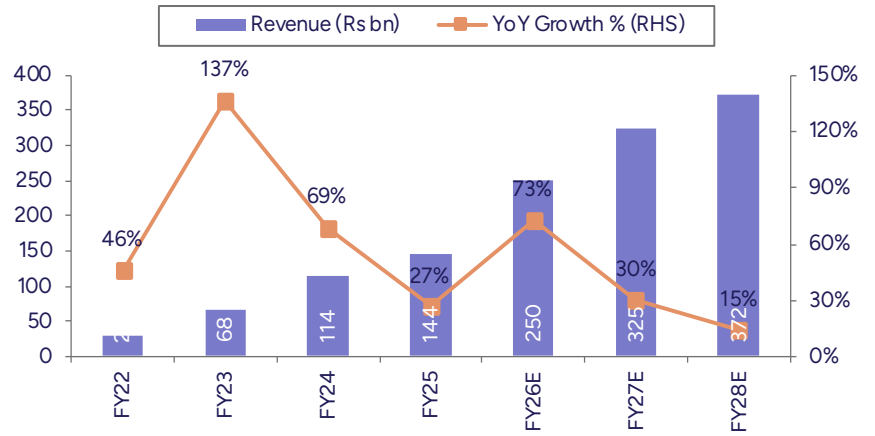
Financials & Valuations

Revenue to clock 37% CAGR over FY25-28E

WAAREEN reported a strong 72% revenue CAGR over FY22–25, driven by solar PV modules (+67% CAGR; 89.3% of total revenue in FY25), reflecting rapid scale-up in manufacturing and demand. EPC segment grew at a faster 120% CAGR, albeit from a lower base, contributing to ~11% of total revenue in FY25 and providing incremental diversification.

We expect consolidated revenue to grow at 37% CAGR over FY25–28E, led by solar PV modules (~37% CAGR) on the back of capacity ramp-up and strong order inflows, while power generation (~12% CAGR) provides stable annuity-like growth and EPC contract (~35% CAGR) scale-up with improving execution and a rising project pipeline.

Exhibit 111: Revenue to clock 37% CAGR over FY25-28E



Source: Company, PL

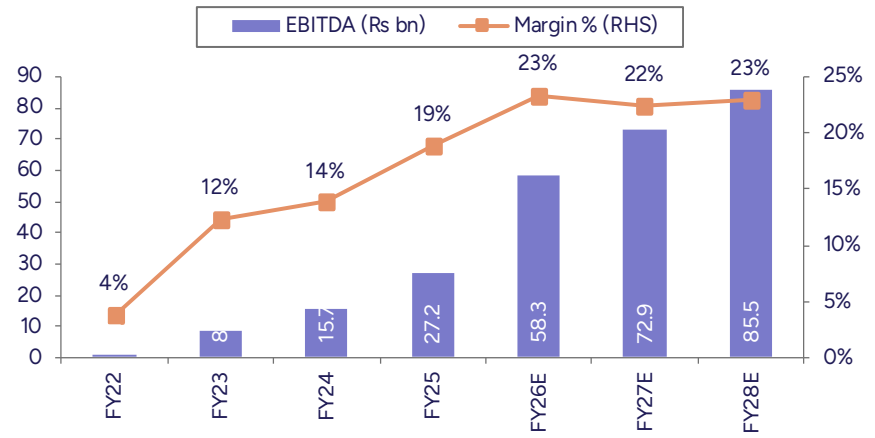
EBITDA margin to expand by 410bps by FY28E

WAAREEEN's EBITDA margin trajectory reflects a clear structural improvement over the past few years. Margins improved steadily from 4.6% in FY20 to 7.7% in FY21, before inflecting sharply to ~18.8% in FY25 on the back of rapid capacity expansion and improved cost efficiencies.

EBITDA margin to expand by ~410bps over FY25-28E

We expect EBITDA margin to expand by ~410bps over FY25-28E on the back of 1) improving operating leverage from scale-up in module and cell capacities, 2) accelerated backward integration into cells and ingot–wafers, 3) richer product mix with higher efficiency technologies, and 4) improving cost efficiencies across procurement and manufacturing. We estimate EBITDA CAGR of ~46.5% over FY25–28E.

Exhibit 112: EBITDA to clock ~47% CAGR over FY25-28E

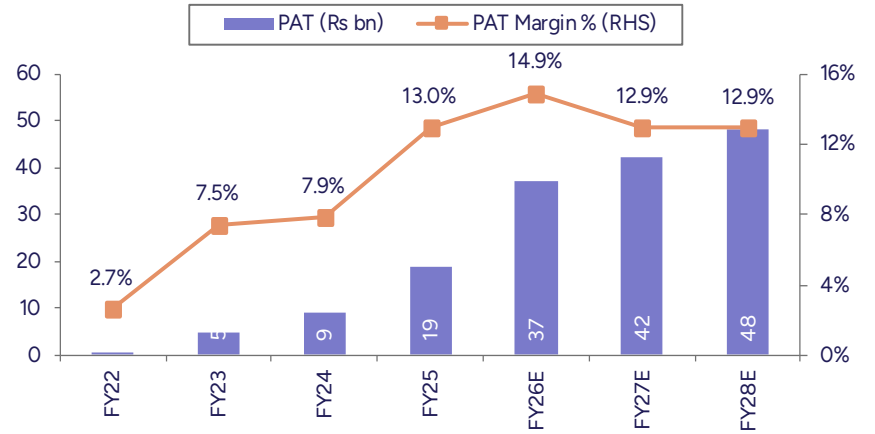


Source: Company, PL

Adj PAT to grow at 37.1% CAGR over FY25-28E

We expect PAT CAGR of 37.1% over FY25-28E, led by EBITDA margin expansion from backward integration and operating leverage, aided by a favorable mix shift toward higher-margin exports, as well as huge capex of Rs250bn with net cash of Rs9bn by FY28E.

Exhibit 113: PAT margin to reach 12.9.0% in FY28E



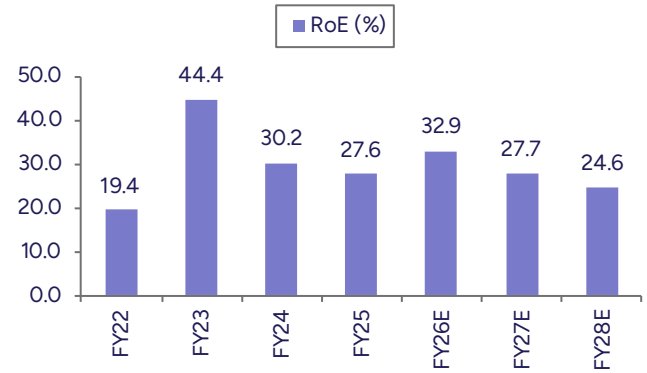
Source: Company, PL

Exhibit 114: Consolidated P&L statement

(Rs mn)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**67,509**	**1,13,976**	**1,44,445**	**2,49,597**	**3,25,049**	**3,72,299**
Growth (%)	*136.5*	*68.8*	*26.7*	*72.8*	*30.2*	*14.5*
Domestic Module	65,518	1,06,545	1,27,804	1,77,661	2,34,744	2,78,737
Growth (%)	*136.4*	*62.6*	*20.0*	*39.0*	*32.1*	*18.7*
US Module			1,766	44,553	59,281	57,161
Growth (%)				*2423.1*	*33.1*	*-3.6*
Others	3,460	8,764	15,928	28,486	33,316	39,025
Growth (%)	*113.9*	*153.3*	*81.7*	*78.8*	*17.0*	*17.1*
Gross Profit	**14,345**	**23,838**	**39,237**	**80,870**	**1,02,391**	**1,19,508**
Gross margins (%)	*21.2*	*20.9*	*27.2*	*32.4*	*31.5*	*32.1*
Operational Cost	5,999	8,094	12,021	22,608	29,504	34,018
% of sales	*8.9*	*7.1*	*8.3*	*9.1*	*9.1*	*9.1*
EBITDA	**8,347**	**15,744**	**27,216**	**58,261**	**72,886**	**85,490**
Margin (%)	*12.4*	*13.8*	*18.8*	*23.3*	*22.4*	*23.0*
Other Income	1,095	2,352	4,016	4,789	3,928	4,128
Depreciation	1,641	2,768	4,025	9,123	14,376	17,583
Interest	823	1,399	1,521	2,764	4,376	5,592
PBT	**6,978**	**13,928**	**25,686**	**51,163**	**58,064**	**66,443**
Tax	1,769	4,598	6,365	12,878	14,615	16,724
PAT	**4,828**	**12,372**	**18,674**	**37,236**	**42,082**	**48,154**
EPS (Rs)	**19.8**	**47.0**	**65.0**	**129.6**	**146.5**	**167.6**

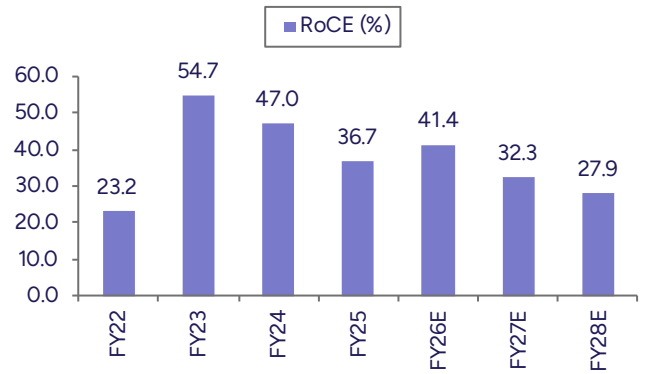
Source: Company, PL

Exhibit 115: RoE to reach to 24.6% by FY28E



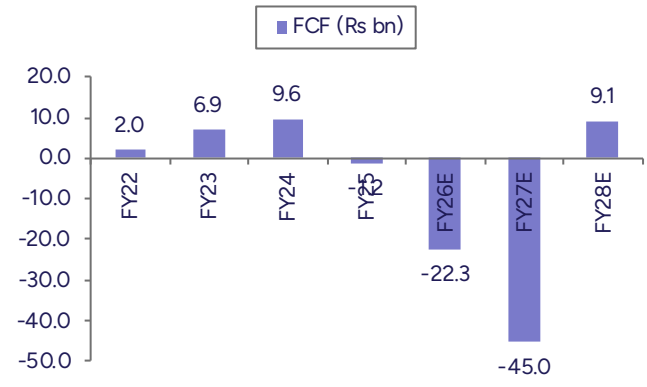
Source: Company, PL

Exhibit 116: RoCE to reach to ~27.9% by FY28E



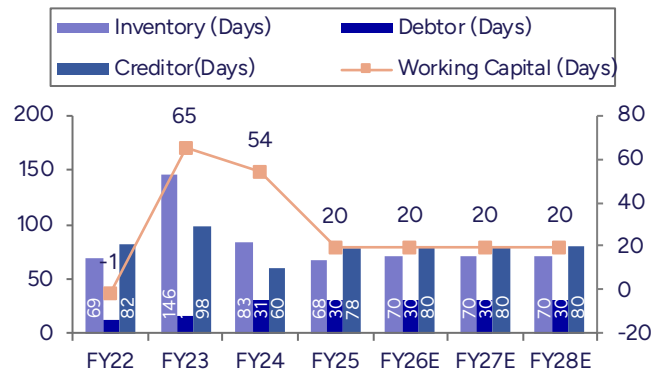
Source: Company, PL

Exhibit 117: FCF to improve by FY28 with scale



Source: Company, PL

Exhibit 118: Working capital days improving



Source: Company, PL

Outlook & Valuations

WAAREEEN's valuation outlook remains constructive, supported by a robust ~Rs470bn order book (H1FY26), an aggressive ~Rs250bn capex program, and a sharp capacity expansion planned across modules, cells and ingot–wafers, and value chain, which underpin strong earnings visibility. We expect sustained earnings growth driven by scale benefits, deeper backward integration, and improving margins, while optionality from US manufacturing and adjacencies further support a premium valuation versus peers.

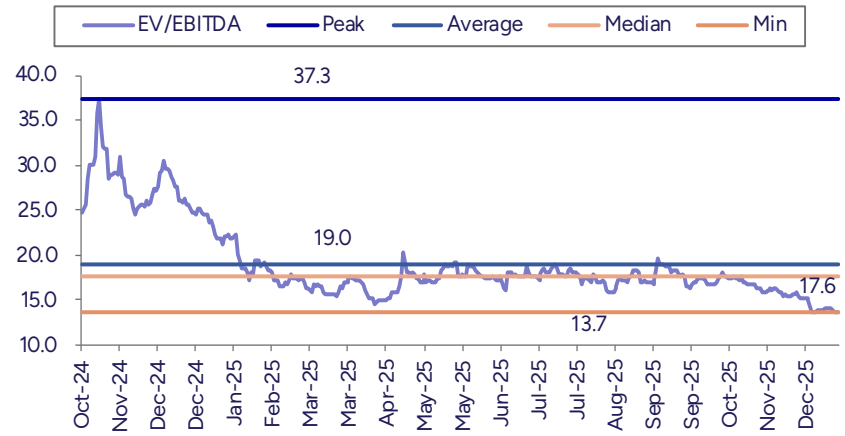
We value WAAREEEN's core business at 14x FY28E EV/EBITDA and BESS at 0.5x capex (invested capital) of Rs100bn and adjusting the minority interest (~25x target PE). We arrive at TP of Rs4,086, 33% upside from the CMP. Our TP implies a target P/E of 24x. We initiate coverage on WAAREEEN Energies with 'BUY'.

Exhibit 119: SOTP-based WAAREEEN's valuation – 14x FY28E EV/EBITDA

Consolidated (Mar'28E)	(Rs mn)
EBITDA	85,490
Target EV/EBITDA (x)	14x
EV	**11,54,112**
Net Debt (Mar'28 end)	(8,917)
Equity Value	**11,63,029**
Minority Interest	1,566
Target P/E (x)	25
Value of Net Minority	39,138
Target Equity Value	**11,23,891**
TP (Rs)	**3,912**
Investment in BESS	1,00,000
Target P/B (x)	0.5
Value of investment in BESS	50,000
Value of investment in BESS/share (Rs)	**174**
TP (Rs)	**4,086**

Source: Company, PL

Exhibit 120: WAAREEEN trading at 12x/10x FY27/28E EV/EBITDA



Source: Company, PL

Key Risks

Raw material price volatility: WAAREEEN remains exposed to fluctuations in prices of key inputs such as polysilicon, glass, EVA/backsheet and metals. Global supply–demand imbalances or Chinese price swings could pressure module margins, despite increasing backward integration.

Policy and ALMM/DCR dependence: WAAREEEN's domestic momentum is closely tied to ALMM, DCR and import-duty frameworks. Any dilution, delay or reversal in these policies may soften demand and compress realizations.

Execution risk in large capex: The company's multi-layered expansion across cells, ingot–wafers, BESS, inverters and IPP introduces risks around commissioning timelines, cost overruns and operational ramp-up, potentially affecting return metrics.

Technology transition risk: Fast-evolving cell technologies (TOPCon, HJT, tandem) require continuous capex and timely upgrades. Delays could erode competitiveness versus global peers.

US regulatory exposure: Anti-dumping investigations, IRA-linked qualification changes, and tariff revisions pose risks to WAAREEEN's US strategy, potentially impacting utilization and pricing in a key export market.

Annexure

Board of Directors & KMP

Exhibit 121: Board of Directors

Name	Designation
Dr. Hitesh Chimanlal Doshi	Chairman and Managing Director
Mr. Viren Chimanlal Doshi	Whole-time Director
Mr. Hitesh Pranjivan Mehta	Whole-time Director
Dr. Amit Paithankar	Whole-time Director and Chief Executive Officer
Ms. Richa Manoj Goyal	Independent Director
Mr. Rajender Mohan Malla	Independent Director
Mr. Mahesh Ramchand Chhabria	Independent Director
Mr. Rajinder Singh Loona	Independent Director

Source: Company, PL

Exhibit 122: Management team

Name	Designation
Ms. Sonal Shrivastava	Chief Financial Officer
Mr. Abhishek Pareek	Group Head, Finance
Mr. Pawan Agarwal	Chief Executive Officer, Infrastructure
Mr. Anuj Sharma	Chief Executive Officer, Hydrogen
Mr. Sunil Rathi	Director, Sales
Dr. Jignesh Rathod	Director, Operations

Source: Company, PL

Exhibit 123: Auditors

Name	Designation
M/s. S R B C & Co LLP	Statutory Auditor
M/s. Mahajan & Aibara LLP	Internal Auditor
M/s. V J Talati & Co	Cost Auditor
M/s. Makarand M Joshi & Co	Secretarial Auditor

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	**1,44,445**	**2,49,597**	**3,25,049**	**3,72,299**
YoY gr. (%)	*26.7*	*72.8*	*30.2*	*14.5*
Cost of Goods Sold	1,05,208	1,68,728	2,22,659	2,52,791
Gross Profit	39,237	80,870	1,02,391	1,19,508
Margin (%)	*27.2*	*32.4*	*31.5*	*32.1*
Employee Cost	3,182	6,240	8,126	9,494
Other Expenses	8,060	15,120	19,753	22,663
EBITDA	**27,216**	**58,261**	**72,886**	**85,490**
YoY gr. (%)	*72.9*	*114.1*	*25.1*	*17.3*
Margin (%)	*18.8*	*23.3*	*22.4*	*23.0*
Depreciation and Amortization	4,025	9,123	14,376	17,583
EBIT	**23,192**	**49,139**	**58,511**	**67,907**
Margin (%)	*16.1*	*19.7*	*18.0*	*18.2*
Net Interest	1,521	2,764	4,376	5,592
Other Income	4,016	4,789	3,928	4,128
Profit Before Tax	**25,686**	**51,163**	**58,064**	**66,443**
Margin (%)	*17.8*	*20.5*	*17.9*	*17.8*
Total Tax	6,365	12,878	14,615	16,724
Effective tax rate (%)	*24.8*	*25.2*	*25.2*	*25.2*
Profit after tax	**19,321**	**38,285**	**43,449**	**49,719**
Minority interest	607	1,050	1,367	1,566
Share Profit from Associate	-	-	-	-
Adjusted PAT	**18,714**	**37,236**	**42,082**	**48,154**
YoY gr. (%)	*108.9*	*99.0*	*13.0*	*14.4*
Margin (%)	*13.0*	*14.9*	*12.9*	*12.9*
Extra Ord. Income / (Exp)	(40)	-	-	-
Reported PAT	**18,674**	**37,236**	**42,082**	**48,154**
YoY gr. (%)	*50.9*	*99.4*	*13.0*	*14.4*
Margin (%)	*12.9*	*14.9*	*12.9*	*12.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	18,674	37,236	42,082	48,154
Equity Shares O/s (m)	**287**	**287**	**287**	**287**
EPS (Rs)	**65.1**	**129.6**	**146.5**	**167.6**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	**49,860**	**81,595**	**1,47,340**	**2,26,578**
Tangibles	49,793	81,527	1,47,273	2,26,511
Intangibles	67	67	67	67
Acc: Dep / Amortization	**9,414**	**17,799**	**31,618**	**48,394**
Tangibles	9,389	17,769	31,585	48,356
Intangibles	26	30	34	38
Net fixed assets	**40,446**	**63,796**	**1,15,722**	**1,78,184**
Tangibles	40,405	63,758	1,15,688	1,78,154
Intangibles	42	38	34	29
Capital Work In Progress	18,841	36,841	68,841	43,841
Goodwill	63	63	63	63
Non-Current Investments	4,092	4,992	5,526	6,329
Net Deferred tax assets	47	47	47	47
Other Non-Current Assets	2,002	2,596	3,459	2,209
Current Assets				
Investments	647	747	847	947
Inventories	26,921	47,868	62,338	71,400
Trade receivables	11,848	20,473	26,661	30,537
Cash & Bank Balance	77,478	72,898	60,459	74,290
Other Current Assets	13,029	14,976	16,252	18,615
Total Assets	**1,97,474**	**2,67,707**	**3,62,579**	**4,29,109**
Equity				
Equity Share Capital	2,873	2,873	2,873	2,873
Other Equity	91,919	1,28,579	1,69,512	2,15,942
Total Networth	**94,792**	**1,31,452**	**1,72,385**	**2,18,815**
Non-Current Liabilities				
Long Term borrowings	242	210	178	146
Provisions	1,551	1,747	2,275	2,606
Other non current liabilities	7,201	8,736	9,751	11,169
Current Liabilities				
ST Debt / Current of LT Debt	9,153	24,575	58,384	66,174
Trade payables	22,549	36,981	48,802	55,406
Other current liabilities	56,160	55,892	60,963	63,280
Total Equity & Liabilities	**1,97,474**	**2,67,707**	**3,62,579**	**4,29,109**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	25,646	51,163	58,064	66,443
Add. Depreciation	4,025	9,123	14,376	17,583
Add. Interest	766	2,764	4,376	5,592
Less Financial Other Income	4,016	4,789	3,928	4,128
Add. Other	(3,000)	(4,064)	(3,677)	(1,927)
Op. profit before WC changes	27,437	58,986	73,138	87,690
Net Changes-WC	11,574	(17,962)	(5,182)	(6,777)
Direct tax	(7,428)	(12,878)	(14,615)	(16,724)
Net cash from Op. activities	**31,582**	**28,146**	**53,341**	**64,190**
Capital expenditures	(32,726)	(50,432)	(98,261)	(55,005)
Interest / Dividend Income	2,983	4,789	3,928	4,128
Others	(38,340)	30,000	15,000	(10,000)
Net Cash from Invt. activities	**(68,084)**	**(15,644)**	**(79,333)**	**(60,877)**
Issue of share cap. / premium	35,080	-	-	-
Debt changes	5,991	12,710	31,461	6,196
Dividend paid	-	(575)	(1,149)	(1,724)
Interest paid	(714)	(2,671)	(4,261)	(5,468)
Others	29	200	200	200
Net cash from Fin. activities	**40,386**	**9,664**	**26,251**	**(796)**
Net change in cash	**3,884**	**22,166**	**260**	**2,517**
Free Cash Flow	(1,159)	(22,327)	(44,960)	9,145

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26E
Net Revenue	**40,039**	**44,258**	**60,656**	**60,772**
YoY gr. (%)	*36.4*	*29.8*	*69.7*	*75.8*
Raw Material Expenses	27,163	30,017	39,545	40,717
Gross Profit	12,876	14,242	21,111	20,055
Margin (%)	*32.2*	*32.2*	*34.8*	*33.0*
EBITDA	**9,226**	**9,973**	**14,064**	**14,585**
YoY gr. (%)	*120.5*	*80.5*	*168.0*	*102.1*
Margin (%)	*23.0*	*22.5*	*23.2*	*24.0*
Depreciation / Depletion	1,534	1,821	2,398	2,400
EBIT	**7,692**	**8,153**	**11,666**	**12,185**
Margin (%)	*19.2*	*18.4*	*19.2*	*20.1*
Net Interest	567	433	961	700
Other Income	1,370	1,714	1,609	1,700
Profit before Tax	**8,495**	**9,434**	**12,315**	**13,185**
Margin (%)	*21.2*	*21.3*	*20.3*	*21.7*
Total Tax	2,010	1,705	3,533	3,319
Effective tax rate (%)	*23.7*	*18.1*	*28.7*	*25.2*
Profit after Tax	**6,485**	**7,729**	**8,782**	**9,867**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**6,485**	**7,729**	**8,782**	**9,867**
YoY gr. (%)	*254.5*	*92.7*	*133.8*	*94.7*
Margin (%)	*16.2*	*17.5*	*14.5*	*16.2*
Extra Ord. Income / (Exp)	(40)	-	-	-
Reported PAT	**6,445**	**7,729**	**8,782**	**9,867**
YoY gr. (%)	*35.6*	*92.7*	*133.8*	*94.7*
Margin (%)	*16.1*	*17.5*	*14.5*	*16.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**6,445**	**7,729**	**8,782**	**9,867**
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	**-**	**-**	**-**	**-**

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	65.1	129.6	146.5	167.6
CEPS	79.2	161.4	196.5	228.8
BVPS	330.0	457.6	600.1	761.7
FCF	(4.0)	(77.7)	(156.5)	31.8
DPS	-	4.0	6.0	8.0
Return Ratio(%)				
RoCE	36.7	41.4	32.3	27.9
ROIC	(435.5)	65.0	33.1	27.8
RoE	27.6	32.9	27.7	24.6
Balance Sheet				
Net Debt : Equity (x)	(0.7)	(0.4)	0.0	0.0
Net Working Capital (Days)	20	20	20	20
Valuation(x)				
PER	47.2	23.7	21.0	18.4
P/B	9.3	6.7	5.1	4.0
P/CEPS	38.9	19.1	15.7	13.4
EV/EBITDA	29.9	14.3	12.1	10.2
EV/Sales	5.6	3.3	2.7	2.4
Dividend Yield (%)	-	0.1	0.2	0.3

Source: Company Data, PL Research

Vikram Solar (VIKRAMSO IN)

Rating: ACCUMULATE | CMP: Rs241 | TP: Rs275

December 26, 2025

Company Initiation

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	34,235	49,595	91,521	1,34,675
EBITDA (Rs. m)	4,920	9,207	16,627	25,826
Margin (%)	*14.4*	*18.6*	*18.2*	*19.2*
PAT (Rs. m)	1,398	4,598	4,689	5,219
EPS (Rs.)	4.4	12.7	13.0	14.4
Gr. (%)	*25.1*	*187.9*	*2.0*	*11.3*
DPS (Rs.)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	*16.6*	*20.7*	*13.6*	*13.3*
RoCE (%)	*27.3*	*25.1*	*13.9*	*13.0*
EV/Sales (x)	2.2	1.7	1.8	1.2
EV/EBITDA (x)	15.6	9.3	9.7	6.4
PE (x)	54.6	19.0	18.6	16.7
P/BV (x)	6.1	2.7	2.4	2.1

Key Data	VIKO.BO | VIKRAMSO IN
52-W High / Low	Rs.408 / Rs.228
Sensex / Nifty	85,409 / 26,142
Market Cap	Rs.87bn/ $ 973m
Shares Outstanding	362m
3M Avg. Daily Value	Rs.590.66m

Shareholding Pattern (%)

Promoter's	63.17
Foreign	9.19
Domestic Institution	13.25
Public & Others	14.39
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(12.3)	-	-
Relative	(12.9)	-	-

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Aggressive expansion to capture opportunity

We initiate coverage on Vikram Solar Ltd (VIKRAMSO) with 'Accumulate' rating and TP of Rs275, valuing at SOTP, implying PE of 19x FY28E. VIKRAMSO is a key player in the domestic solar equipment manufacturing space, with an expanding product portfolio. We believe VIKRAMSO is well positioned to benefit from the booming domestic solar sector and government incentives led by 1) the increase in its domestic module capacity from 4.5GW to 17.5GW and ramp-up, 2) the expansion in cell manufacturing to 12GW for backward integration, and 3) a strong order book of 11.2GW as of Sep'25. We estimate revenue/EBITDA/PAT CAGR of 57.9%/73.8%/55.9% over FY25-28E. Initiate with 'Accumulate'.

- **Strong sector tailwinds driving local manufacturing shift:** VIKRAMSO is entering a transformational scale-up phase as India accelerates toward a fully domestically integrated solar value chain. The company is evolving from a 4.5GW (FY25) module manufacturer into a vertically integrated platform, targeting ~17.5GW of module and ~12GW of cell capacity by FY27, positioning it among the top 3 integrated solar OEMs in India. Supportive sector tailwinds – including ALMM enforcement, anti-dumping measures, growing BESS adoption, and an aggressive renewable tender pipeline – underpin a multi-year structural demand runway.

- **Capacity expansion boosting integration and competitiveness:** VIKRAMSO's capacity expansion is among the most aggressive, scaling modules from 4.5GW to 17.5GW and cells from 0GW to 12GW over FY25–27E, enabling 70–75% backward integration, lower import dependence, and margin expansion from FY28E, while positioning it closer to peers like WAAREEEN and PREMIERE. Execution remains the key risk, as industry-wide 6–12 month commissioning delays are common in cell manufacturing and VIKRAMSO currently lags peers in cell scale under tightening DCR norms, though the gap could narrow by FY28E.

- **Strong order visibility; margins to improve:** VIKRAMSO has a robust 11.2GW order book in H1FY26 (~3.4x FY26E volumes), with ~85% domestic mix post ALMM, diversified across IPPs, C&I, government, EPC and distribution; variable-pricing contracts provide strong volume visibility and input-cost protection as capacities ramp up. Margins and cash generation are improving (EBITDA 21.3% in H1FY26), with a further ~100 bps margin uplift expected from FY28 as captive cell production reduces import dependence and volatility, though elevated capex continues to pressure free cash flows.

- **Improving financial profile and operating leverage:** VIKRAMSO's aggressive backward-integration plans are constrained by high capital intensity, with Rs15bn IPO proceeds (Aug'25) allocated to Phase I/II capex and general purposes, a Rs17bn facility from IREDA, and an estimated additional Rs54–55bn of debt required to fund ~Rs112bn capex over FY26–28, implying sustained reliance on leverage. With expected OCF of ~Rs32.3bn over FY25–28E versus planned capex of ~Rs112bn, the expansion leaves a structural funding gap, keeping balance-sheet leverage elevated.

VIKRAMSO – Fully integrated solar solutions provider in the making

Incorporated in 2006, Vikram Solar Ltd (VIKRAMSO) is a Kolkata-based company engaged in providing solar energy solutions, manufacturing, and exporting PV modules and undertaking engineering, procurement, and construction (EPC) of solar power plants. VIKRAMSO is one of India's established solar module manufacturers with 4.5GW operational module capacity and a strong domestic presence across 19 states. The company has sold 8.7GW of modules to date and is consistently ranked as a Tier-1 manufacturer by BNEF, with repeated recognition in PVEL's Top Performer scorecard. VIKRAMSO has its manufacturing facility located in Falta SEZ in West Bengal and in Chennai with a capacity of 4.5GW.

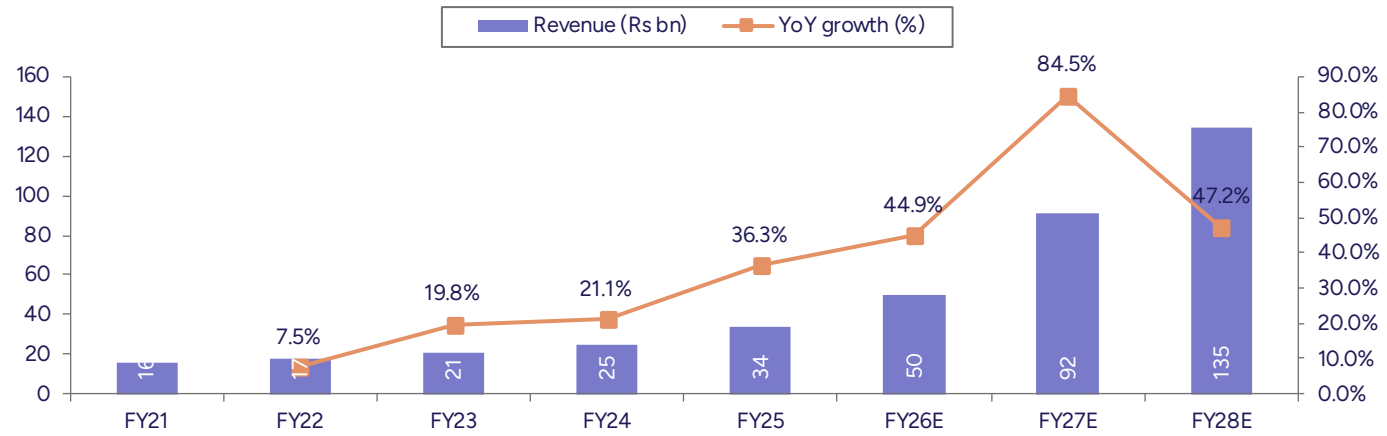
- The company is undergoing one of the largest capacity expansions in the sector, targeting 17.5GW of module and 12GW of cell capacity by FY27, implying significant backward integration from FY28. Expansion includes the largest single-location cell gigafactory (Tamil Nadu), with the aim of achieving ~75% backward integration. Capex for the expansion is ~Rs75bn, funded through IPO proceeds, internal accruals and debt (funding gap: Rs45–50bn).

- VIKRAMSO's order book stood at **11.15GW as of Sep'25** versus 8.2GW as of Mar'25, providing strong revenue visibility. Domestic demand forms 80–85% of orders, buoyed by ALMM norms, anti-dumping measures, and strong utility-scale tendering. The sector outlook remains robust with India targeting **330GW solar by 2030**, supported by 115GW executable pipeline and favorable policy tailwinds (ALMM-3, BESS cost decline, GST reduction).

- VIKRAMSO's strategic priorities include a) completing capacity additions on time, b) ramping up domestic cell production to reduce import dependence, c) improving utilization across new capacities, d) selectively rebuilding exports while maintaining a domestic focus, and e) sustaining profitability through cost-plus contracts and hedged procurement.

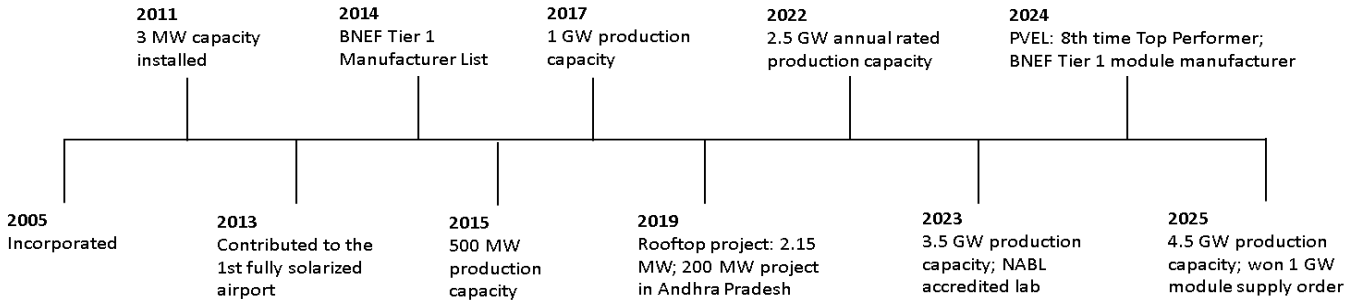
We believe VIKRAMSO is well positioned to get benefit of uptick in solar sector and government incentives, supported by a) strong and balanced capacity expansion in module and cells, b) widespread and efficient manufacturing and distribution network, and c) strong order book across customers. Over FY22-25, overall revenue/EDITDA CAGR stood at 25.5%/103.2% and PAT reached Rs1.4bn in FY25 from loss of 629mn in FY22, with PV module sales and capacity logging 56.5%/21.6% CAGR.

Exhibit 124: Revenue continues to grow at faster pace with capacity enhancement (57.9 CAGR over FY25-28E)



Source: Company, PL

Exhibit 125: VIKRAMSO – Key milestones



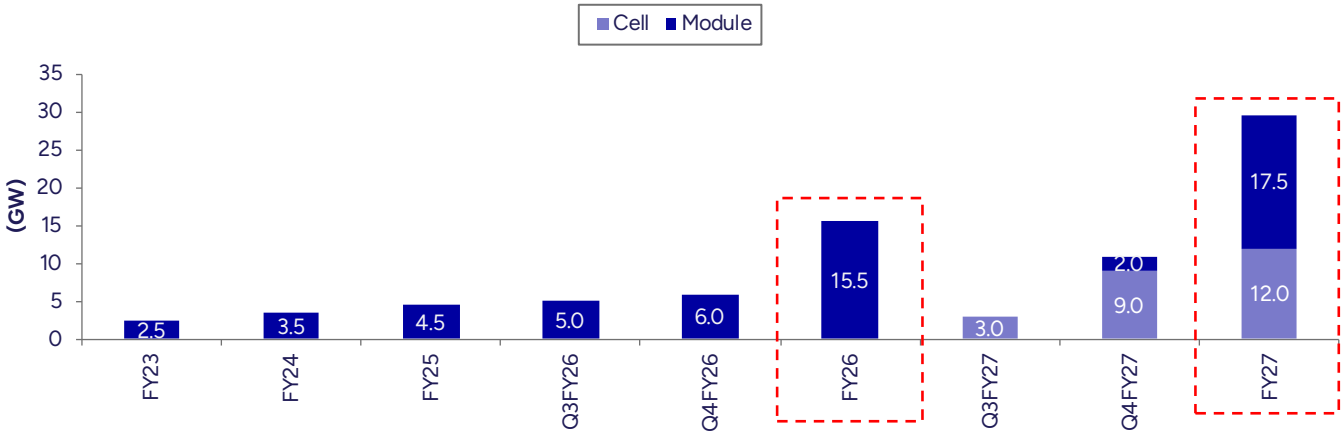
Source: Company, PL

Exhibit 126: IPO – Use of proceeds and timeline

IPO amount (Rs mn)	Raised	Utilized (Sep'25)	Unutilized
Capex - Phase I Project	7,697	490	7,207
Capex - Phase II Project	5,952	0	5,952
General Corp. purposes	495	495	0
Total	**14,145**	**986**	**13,159**

Source: Company, PL

Exhibit 127: Capacity expansion to 17.5GW for modules & 12GW for cells by FY27



Source: Company, PL

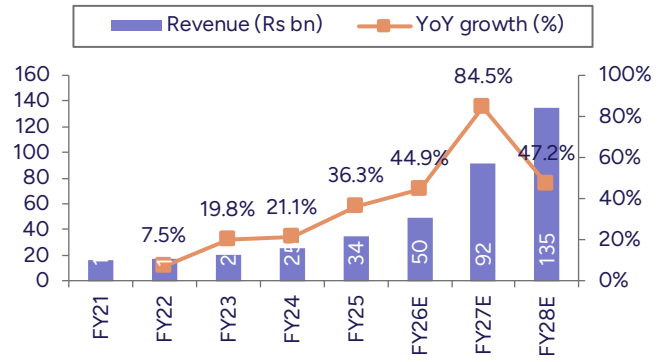
Exhibit 128: Business overview

	FY23	FY24	FY25	FY26E	FY27E	FY28E
Module Capacity (GW)	3.5	3.5	4.5	15.5	17.5	17.5
Module Sales (GW)	0.6	0.9	1.9	3.3	6.7	9.2
Cell Capacity (GW)	-	-	-	-	12.0	12.0
Cell Production (GW)	-	-	-	-	0.9	5.3
Total Order book (GW)	**2.8**	**4.4**	**10.3**	**14.0**	**18.8**	**25.4**
Revenue (Rs mn)	**20,732**	**25,110**	**34,235**	**49,595**	**91,521**	**1,34,675**
% growth	*19.8*	*21.1*	*36.3*	*44.9*	*84.5*	*47.2*
EBITDA (Rs mn)	1,862	3,986	4,920	9,207	16,627	25,826
EBITDA margin (%)	*9.0*	*15.9*	*14.4*	*18.6*	*18.2*	*19.2*
PAT (Rs mn)	**145**	**797**	**1,398**	**4,598**	**4,689**	**5,219**
PAT margin (%)	*0.7*	*3.2*	*4.1*	*9.3*	*5.1*	*3.7*
EPS (Rs)	**0.6**	**3.5**	**4.4**	**12.7**	**13.0**	**14.4**
Gross Debt (Rs mn)	7,828	8,452	2,628	16,133	77,226	86,631
Net Debt (Rs mn)	6,786	7,295	738	-1,476	75,603	79,694
Net Debt/Equity (x)	1.9	1.6	0.1	0.0	2.1	1.9
RoE (x)	**4.0**	**22.5**	**16.6**	**20.7**	**13.6**	**13.3**
RoCE (x)	**13.1**	**23.2**	**27.3**	**25.1**	**13.9**	**13.0**
Capex (Rs mn)	-1,312	-712	-1,464	-15,559	-82,098	-13,415
Net Working Capital (days)	134	89	58	62	62	62
Net cash from operations	1,954	1,520	2,987	3,879	8,600	16,694
Free Cash to Firm (FCFF)	642	808	1,523	-11,680	-73,497	3,278

Source: Company, PL

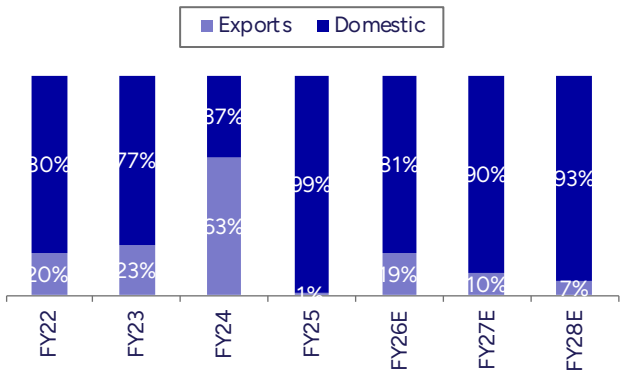
Story in Charts

Exhibit 129: Revenue to grow at 57.9% CAGR over FY25-28E



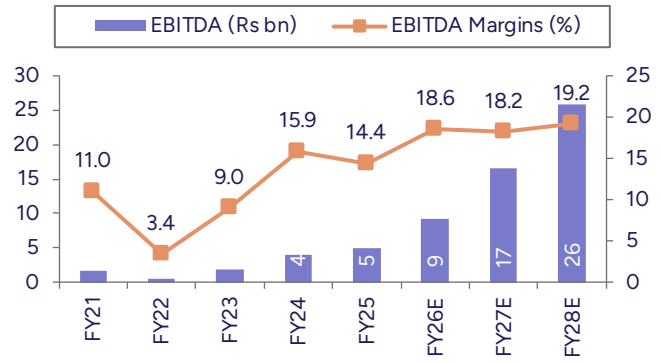
Source: Company, PL

Exhibit 130: Revenue contribution geography-wise



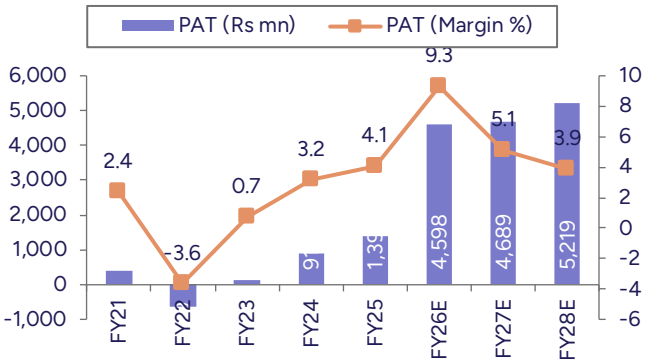
Source: Company, PL

Exhibit 131: EBITDA to improve by ~480bps over FY25-28E



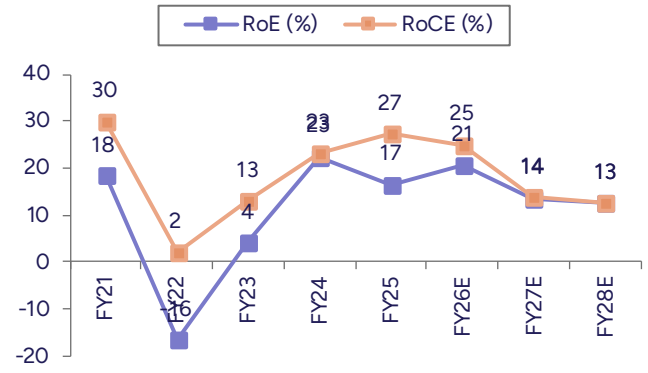
Source: Company, PL

Exhibit 132: Adj PAT to grow 55.1% CAGR over FY25-28E



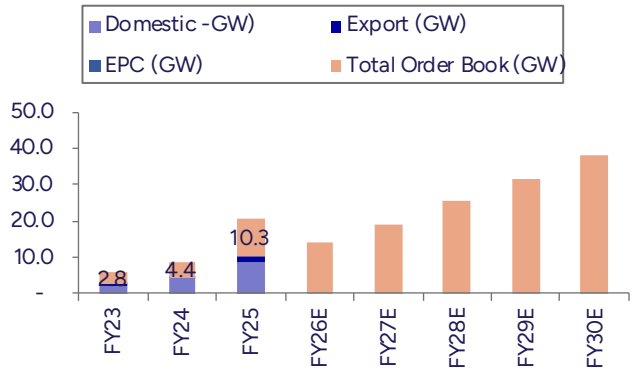
Source: Company, PL

Exhibit 133: RoE/RoCE to remain stable at 13% in FY28



Source: Company, PL

Exhibit 134: Total order book (GW)



Source: Company, PL

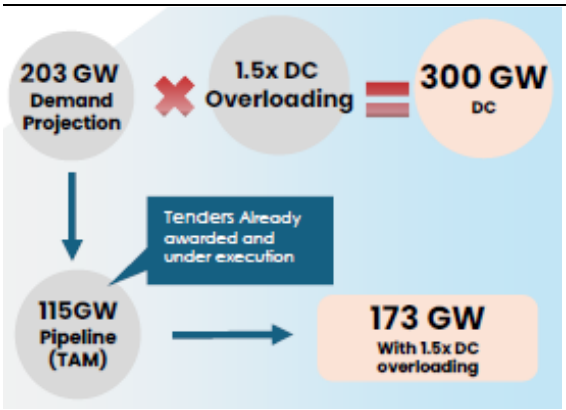
Investment Arguments

Strong sector tailwinds driving local manufacturing shift

India is at a solar inflection point, with an expected **280-300GW DC (~200GW AC) solar requirement by FY28** driven by utility-scale bidding, C&I demand, rooftop adoption, and green hydrogen installations. Policy alignment is robust, driven through a) ALMM-II mandates domestic cell from FY27, b) ALMM-III mandates domestic wafers/ingots from FY28, c) Anti-dumping duties recommended on Chinese solar cells, d) GST cut to 5% on RE equipment, and e) BESS cost declines support hybrid installations. These policies shift domestic manufacturers from import substitutes to strategic national assets. VIKRAMSO, with scale-up plans and Tier-1 bankability, is structurally positioned to capture market share in the domestic demand expansion cycle.

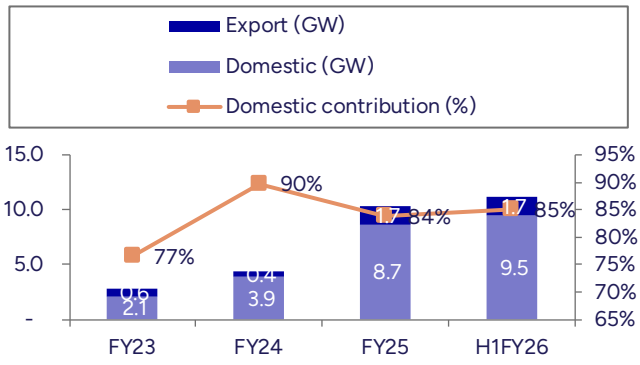
- VIKRAMSO's order book has scaled sharply from 2.8GW in FY23 to 11.2GW by H1FY26, driven by a clear pivot toward domestic demand following ALMM and BCD policy measures. The domestic order book contribution increased from 77% in FY23 to 85% in H1FY26. Supported by this robust order book and execution capabilities, we estimate module sales volumes to increase to ~9.2GW by FY28E from ~1.9GW in FY25.

Exhibit 135: Solar demand to reach ~200GW by FY28



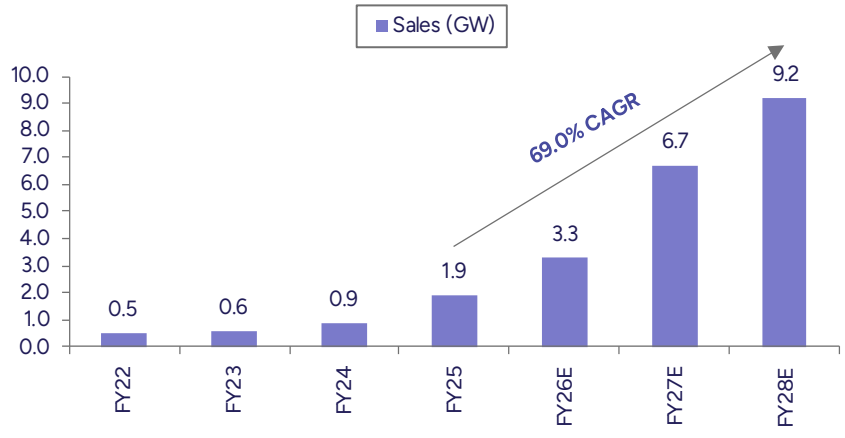
Source: Company, PL

Exhibit 136: Healthy order book driven by domestic demand



Source: Company, PL

Exhibit 137: Sales volume to clock 69.0% CAGR over FY25-28E



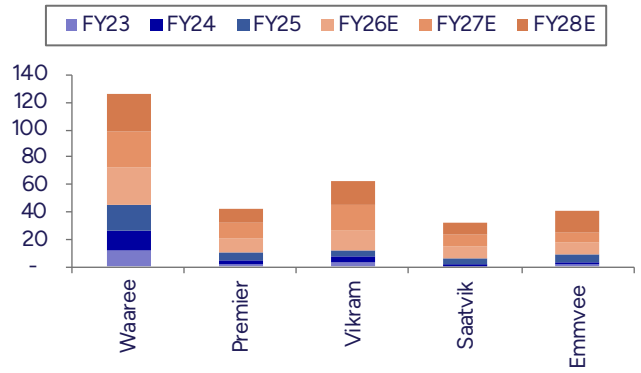
Source: Company, PL

Transformational capacity expansion boosting integration and competitiveness

VIKRAMSO's capacity build-out is among the most ambitious in the sector. The PV module capacity to increase from 4.5GW to 17.5GW and solar cells from 0 to 12GW over FY25-27E. This will make VIKRAMSO, one of the large integrated Indian OEM, reducing dependence on imported cells and enabling margin expansion from FY28E. At full ramp, VIKRAMSO targets 70-75% backward integration, including future readiness toward wafer/ingot capacity as ALMM-III becomes operative. This scale-up enables backward integration, cost competitiveness, improved margins, and strategic relevance as India pushes for wafer-ingot localization from FY28. The expansion positions VIKRAMSO to close the competitive gap with WAAREEEN and PREMIERE.

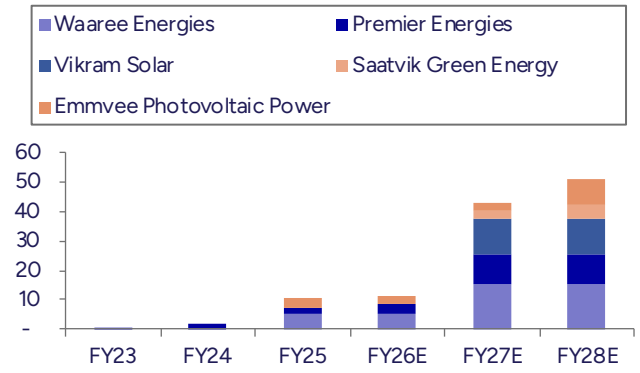
- Industry-wide patterns suggest 6–12 months commissioning delays are common in cell manufacturing. VIKRAMSO's execution capability will thus be the central determinant of its execution and valuation.
- Compared with Waaree and Premier Energies, VIKRAMSO lags in cell manufacturing scale amid tightening DCR norms, raising execution risk as peers with established capacities move faster. While the gap may narrow by FY28E.

Exhibit 138: Faster expansion in module capacity



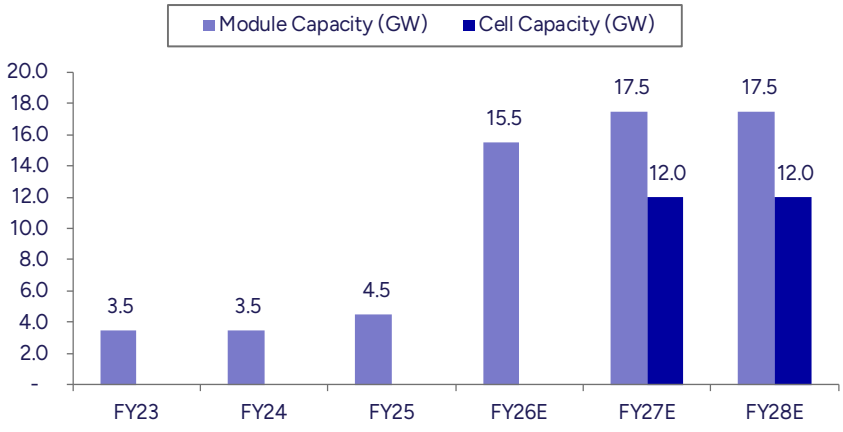
Source: Company, PL

Exhibit 139: Execution key to cell capacity catch-up



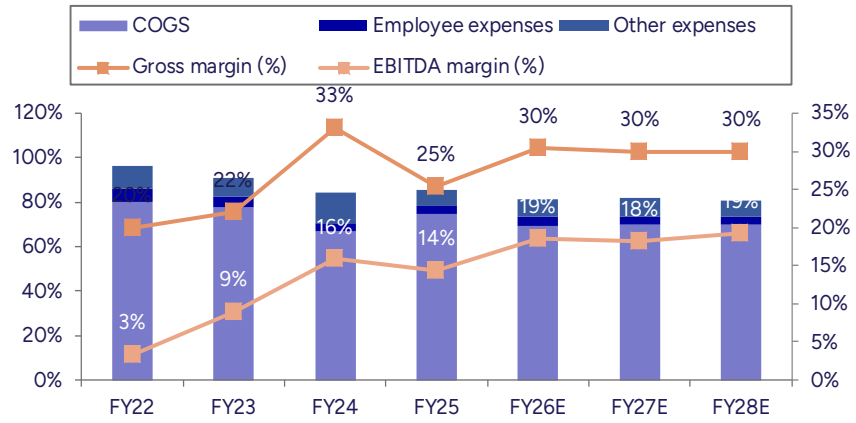
Source: Company, PL

Exhibit 140: Ambitious capacity expansion plan to bridge the gap with peers



Source: Company, PL

Exhibit 141: Margin to remain stable with backward integration



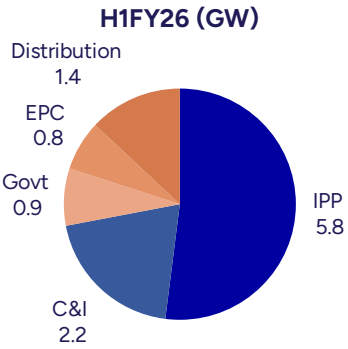
Source: Company, PL

Strong Order Visibility; Margins to Improve

The company has order book of 11.2GW in H1FY26 is around 3.4x estimated FY26 volume, providing predictable growth. The mix has shifted decisively toward domestic customers (85%) after ALMM reinstatement and anti-dumping tailwinds.

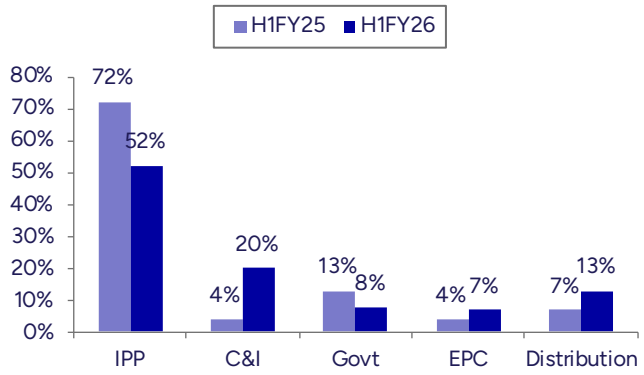
- The order mix spans IPPs (52%), C&I (20%), government (8%), EPC (7%) and distribution (13%), with the most of orders based on variable-pricing contracts that mitigate input-cost volatility, thereby providing strong volume visibility and assured throughput as new facilities ramp up.
- Profitability has strengthened materially, with EBITDA margin reaching 21.3% in H1FY26 and working-capital cycles showing improvement, although elevated planned capex continues to weigh on free cash flows. Notably, H1FY26 profitability has already exceeded FY25 levels, driven by better pricing, higher utilization, and operating leverage, translating into improved operating cash flows.
- From FY27, captive cell production is expected to raise EBITDA margin by ~100bps due to cost savings, lower import dependence, and reduced volatility. With module realizations linked to pass-through pricing, higher internal value capture becomes the primary driver of profitability. As ALMM-III pushes ingot/wafer localization, VIKRAMSO stands to benefit from future integration phases.

Exhibit 142: Orderbook broadening across customers (H1FY26)



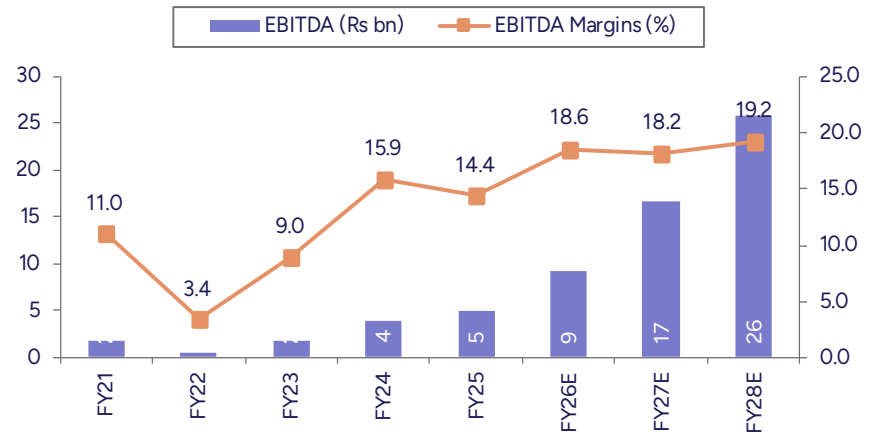
Source: Company, PL

Exhibit 143: Orderbook led by C&I and distribution customers



Source: Company, PL

Exhibit 144: EBITDA margin to expand by 480bps over FY25-28E



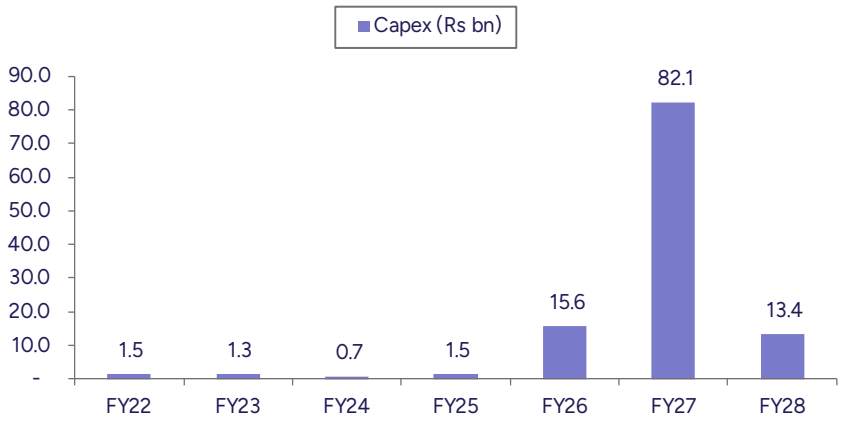
Source: Company, PL

Cash-flow risk from aggressive, multi-year capex cycle

While most participants in India's solar manufacturing ecosystem have articulated plans for deeper backward integration, we believe the elevated capital intensity materially constrains the pace and self-fundability of capacity additions. VIKRAMSO raised ~Rs15bn through its IPO in Aug'25, with proceeds earmarked for Phase I/II (Rs7.7bn/Rs5.95bn) capex and general corporate purposes and has secured Rs 17bn debt facility from IREDA for capacity expansion in Tamil Nadu. In addition, we believe further borrowings of ~Rs 54-55bn company need to be raised to fund its capacity expansion which requires Rs 112bn over FY26-28. Thus, expansion underscores the likelihood of sustained reliance on leverage.

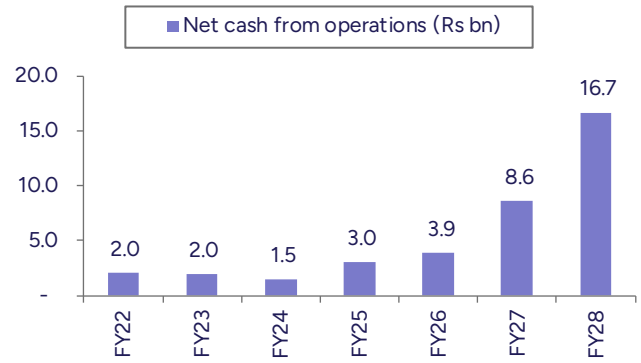
- The company is expected to generate ~Rs 32.2bn of OCF over FY25–28E, against planned capex of ~Rs 112bn, implying a sustained funding gap.

Exhibit 145: Aggressive FY26–28 capex pressuring balance sheet



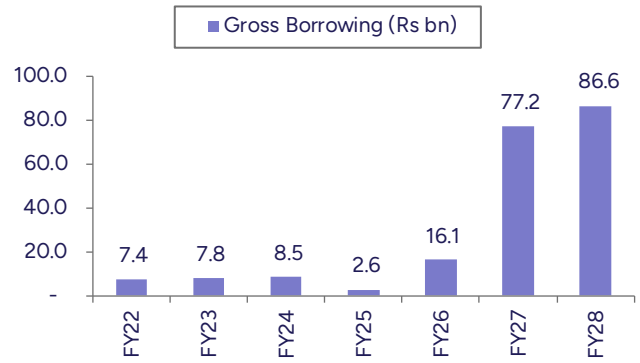
Source: Company, PL

Exhibit 146: OCF rises with improved operational efficiency



Source: Company, PL

Exhibit 147: Gross borrowings rise to fund aggressive capex



Source: Company, PL

Promoter Share Pledge Not a Near-term Concern

The promoter has pledged part of its shareholding, largely pre-IPO, ~110mn equity shares, or 48.2% of promoter holdings (~30.4% of total equity). These pledges are largely pre-IPO and were created as security for: (a) working capital facilities of Rs 26bn availed by VSL from a consortium of scheduled commercial banks, and (b) certain debt securities aggregating Rs 25.5bn issued by VSL Ventures Pvt Ltd, a wholly owned subsidiary of Vikram Capital Management Pvt Ltd (one of the promoters). The company expects these pledged shares to remain in place going forward. We do not see any material risk arising from the existing pledge structure.

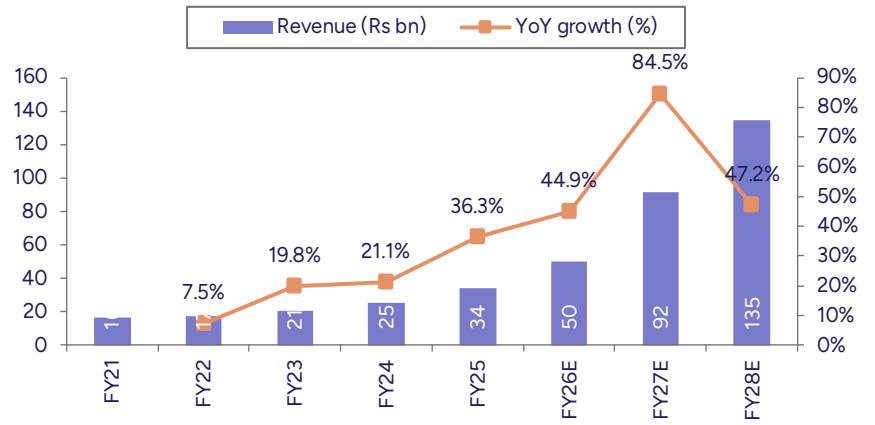
Financials & Valuations

Revenue to clock CAGR of 57.9% over FY25-28E

The company delivered a revenue CAGR of 25.5% over FY22–25, driven by (a) strong growth in solar PV module volumes (56.6% CAGR) and (b) rapid scaling of domestic sales to key accounts, which accounted for ~36% of FY25 revenue and recorded a ~65% revenue CAGR, supported by robust demand.

We expect consolidated revenue to grow at a 57.9% CAGR over FY25–28E, driven by (a) strong growth in solar PV module volumes (69.0% CAGR) supported by capacity expansion from 4.5GW to 17.5GW, (b) sustained order inflows, with expected the order book rising from 11.2GW in H1FY26 to ~25GW by FY28E, and (c) backward integration into solar cells, with capacity increasing from 0GW to 12.0GW over FY25–28E.

Exhibit 148: Revenue to grow at 57.9% CAGR over FY25-28E



Source: Company, PL

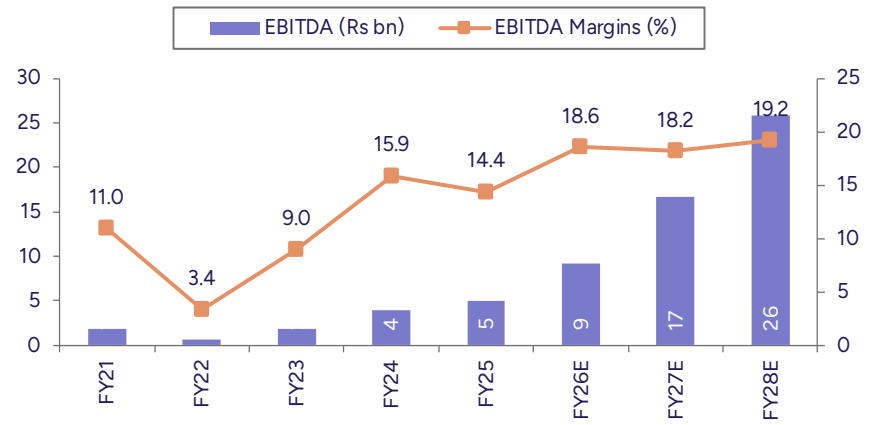
EBITDA margin to expand by ~480bps by FY28E

VIKRAMSO reported a sharp expansion in profitability over FY22–25, with gross margins improving by ~540bps and EBITDA margin by ~1,100bps, primarily driven by the domestic modules sales (61.8% CAGR).

We expect EBITDA margin to expand by 480bps over FY25-28E, driven by module capacity ramp-up and backward integration through the 12GW solar cell facility.

We estimate EBITDA CAGR of ~73.8% over FY25–28E, driven by strong revenue growth and expansion in operating margins.

Exhibit 149: EBITDA to clock 73.8% CAGR over FY25-28E

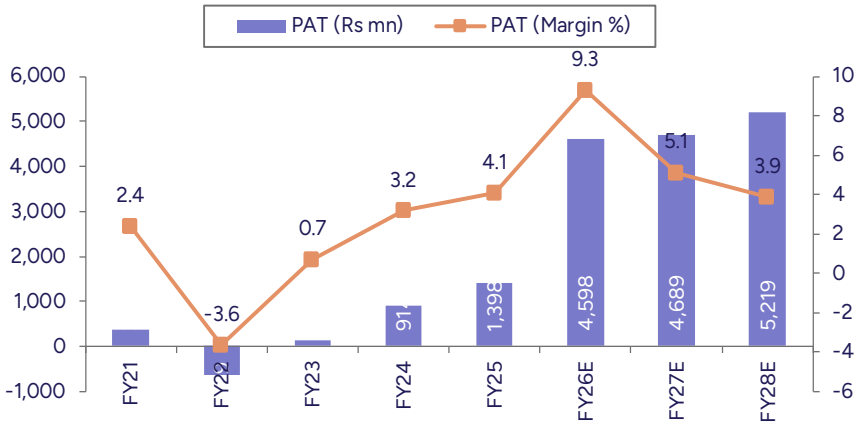


Source: Company, PL

PAT to grow at 55.1% CAGR over FY25-28E

We expect PAT CAGR of 55.1% over FY25-28E, led by revenue growth and margin expansion, as well as huge capex over same period of Rs 116bn with net debt increase to Rs 80bn by FY28E.

Exhibit 150: PAT margin is expected to reach 3.9% in FY28E



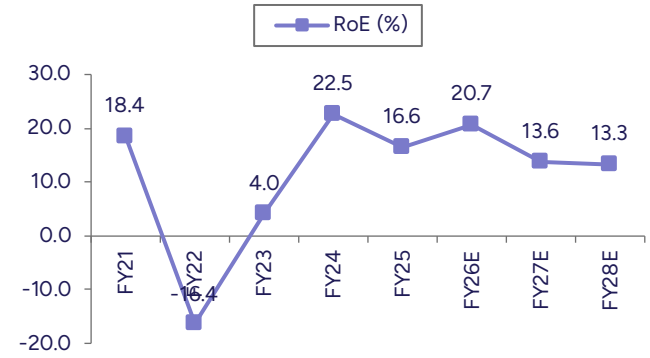
Source: Company, PL

Exhibit 151: Consolidated P&L statement

(Rs bn)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**20,732**	**25,110**	**34,235**	**49,595**	**91,521**	**1,34,675**
Growth (%)	*19.8*	*21.1*	*36.3*	*44.9*	*84.5*	*47.2*
Module - Domestic	12,835	8,979	33,894	39,940	82,209	1,25,507
Growth (%)	*60.3*	*-30.0*	*277.5*	*17.8*	*105.8*	*52.7*
Module - Export	3,777	15,463	341	9,655	9,312	9,168
Growth (%)	*91.1*	*309.4*	*-97.8*	*2732.8*	*-3.6*	*-1.5*
Others	4,120	669	-1	0	0	0
Growth (%)						
Gross Profit	**4,566**	**8,321**	**8,689**	**15,077**	**27,456**	**40,402**
Gross margins (%)	*22.0*	*33.1*	*25.4*	*30.4*	*30.0*	*30.0*
Operational Cost	2,704	4,335	3,769	5,870	10,829	14,577
% of sales	13.0	17.3	11.0	11.8	11.8	10.8
EBITDA	**1,862**	**3,986**	**4,920**	**9,207**	**16,627**	**25,826**
Margins (%)	*9.0*	*15.9*	*14.4*	*18.6*	*18.2*	*19.2*
Other Income	187	130	361	466	1,268	1,214
Depreciation	639	1,380	1,560	1,837	6,694	11,449
Interest	1,220	1,546	1,547	1,579	4,934	8,616
PBT	**189**	**1,189**	**2,173**	**6,256**	**6,267**	**6,975**
Tax	44	276	775	1,658	1,577	1,756
PAT	**145**	**797**	**1,398**	**4,598**	**4,689**	**5,219**
EPS (Rs)	**0.6**	**3.5**	**4.4**	**12.7**	**13.0**	**14.4**

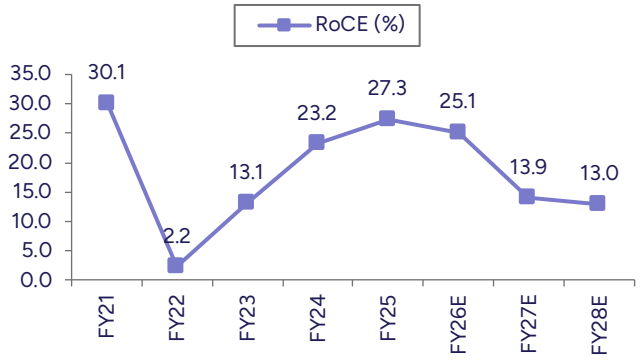
Source: Company, PL

Exhibit 152: RoE to reach to 13.3% by FY28E



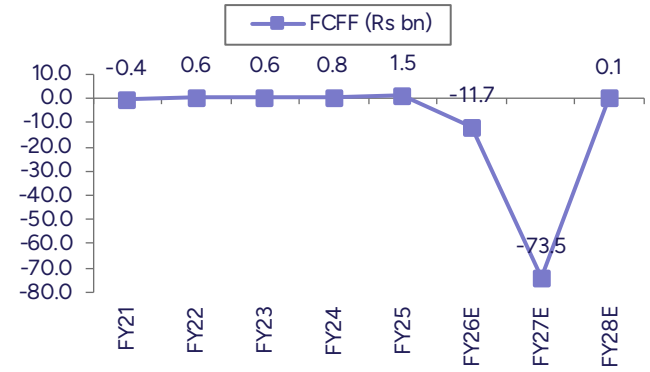
Source: Company, PL

Exhibit 153: RoCE to reach to ~13.0% by FY28E



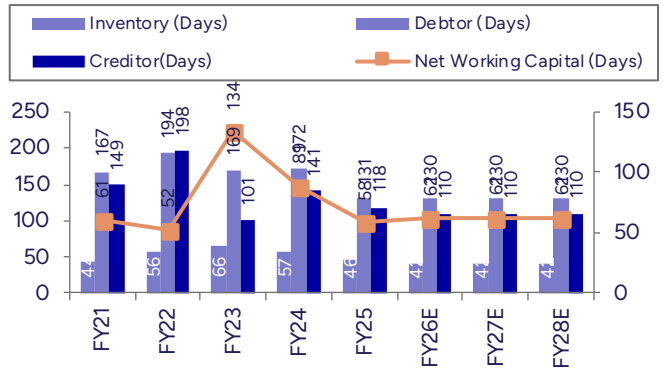
Source: Company, PL

Exhibit 154: Free cash flow to improve with scale



Source: Company, PL

Exhibit 155: Working capital days improving



Source: Company, PL

Outlook & Valuations

VIKRAMSO is a key player in the domestic solar equipment manufacturing space, widening its product portfolio with planned focus on expanding its Module & cell manufacturing capability.

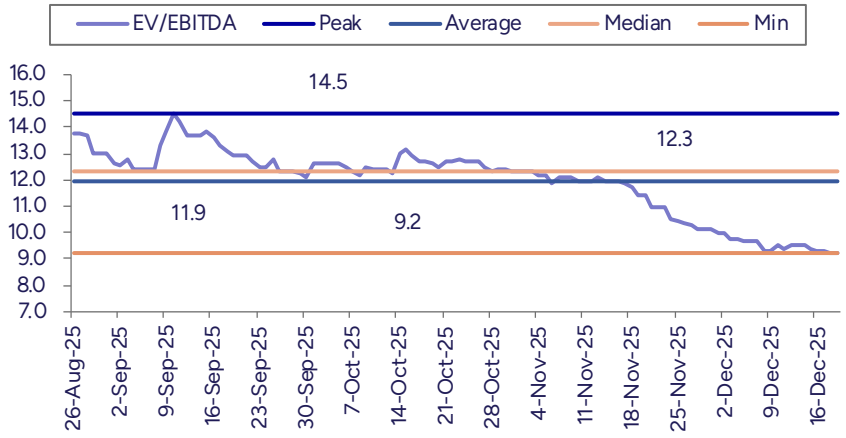
We value VIKRAMSO's core business at 6.1x FY28E EV/EBITDA and BESS separately at 0.5x capex (invested capital) of Rs43.7bn. We arrive at target price of Rs275, which provides 14% upside from the CMP. Our TP implies a target P/E of 19x. We initiate coverage on VIKRAMSO with 'Accumulate'.

Exhibit 156: SOTP based VIKRAMSO's valuation – 6.2x FY28E EV/EBITDA

Consolidated (Mar-28E)	(Rs mn)
EBITDA	25,826
Target EV/EBITDA (X)	6.1x
EV	1,57,241
Net Debt (Mar-28 end)	79,694
Equity Value	**77,547**
Target Price (Rs)	215
Investment in BESS	43,710
Target P/B (x)	0.5
Value of investment in BESS	21,855
Value of investment in BESS/share (Rs)	60
Target Price (Rs)	**275**

Source: Company, PL

Exhibit 157: VIKRAMSO trading at 10x/6x FY27/28E EV/EBITDA



Source: Company, PL

Key Risks

- **Execution delays:** Any slowdown or operational ramp-up challenges, locally or in export markets, could negatively affect financial performance and diluting brand strength in a highly competitive landscape.
- **Overcapacity risk and higher capex intensity:** With several solar module and cell manufacturers simultaneously expanding capacity, the industry faces a potential oversupply situation in module that could lead to margin pressure and subdued utilization levels. VIKRAMSO's capex intensity remains high (Rs116bn through FY28), requiring Rs84bn in fresh debt.
- **Policy & incentive deferment:** Any rollback of supportive policies or delays in PLI disbursements, could pose significant operational and financial risks.
- **Higher import dependency:** Heavy reliance on imported raw materials, particularly from China, could disrupt production continuity and affect pricing in the event of geopolitical tensions or trade restrictions.

Annexure

Board of Directors & KMP

Exhibit 158: Board of Directors

Name	Designation
Mr. Gyanesh Chaudhary	Chairman & Managing Director
Ms. Neha Agrawal	Whole-time Director
Mr. Ivan Saha	Whole-time Director & CEO
Mr. KK Maskara	Whole-time Director, President – Corporate & Interim CEO
Mr. Subramanya Krishnappa	Independent Director
Ms. Ratnabali Kakkar	Independent Director
Mr. Sumit Binani	Additional Independent Director

Source: Company, PL

Exhibit 159: Management team

Name	Designation
Mr. Ranjan Jindal	Chief Financial Officer
Mr. Sudipta Bhowal	Company Secretary & Compliance Officer
Mr. Kunal Motwani	Chief Operating Office
Mr. Santosh Goyal	Chief Commercial Officer
Mr. Sumit Kumar	VP - Operations (Manufacturing) & Technology
Mr. Anil Bhadauria	EVP & Head - Manufacturing Operations
Mr. Arindam Chakraborty	Senior VP & Head - Human Resources
Mr. Rony Banerjee	Senior VP & Head - India Sales

Source: Company, PL

Exhibit 160: Auditors

Name	Designation
GARV & Associates	Statutory Auditors
Grant Thornton Bharat LLP	Internal Auditors
M/s. Prateek Kohli & Associates	Secretarial Auditors
M/s. Bhattacharya Roy & Associates	Cost Auditors

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	**34,235**	**49,595**	**91,521**	**1,34,675**
YoY gr. (%)	*36.3*	*44.9*	*84.5*	*47.2*
Cost of Goods Sold	25,546	34,518	64,065	94,272
Gross Profit	8,689	15,077	27,456	40,402
Margin (%)	*25.4*	*30.4*	*30.0*	*30.0*
Employee Cost	1,244	1,841	3,397	4,714
Other Expenses	1,731	2,735	5,044	6,752
EBITDA	**4,920**	**9,207**	**16,627**	**25,826**
YoY gr. (%)	*23.4*	*87.2*	*80.6*	*55.3*
Margin (%)	*14.4*	*18.6*	*18.2*	*19.2*
Depreciation and Amortization	1,560	1,837	6,694	11,449
EBIT	**3,359**	**7,370**	**9,933**	**14,377**
Margin (%)	*9.8*	*14.9*	*10.9*	*10.7*
Net Interest	1,547	1,579	4,934	8,616
Other Income	361	466	1,268	1,214
Profit Before Tax	**2,173**	**6,256**	**6,267**	**6,975**
Margin (%)	*6.3*	*12.6*	*6.8*	*5.2*
Total Tax	775	1,658	1,577	1,756
Effective tax rate (%)	*35.7*	*26.5*	*25.2*	*25.2*
Profit after tax	**1,398**	**4,598**	**4,689**	**5,219**
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,398**	**4,598**	**4,689**	**5,219**
YoY gr. (%)	*53.0*	*229.0*	*2.0*	*11.3*
Margin (%)	*4.1*	*9.3*	*5.1*	*3.9*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,398**	**4,598**	**4,689**	**5,219**
YoY gr. (%)	*75.3*	*229.0*	*2.0*	*11.3*
Margin (%)	*4.1*	*9.3*	*5.1*	*3.9*
Other Comprehensive Income	(20)	-	-	-
Total Comprehensive Income	1,378	4,598	4,689	5,219
Equity Shares O/s (m)	**317**	**362**	**362**	**362**
EPS (Rs)	**4.4**	**12.7**	**13.0**	**14.4**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	**11,038**	**26,248**	**1,08,270**	**1,21,587**
Tangibles	10,512	25,723	1,07,689	1,20,946
Intangibles	525	525	580	640
Acc: Dep / Amortization	**5,493**	**6,982**	**13,600**	**24,951**
Tangibles	5,066	6,504	13,068	24,360
Intangibles	427	478	532	591
Net fixed assets	**5,545**	**19,266**	**94,670**	**96,636**
Tangibles	5,447	19,219	94,621	96,586
Intangibles	98	47	49	50
Capital Work In Progress	626	626	626	626
Goodwill	-	-	-	-
Non-Current Investments	518	496	641	673
Net Deferred tax assets	(466)	(466)	(466)	(466)
Other Non-Current Assets	24	20	20	20
Current Assets				
Investments	-	-	-	-
Inventories	4,286	5,674	10,531	15,497
Trade receivables	12,286	17,664	32,596	47,966
Cash & Bank Balance	1,890	17,609	1,623	6,937
Other Current Assets	1,244	1,705	1,830	2,020
Total Assets	**28,322**	**65,541**	**1,45,742**	**1,75,090**
Equity				
Equity Share Capital	3,165	3,617	3,617	3,617
Other Equity	9,255	28,401	33,091	38,310
Total Networth	**12,420**	**32,018**	**36,708**	**41,927**
Non-Current Liabilities				
Long Term borrowings	774	12,134	52,834	59,834
Provisions	266	386	712	1,047
Other non current liabilities	346	501	924	1,360
Current Liabilities				
ST Debt / Current of LT Debt	1,533	3,533	23,533	25,533
Trade payables	8,283	10,403	19,307	28,411
Other current liabilities	4,159	5,992	11,057	16,216
Total Equity & Liabilities	**28,322**	**65,541**	**1,45,742**	**1,75,090**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	2,173	6,256	6,267	6,975
Add. Depreciation	1,560	1,837	6,694	11,449
Add. Interest	1,547	1,579	4,934	8,616
Less Financial Other Income	361	466	1,268	1,214
Add. Other	260	(276)	(965)	(786)
Op. profit before WC changes	5,540	9,397	16,930	26,254
Net Changes-WC	(2,269)	(3,860)	(6,752)	(7,805)
Direct tax	(284)	(1,658)	(1,577)	(1,756)
Net cash from Op. activities	**2,987**	**3,879**	**8,600**	**16,694**
Capital expenditures	(1,464)	(15,559)	(82,098)	(13,415)
Interest / Dividend Income	161	466	1,268	1,214
Others	(385)	-	498	-
Net Cash from Invt. activities	**(1,688)**	**(15,093)**	**(80,332)**	**(12,201)**
Issue of share cap. / premium	6,526	452	-	-
Debt changes	(5,871)	13,512	61,177	9,438
Dividend paid	-	-	-	-
Interest paid	(1,653)	(1,579)	(4,934)	(8,616)
Others	-	-	-	-
Net cash from Fin. activities	**(997)**	**12,385**	**56,243**	**821**
Net change in cash	**301**	**1,171**	**(15,488)**	**5,314**
Free Cash Flow	1,523	(11,680)	(73,497)	3,278

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26E
Net Revenue	**11,935**	**11,336**	**11,099**	**13,046**
YoY gr. (%)	*-*	*79.7*	*93.7*	*27.2*
Raw Material Expenses	8,280	7,778	7,447	9,133
Gross Profit	3,655	3,558	3,652	3,914
Margin (%)	*30.6*	*31.4*	*32.9*	*30.0*
EBITDA	**2,237**	**2,422**	**2,350**	**2,309**
YoY gr. (%)	*-*	*117.3*	*225.9*	*172.8*
Margin (%)	*18.7*	*21.4*	*21.2*	*17.7*
Depreciation / Depletion	422	335	349	461
EBIT	**1,815**	**2,087**	**2,001**	**1,848**
Margin (%)	*15.2*	*18.4*	*18.0*	*14.2*
Net Interest	482	323	316	405
Other Income	75	42	159	132
Profit before Tax	**1,409**	**1,806**	**1,845**	**1,576**
Margin (%)	*11.8*	*15.9*	*16.6*	*12.1*
Total Tax	502	473	560	397
Effective tax rate (%)	*35.7*	*26.2*	*30.3*	*25.2*
Profit after Tax	**906**	**1,334**	**1,285**	**1,179**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**906**	**1,334**	**1,285**	**1,179**
YoY gr. (%)	*-*	*483.9*	*1,646.5*	*522.1*
Margin (%)	*7.6*	*11.8*	*11.6*	*9.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**906**	**1,334**	**1,285**	**1,179**
YoY gr. (%)	*-*	*483.9*	*1,646.5*	*522.1*
Margin (%)	*7.6*	*11.8*	*11.6*	*9.0*
Other Comprehensive Income	(13)	(1)	-	-
Total Comprehensive Income	**894**	**1,333**	**1,285**	**1,179**
Avg. Shares O/s (m)	317	317	362	362
EPS (Rs)	**2.9**	**4.2**	**3.6**	**3.3**

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	4.4	12.7	13.0	14.4
CEPS	9.3	17.8	31.5	46.1
BVPS	39.2	88.5	101.5	115.9
FCF	4.8	(32.3)	(203.2)	9.1
DPS	-	-	-	-
Return Ratio(%)				
RoCE	27.3	25.1	13.9	13.0
ROIC	18.4	39.8	9.4	9.5
RoE	16.6	20.7	13.6	13.3
Balance Sheet				
Net Debt : Equity (x)	0.0	(0.1)	2.0	1.9
Net Working Capital (Days)	58	62	62	62
Valuation(x)				
PER	54.6	19.0	18.6	16.7
P/B	6.1	2.7	2.4	2.1
P/CEPS	25.8	13.5	7.7	5.2
EV/EBITDA	15.6	9.3	9.7	6.4
EV/Sales	2.2	1.7	1.8	1.2
Dividend Yield (%)	-	-	-	-

Source: Company Data, PL Research

Emmvee Photovoltaic Power (EMMVEE IN)

Rating: Not Rated | CMP: Rs188 | NA

December 26, 2025

Company Update

Key Financials - Consolidated

Y/e Mar	FY23	FY24	FY25
Sales (Rs. m)	6,181	9,519	23,356
EBITDA (Rs. m)	563	1,204	7,219
Margin (%)	9.1	12.7	30.9
PAT (Rs. m)	90	289	3,690
EPS (Rs.)	8.3	26.8	68.4
Gr. (%)	-	*2.2*	*1.6*
DPS (Rs.)	-	-	-
Yield (%)	-	-	-
RoE (%)	*11.9*	*18.7*	*104.6*
RoCE (%)	*11.9*	*7.1*	*28.8*
EV/Sales (x)	1.1	1.2	1.0
EV/EBITDA (x)	11.7	9.3	3.3
PE (x)	22.1	6.9	2.7
P/BV (x)	1.4	1.2	1.8

Key Data	EMMV.BO | EMMVEE IN
52-W High / Low	Rs.248 / Rs.172
Sensex / Nifty	85,409 / 26,142
Market Cap	Rs.130.1bn/ $ 1,448.6m
Shares Outstanding	692.3m
3M Avg. Daily Value	Rs.-m

Shareholding Pattern (%)

Promoter's	80.03
Foreign	6.17
Domestic Institution	10.79
Public & Others	3.00
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(10.9)	-	-
Relative	(10.6)	-	-

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Efficient player with strong growth visibility

Emmvee Photovoltaic Power (EMMVEE)is one of the leading integrated solar PV module and cell manufacturing companies in India. It ranks among the largest solar PV module manufacturers in the country based on production capacity. The company is among the first in India to adopt higher efficiency TOPCon technology. Emmvee caters to customers under both B2G and B2B models, enabling access to the DCR market through its ALMM-enlisted module manufacturing capacity. Its installed capacity stands at 7.8GW for modules and 2.9GW for cells. The company is focused on leveraging advanced technologies through an R&D partnership with Fraunhofer ISE and has outlined significant expansion plans to achieve 16.3GW module capacity and 8.9GW cell capacity (TOPCon only) by the H1FY28. Its future strategy includes backward integration into critical components such as wafers and ancillary materials (aluminum frames and junction boxes) to capture a larger share of the bill of materials and enhance cost efficiency. Over FY22-25, overall revenue/EDITDA/PAT CAGR stood at 61.4%/90.9%/224.5%, with PV module capacity increasing from 500MW to 7.8GW. We do not have a rating on the stock.

- **Efficient player with integrated manufacturing capability:** EMMVEE's integrated operations, from solar cell production to module assembly, enable greater supply chain control, reduce reliance on external vendors, and help optimize manufacturing costs. This integrated approach positions it to tap opportunities in the DCR market and benefit from the upcoming ALMM List II mandate for domestic cell sourcing effective Jun'26.

- **Focus on core capabilities and innovation:** Emmvee enjoys early mover advantage being one of the first Indian players to adopt TOPCon technology, offering up to ~26% efficiency and better durability than legacy technologies, resulting in higher energy yields and lower lifecycle costs. Ongoing vertical integration into wafers and key components supports cost optimization and quality control, while its R&D collaboration with Fraunhofer ISE on next-generation solutions such as tandem TOPCon cells, strengthens long-term technology leadership.

- **Expanding market presence and distribution network:** Emmvee serves a diverse customer base through B2G and B2B models, targeting IPPs, C&I entities, and EPC providers. Its domestic network spans 6 distributors across 9 states and 2 union territories, with plans for further expansion to tap DCR-linked opportunities under schemes like PM Surya Ghar: Muft Bijli Yojana. Internationally, Emmvee has established sales offices in Germany and the US, to capture share in key export markets. A strong order book of 5.07GW ensures revenue visibility, supported by a 32.4% repeat customer rate in FY25.

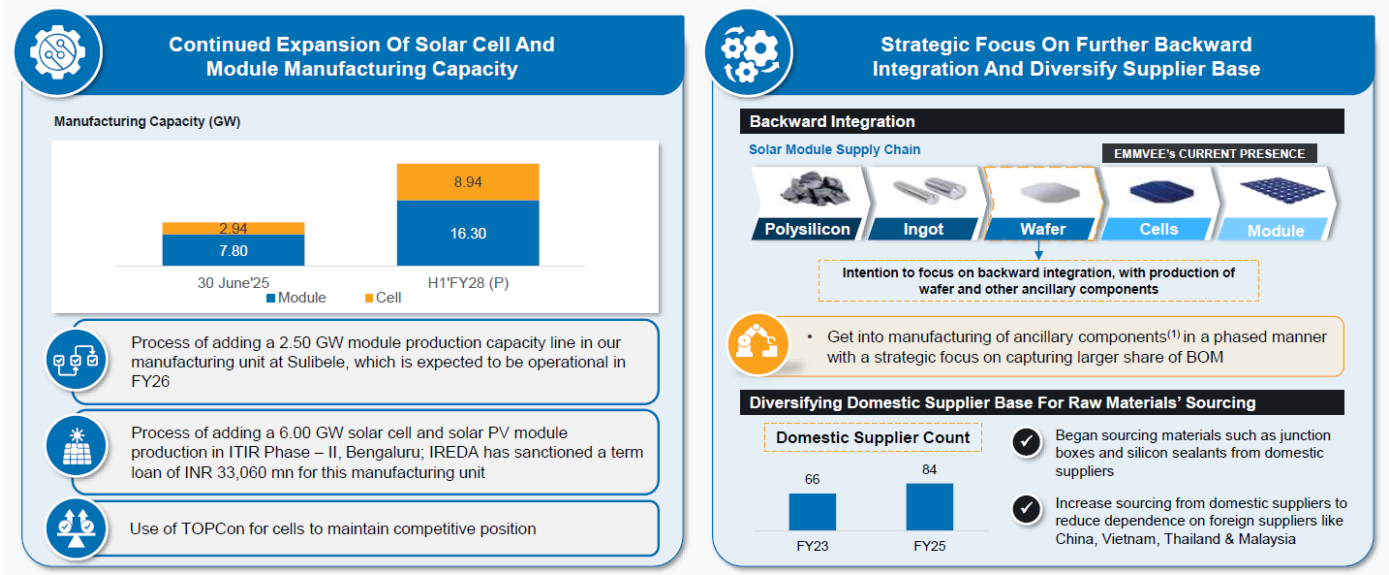
Emmvee: Committed to Quality and Innovation

Emmvee Photovoltaic Power (Emmvee IN) is a leading solar energy solutions provider, and pure-play integrated solar PV module and cell manufacturer in India based on production capacity. The company has built a strong reputation through consistent product quality, advanced technology adoption, and a deep understanding of solar project requirements. With a focus on innovation, Emmvee specializes in high-efficiency TOPCon modules and cells. The company is supported by four large-scale manufacturing units in Karnataka and an expanding global footprint with offices in Germany and the US, Emmvee continues to strengthen its market position by delivering reliable, high-performing solar solutions to its predominantly B2B and B2G customer base.

- Emmvee commands a strong presence in the Indian solar market, serving primarily the C&I sector, which contributed 75.1% of orders followed by IPPs at 20.7%.
- Emmvee operates predominantly under a B2B model, which contributed 98.7% of revenue, ensuring alignment with institutional energy demand and large-scale project requirements, followed by B2G at 1.4%.
- The company operates four advanced manufacturing units across two locations in Karnataka. Installed capacity stood at 7.8GW for solar PV modules and 2.9GW for solar cells. Utilization in Q2FY26 was 43% for modules and 59% for cells, leveraging its integrated cell production capabilities.
- Emmvee has outlined aggressive expansion plans, including a 2.5GW module line at Unit VI (Sulibele, Bengaluru) expected to be operational in FY26. Additionally, a 6.0GW integrated cell and module facility at ITIR Phase-II is under development.
- Domestically, Emmvee manages a growing network of six distributors across nine states and two union territories. On the export, the company has supplied modules to 17 countries and established sales offices in Germany and the US.
- Emmvee maintains stringent quality standards, with an average warranty claim rate of less than 0.008% of revenue over the last three fiscals. Its credibility is reinforced by being the only Indian company among four global players to pass all seven Kiwa PVEL tests in 2024, a benchmark for product reliability in utility-scale projects.

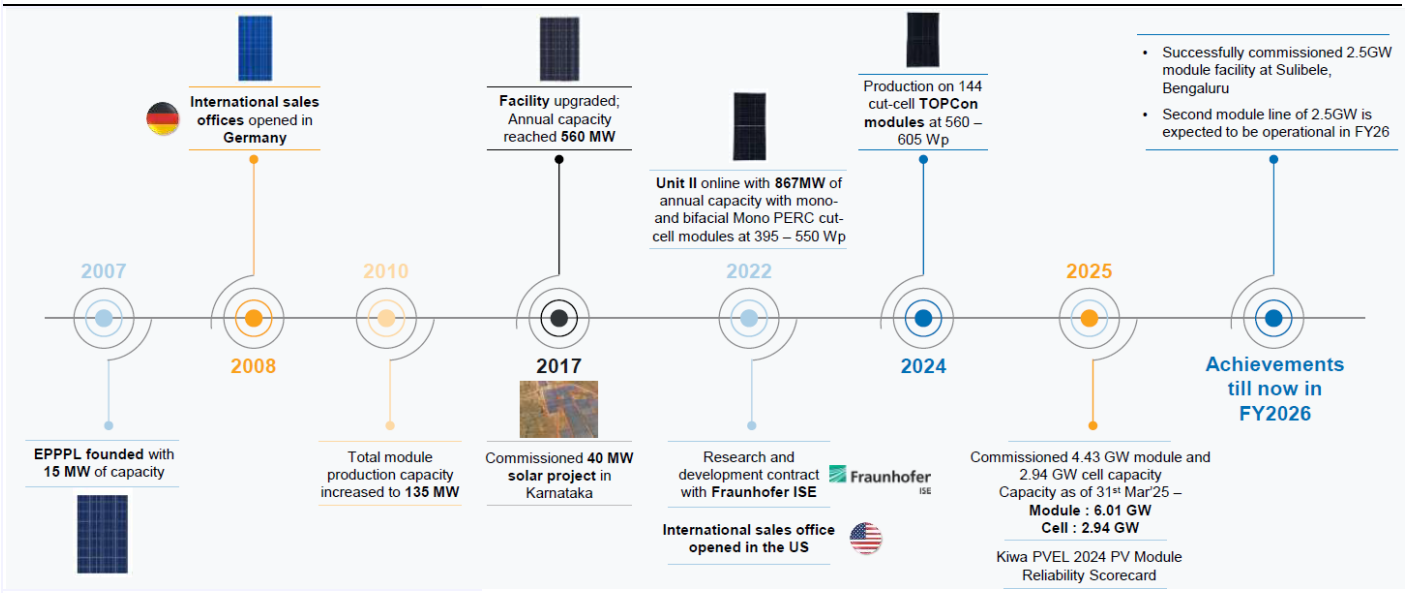
We believe Emmvee is well positioned to sustain its position in the Indian solar energy market, supported by a) strong and integrated product portfolio across the PV value chain, b) rapidly expanding and efficient manufacturing and distribution network, c) early technology adoption driven by continuous innovation, and d) high-quality products tailored for government-mandated and utility-scale markets. Over FY22-25, overall revenue/EBITDA/PAT CAGR stood at 61.4%/90.9%/224.5%, reflecting a strong profit environment. This growth trajectory is expected to accelerate further with planned capacity expansion to 16.3GW for modules and 8.9GW for cells by H1FY28.

Exhibit 161: Strategic roadmap for future growth



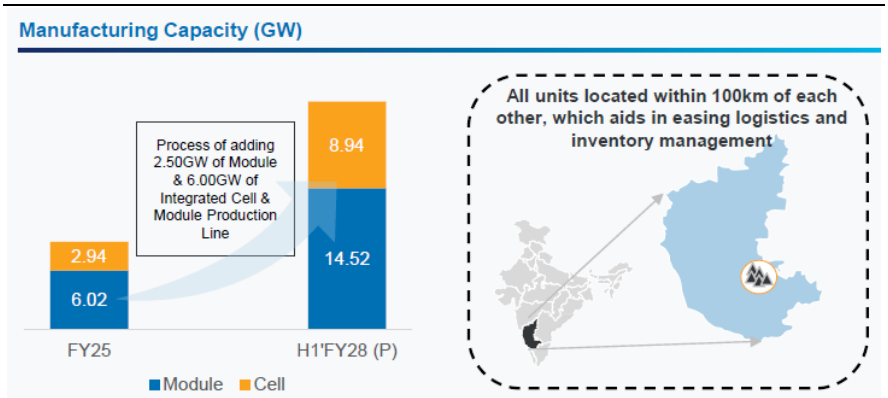
Source: Company, PL

Exhibit 162: Journey and evolution



Source: Company, PL

Exhibit 163: Manufacturing capacity and expansion plans

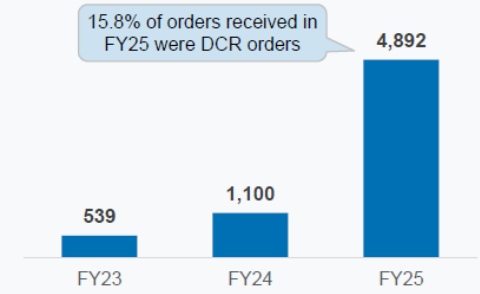


	Year of Commissioning	Area (sq.ft.)	Annual Installed Production Capacity (GW)	Products Manufactured	Technology
Unit 2[1]	2023	1,18,700	0.87	Modules	Mono PERC
Unit 3	2024	4,35,604	2.21 / 2.94	Modules / Cell	TOPCon
Unit 4	2025		2.21	Modules	TOPCon
Unit 5	2025	4,23,313	2.50	Modules	TOPCon
Total		**977,616**	**Module – 7.80 / Cell – 2.94**		

Source: Company, PL

Exhibit 164: Order book increases exponentially

(in MW)



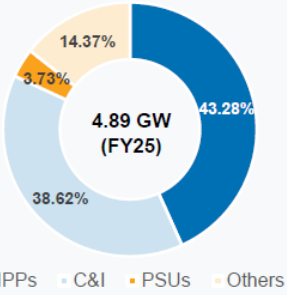
Focus is on Improving Quality, Size & Repeat Customers

	FY2023	FY2024	FY2025
Avg Order Size Among Top 10 Customers	18.0 MW	37.5 MW	121.2 MW
Max Contract Size from a Single Customer	350 MW	350 MW	1,500 MW
Repeat Customers Rate (%)	32.7%	31.6%	32.4%

Source: Company, PL

Exhibit 165: Well-diversified clientele

(Split of Order Book for Solar PV Modules)



Source: Company, PL

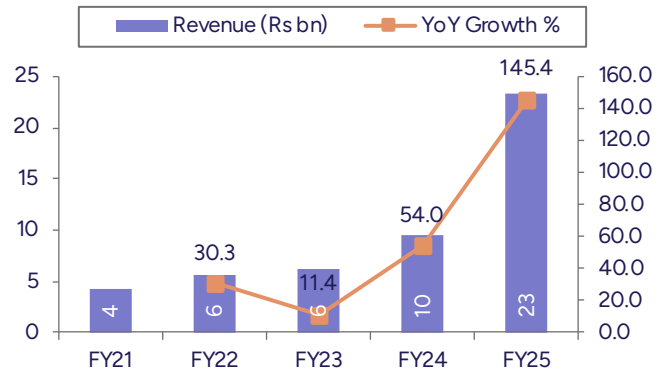
Financials & Valuations

Revenue clocks 61.4% CAGR over FY22-25

The company reported a robust revenue CAGR of 61.4% over FY22-25, driven by its integrated manufacturing capabilities and aggressive capacity expansion. Revenue from operations reached Rs 23bn in FY25, supported by ~4x increase in module production capacity over the same period. Expansion initiatives included commissioning 4.4GW module and 2.9GW cell capacity in FY25, positioning Emmvee among integrated solar cell and module manufacturers.

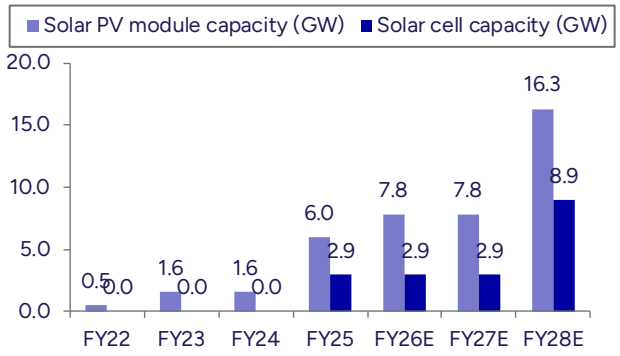
By the end of Q2FY26, the company's order book stood at 5.1GW, providing strong revenue visibility, with 75.1% from C&I, 20.7% from IPPs, and 4.2% from PSUs. We expect Emmvee to sustain its growth trajectory, supported by plans to scale up to 16.3GW module and 8.9GW cell (TOPCon) capacity by H1FY28, enabling it to capitalize on robust demand across solar segments. The ongoing expansion is expected to further strengthen vertical integration and drive long-term growth.

Exhibit 166: Revenue clocks 61.4% CAGR over FY22-25



Source: Company, PL

Exhibit 167: PV module capacity to reach 16.3 GW by FY28E



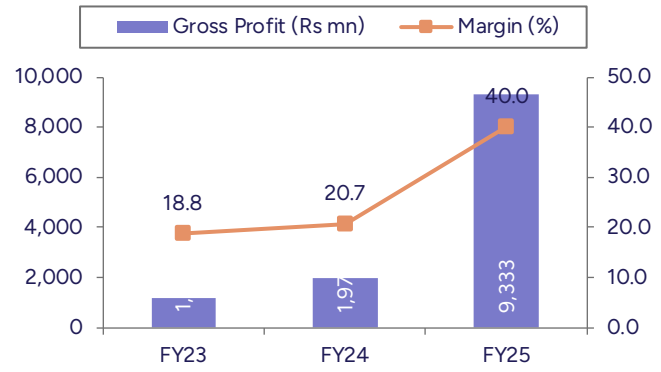
Source: Company, PL

EBITDA/ PAT clocks ~91%/225% CAGR over FY22-25

EBITDA margin expanded by ~1220bps to 30.9% over FY22-25, driven by the commissioning of 4.4GW module and 2.9GW cell capacity and the successful transition to higher efficiency TOPCon technology. EBITDA margin further improved to 35% in Q2FY26 (up from 23% in Q2FY25), led by increased capacity utilization and the strategic use of internally manufactured cells within their integrated facility. Company expects EBITDA margin to remain stable as the company continues to ramp up production toward its 16.3GW module capacity target by H1FY28, supported by early mover advantages in the DCR market and improved operational efficiencies.

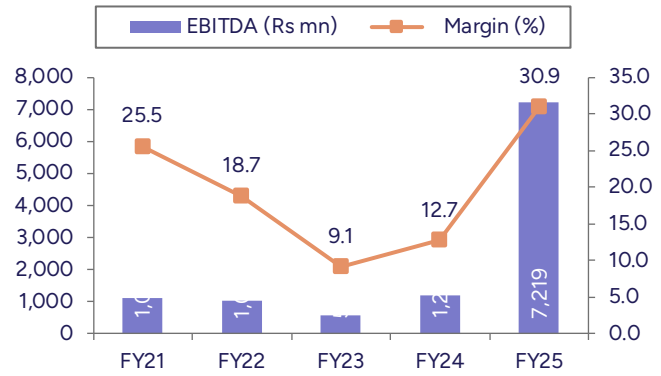
Consolidated PAT stood at Rs3.7bn in FY25, reflecting a PAT margin of 15.8%. The company reported PAT CAGR of 225% over FY22-25 on account of aggressive capacity expansion and the sharp rise in revenue from operations, which reached Rs23.4bn in FY25. The company expects profitability to sustain a high trajectory through H1FY28, led by revenue growth from an outstanding order book of 5.1GW and margin improvements derived from backward integration into wafers and ancillary components.

Exhibit 168: Gross margin improves to 40% in FY25



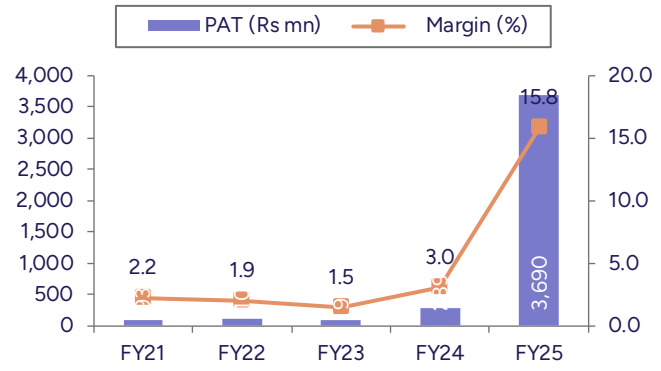
Source: Company, PL

Exhibit 169: EBITDA margin expands by 1220bps over FY22-25



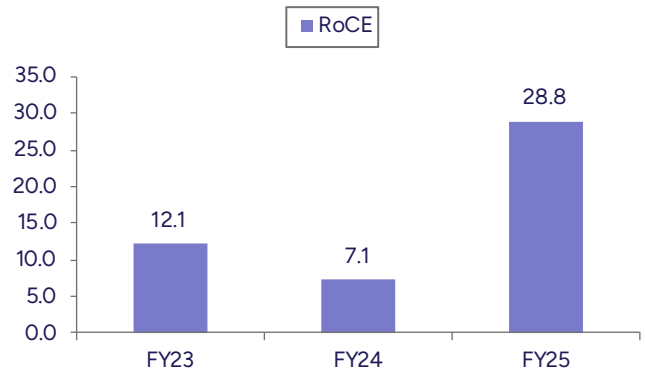
Source: Company, PL

Exhibit 170: PAT clocks 224.5% CAGR over FY22-25



Source: Company, PL

Exhibit 171: RoCE improved to ~28.8% in FY25



Source: Company, PL

Annexure

Board of Directors & KMP

Exhibit 172: Board of Directors

Name	Designation
Mr. Manjunatha Donthi Venkatarathnaiah	Chairman & Managing Director
Mr. Suhas Donthi Manjunatha	Whole-Time Director, President and Chief Executive Officer
Mrs. Shubha Manjunatha Donthi	Non-Executive Directors
Mr. Ram Kumar Tiwari	Independent Directors
Mrs. Sambasivarao Chandramouleswara Sharada	Independent Directors
Mr. Santosh Kumar Mohanty	Independent Directors

Source: Company, PL

Exhibit 173: Management team

Name	Designation
Mr. Pawan Kumar Jain	Chief Financial Officer
Mr. Sumanth Manjunatha Donthi	Chief Strategy and Business Development Officer
Mr. Anand Kumar R S	Chief Procurement Officer
Mr. Dinesh B Shenoy	General Manager – Solar Cells Manufacturing
Mrs. Hena Datta	General Manager – Legal
Mr. N Devendiran	Chief Manufacturing Officer
Mr. Rohit Dhar	Chief Revenue Officer
Mr. T Srinath	Chief Technology Officer

Source: Company, PL

Exhibit 174: Auditors

Name	Designation
M/s. M S K C & Associates LLP	Statutory Auditors

Source: Company, PL

Saatvik Green Energy (SAATVIK IN)

Rating: Not Rated | CMP: Rs382 | NA

December 26, 2025

Company Update

Key Financials - Consolidated

Y/e Mar	FY22	FY23	FY24	FY25
Sales (Rs. m)	4,800	6,086	10,881	21,584
EBITDA (Rs. m)	167	149	1,477	3,199
Margin (%)	*3.5*	*2.4*	*13.6*	*14.8*
PAT (Rs. m)	60	48	1,006	2,139
EPS (Rs.)	18	14	298	19
Gr. (%)		*-0.2*	*20.1*	*-0.9*
DPS (Rs.)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	*38.2*	*26.6*	*142.7*	*93.4*
RoCE (%)	*0.1*	*12.5*	*53.3*	*54.7*
EV/Sales (x)	0.5	0.4	0.3	0.6
EV/EBITDA (x)	13.4	17.4	2.5	4.1
PE (x)	21.4	26.7	1.3	19.8
P/BV (x)	8.2	6.3	1.1	12.5

Key Data	SAAT.BO | SAATVIK IN
52-W High / Low	Rs.580 / Rs.350
Sensex / Nifty	85,409 / 26,142
Market Cap	Rs.48.6bn/ $ 540.9m
Shares Outstanding	127.1m
3M Avg. Daily Value	Rs.-m

Shareholding Pattern (%)

Promoter's	75.99
Foreign	0.46
Domestic Institution	8.05
Public & Others	15.50
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(7.7)	-	-
Relative	(7.4)	-	-

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Backward integration fueling growth

Saatvik Green Energy (Saatvik IN) is an Indian solar module manufacturing company, offering high-efficiency solar PV modules and integrated solutions, including EPC and O&M services. The company caters to a diversified client base across the solar ecosystem, providing comprehensive EPC solutions (design, construction, and commissioning) to utility-scale IPPs and commercial clients, while supplying advanced solar PV modules through a multi-tiered distribution network to the growing commercial and residential segments. Saatvik has maintained a strong strategic focus on advanced technology, being an early adopter of N-TOPCon and mono PERC modules in India, enabling the manufacture of modules with efficiencies up to 22.8%. This is supported by continuous internal development and a commitment to full backward integration into cell manufacturing (4.8GW capacity planned by FY27), ensuring cost control and supply chain security. Over FY22-25, overall revenue/EDITDA/PAT CAGR stood at 65.1%/167.3%/229.9%, with PV module capacity increasing from 270MW to 4.8GW as on H1FY26. We do not have a rating on the stock.

- **Unlocking RE opportunities:** India's RE TAM is expected to witness a significant expansion, driven by the government's target of achieving 500GW of non-fossil fuel capacity by CY30 and robust underlying demand, with energy consumption projected to grow at 5.5-6.0% CAGR through FY30E. Financial performance of Saatvik is supported by strong industry tailwinds. Long-term profitability is further reinforced by backward integration plans to establish 4.8GW of cell manufacturing capacity in Odisha by FY27E, expected to provide an EBITDA upside of 3-4% on volumes utilizing internally produced cells, reducing reliance on external suppliers and strengthening cost competitiveness.

- **Strategic diversification and technology adoption:** Saatvik is strengthening competitiveness through technology leadership and diversification beyond modules. As an early adopter of N-TOPCon and mono PERC in India, it manufactures high-efficiency modules (up to 22.8%) and is expanding across the solar value chain with the launch of UDAY Series of on-grid inverters and entry into BESS.

- **Strengthening market reach through robust distribution**: Saatvik's distribution network reflects its extensive market reach and operational scale. The company operates single-location module manufacturing facilities in Ambala, Haryana, with an operational capacity of 4.8GW. This is complemented by 15 strategically located warehouses across India for efficient inventory management and a growing network of 63 selling partners (including resellers, distributors and channel partners). Additionally, the company is strengthening its international presence in North America, Africa, and South Asia, positioning itself for widespread access to diverse solar opportunities.

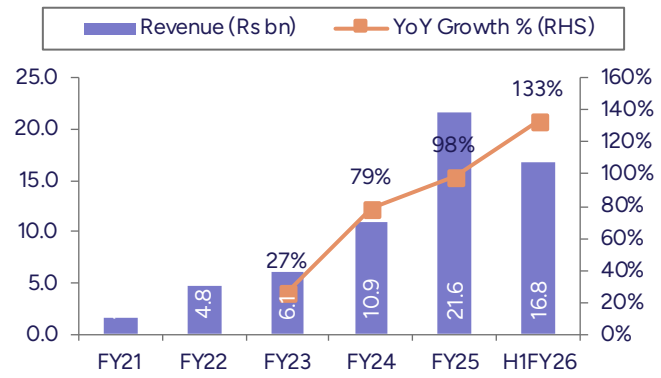
Saatvik: Powering India's clean energy future

Saatvik Green Energy (Saatvik) is an Indian solar PV module manufacturer, having strong presence in domestic and international markets. Established in 2015, the company has built a reputation for delivering high-efficiency solar modules and EPC services, supporting India's transition to RE. Saatvik focuses on innovation, reliability, and cost-effectiveness to meet the growing demand for clean energy solutions. With a robust manufacturing base and ambitious expansion plans, the company is positioned as a key player in India's solar revolution.

- Saatvik commands a strong market share in solar PV modules, offering advanced technologies such as mono PERC (up to 21.2% efficiency), N-TOPCon (up to 22.8% efficiency), and bifacial modules (up to 26.2% efficiency and 679Wp peak output).
- Revenue mix reflects a strong manufacturing focus, with solar PV modules contributing 70.5% in FY25. Product-wise, N-TOPCon modules contributed 57%, followed by mono PERC at 39% and EPC at 4%.
- The company operates three manufacturing facilities in Ambala, Haryana, with an installed capacity of 4.8GW, making it one of India's largest single-location solar module hubs.
- Growth plans include aggressive capacity expansion and backward integration, with a new integrated facility in Odisha (4.8GW cell and 4.0GW module capacity) and ingot, wafer, and cell manufacturing in Madhya Pradesh. The company also aims to strengthen retail presence under PM-KUSUM and Surya Ghar schemes and increase exports via channel partners.
- Saatvik maintains a strong domestic footprint across utility, C&I, rooftop, and solar pump segments, while exports to the USA, Canada, and Seychelles are managed through its subsidiary Saatvik Green Energy USA Inc.
- Order book remains strong at 4.68GW as of 30th Sep'25, with execution visibility over the next 9–12 months.

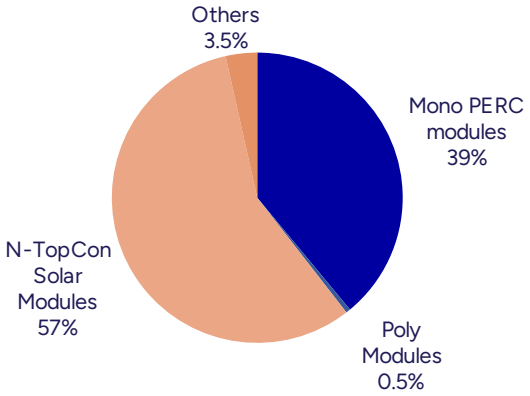
We believe Saatvik is well positioned to sustain its leadership in the domestic solar module manufacturing sector, supported by a) an integrated product portfolio encompassing high-efficiency solar modules (mono PERC and N-TOPCon) and comprehensive ecosystem solutions such as the recently launched UDAY Series of on-grid inverters, b) major manufacturing scale through its Ambala facility, noted as one of the largest single-location module plants in India with 4.8GW capacity, and further expansion underway via the proposed Odisha cell and module line, c) innovative technology adoption driven by in-house R&D, and d) a strong distribution network and reliable delivery across utility, commercial, industrial, and retail segments in India and international markets. Over FY22-25, overall revenue/EDITDA/PAT CAGR stood at 65.1%/167.3%/230%, with mono PERC revenue logging 84.5% CAGR over FY23-25.

Exhibit 175: Revenue CAGR of 65.1% over FY22-25



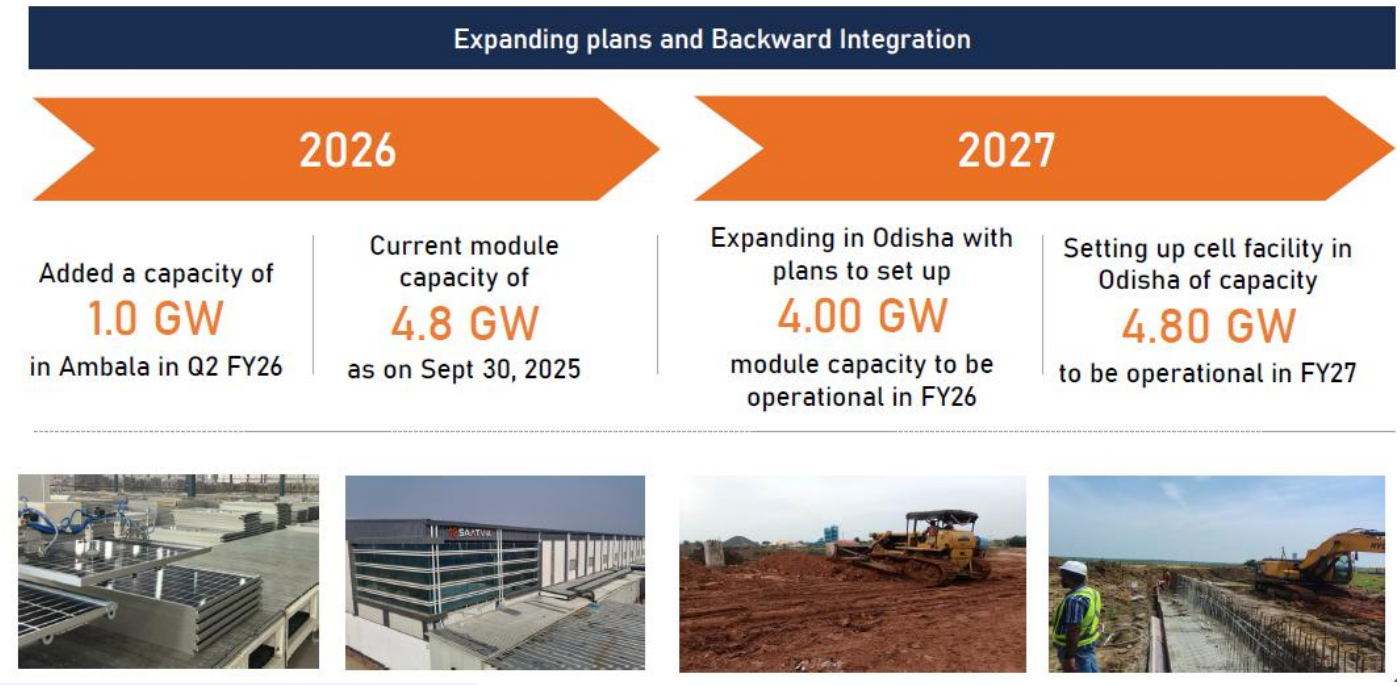
Source: Company, PL

Exhibit 176: N-TOPCon highest contributor to revenue at ~57%



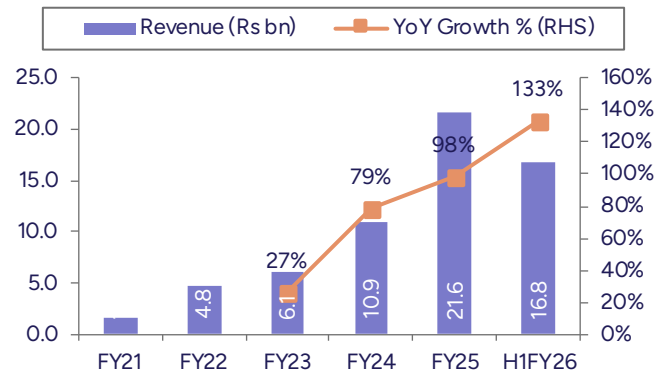
Source: Company, PL

Exhibit 177: Capacity expansion roadmap



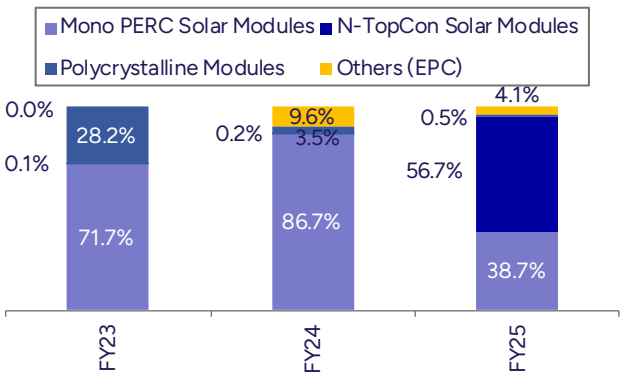
Source: Company, PL

Exhibit 178: Revenue clocks 65.1% CAGR over FY22-25



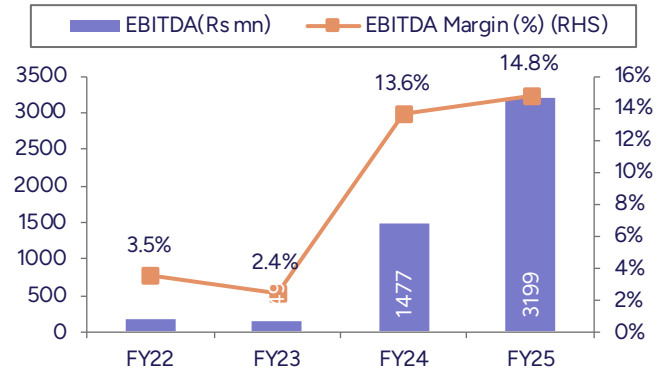
Source: Company, PL

Exhibit 179: Rev mix shifting from Mono PERC to N-TOPCon



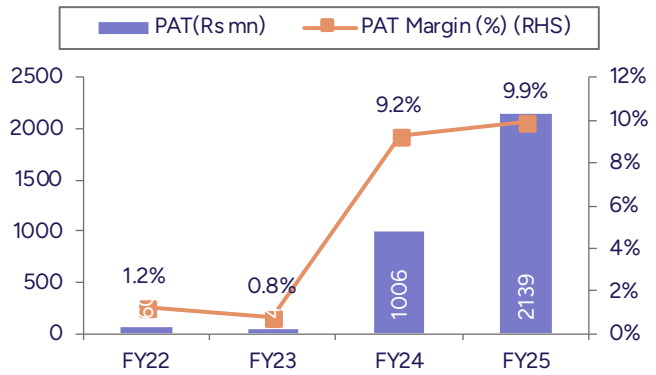
Source: Company, PL

Exhibit 180: EBITDA margin expands by 1130bps over FY22-25



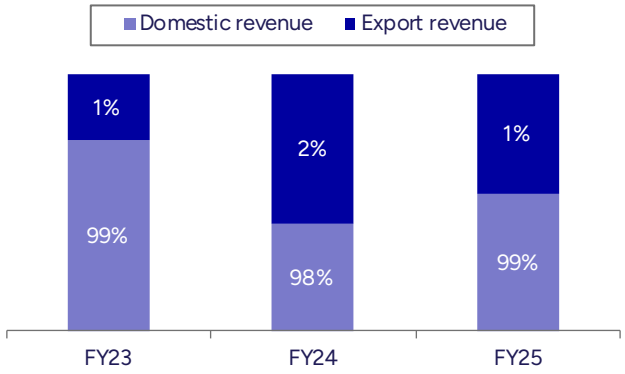
Source: Company, PL

Exhibit 181: PAT clocks 229.9% CAGR over FY22-25



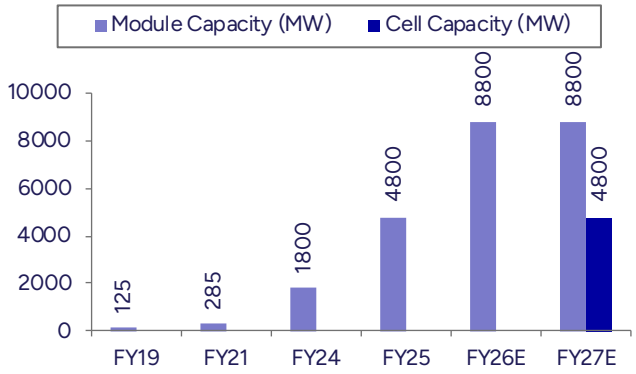
Source: Company, PL

Exhibit 182: Revenue split between domestic and exports



Source: Company, PL

Exhibit 183: Expanding manufacturing base



Source: Company, PL

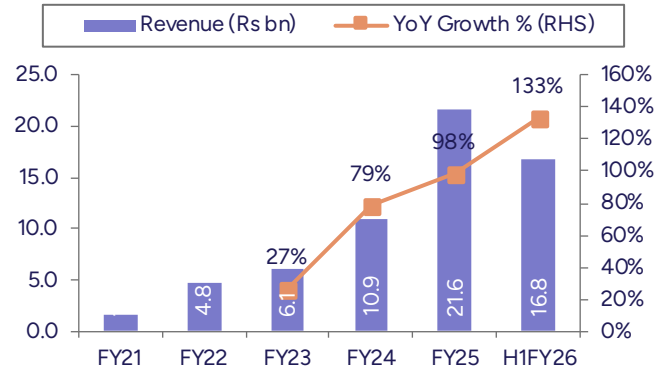
Financials & Valuations

Revenue clocks 65.1% CAGR over FY22-25

The company reported a robust revenue CAGR of 65.1% over FY22-25, driven by strong recovery in sales volumes and a strategic shift in product mix. Adoption of high-efficiency technology further accelerated growth, with N-type TOPCon modules contributing 56.7% of module revenue in FY25, up from just 0.2% in FY24, indicating rapid market acceptance of advanced products.

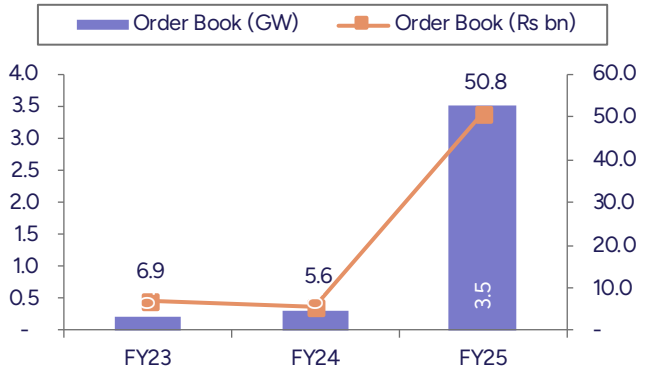
By the end of H1FY26, the company's consolidated order book stood at 4.68GW, with the majority of sales coming from the utility segment (~70%), followed by retail and C&I (~25%), while EPC services and exports contributed ~3% and ~0.4%, respectively.

Exhibit 184: Revenue clocks 65.1% CAGR over FY22-25



Source: Company, PL

Exhibit 185: Expanding orderbook base



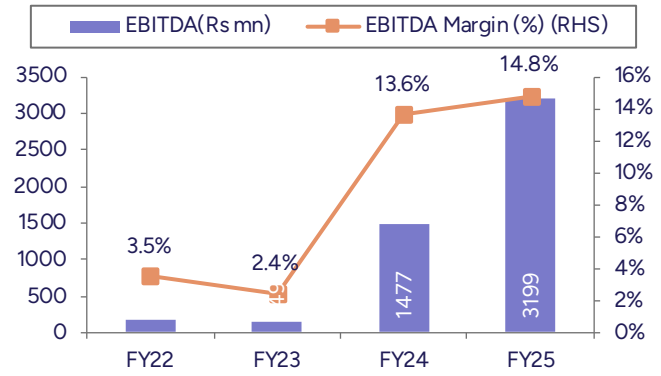
Source: Company, PL

EBITDA/ PAT clocks 167.3%/ 229.9% CAGR over FY22-25

Saatvik's EBITDA margin expanded by 120bps to 14.8% over FY24-25, led by improved operational efficiency, favorable scaling of production capacity, and a strategic shift toward high-margin N-type TOPCon modules. EBITDA margin further improved to 18.1% in H1FY26, despite a temporary moderation to 16.1% in Q2FY26 due to monsoon-related project delays and deferment of deliveries following GST rate reduction.

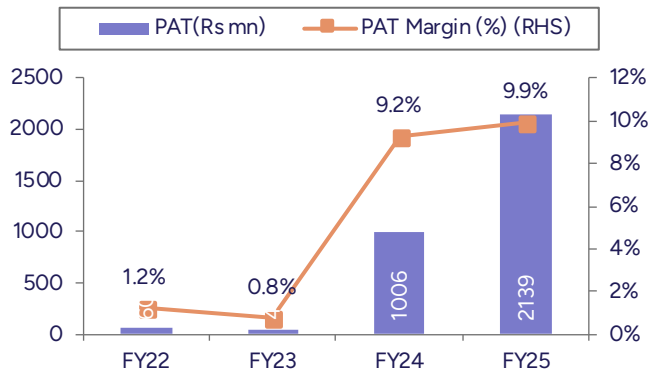
Consolidated PAT stood at Rs2,139mn in FY25 (+113% YoY), reflecting a PAT margin of 9.8%. The company reported PAT CAGR of ~230% over FY22-25, driven by strong revenue growth and operating leverage.

Exhibit 186: EBITDAM expanded by ~120bps YoY in FY25



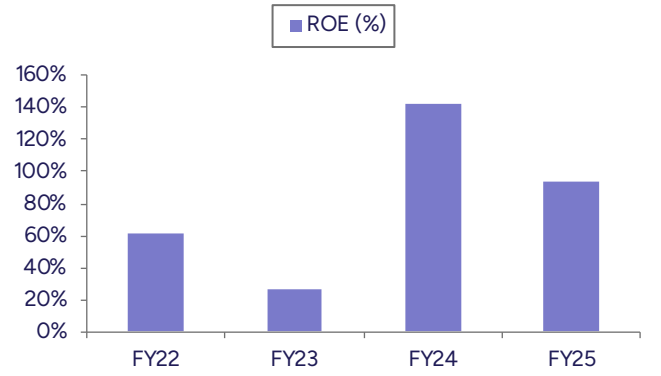
Source: Company, PL

Exhibit 187: PAT CAGR clocks 229.9% CAGR over FY22-25



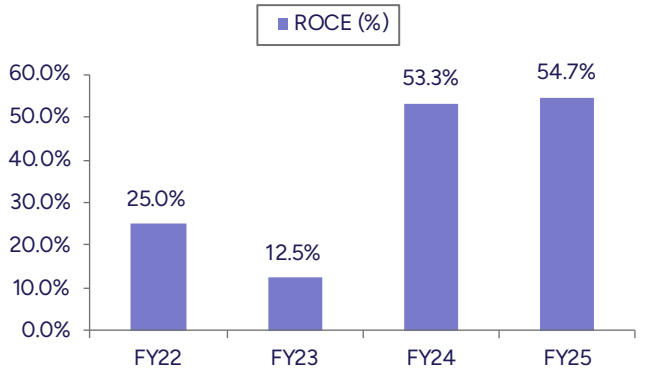
Source: Company, PL

Exhibit 188: Healthy RoE with improvement in profitability



Source: Company, PL

Exhibit 189: RoCE improves in FY25



Source: Company, PL

Annexure

Board of Directors & KMP

Exhibit 190: Board of Directors

Name	Designation
Mr. Neelesh Garg	Chairman & Managing Director
Mr. Manik Garg	Managing Director
Ms. Manavika Garg	Non-Executive Directors
Mr. Sudhir Kumar Bassi	Independent Directors
Mr. Narendra Mairpady	Independent Directors
Ms. Sarita Rajesh Zele	Independent Directors

Source: Company, PL

Exhibit 191: Management team

Name	Designation
Mr. Prashant Mathur	Chief Executive Officer
Mr. Abani Kant Jha	Chief Financial Officer
Mr. Pushpendr Nath Samadhiya	Head of Sales
Mr. Deepak Koul	Head of Operations
Mr. Brijendra Pratap Singh	Head of Manufacturing

Source: Company, PL

Exhibit 192: Auditors

Name	Designation
Suresh Surana & Associates LLP	Statutory Auditors

Source: Company, PL

Notes

Notes

Notes

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Amber Enterprises India	BUY	8,269	6,626
2	Astral Ltd.	BUY	1,778	1,566
3	Avalon Technologies	Hold	1,083	1,062
4	Bajaj Electricals	BUY	600	514
5	Cello World	BUY	732	611
6	Century Plyboard (I)	Hold	845	799
7	Cera Sanitaryware	BUY	7,178	5,761
8	Crompton Greaves Consumer Electricals	BUY	375	279
9	Cyient DLM	Accumulate	478	441
10	Finolex Industries	Accumulate	228	188
11	Greenpanel Industries	BUY	399	270
12	Havells India	Accumulate	1,653	1,487
13	Kajaria Ceramics	Hold	1,083	1,049
14	Kaynes Technology India	BUY	5,624	3,807
15	KEI Industries	BUY	4,926	4,173
16	LG Electronics India	BUY	1,920	1,618
17	Polycab India	BUY	8,808	7,440
18	R R Kabel	BUY	1,634	1,391
19	Supreme Industries	BUY	4,723	4,001
20	Syrma SGS Technology	Accumulate	874	831
21	Voltas	Hold	1,411	1,351

PL's Recommendation Nomenclature

Buy	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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