BUY (Maintain)

CMP: **INR 1,113** Target Price: **INR 1,290 (INR 1,230)** ▲ 16%

ICICI Securities

ICICI Securities Limited is the author and distributor of this report

30 October 2025

India | Equity Research | Results Update

Adani Green Energy

Utilities

Execution on track

Adani Green Energy (AGEL) commissioned 2.4GW capacity in H1 (0.9GW in Q2FY26), taking its total operational capacity to 16.6GW (+49% YoY). It remains on track to meet its target of commissioning 5GW capacity in FY26. This incremental capacity increased its generation by 34% YoY to 9BU, but generation remains subdued vs. capacity increase, on account of 1) low wind PLF and 2) lower solar grid availability. It also sold 43% of generation in merchant, which led to lower than our estimated Q2 earnings. Revenue increased 20% YoY to INR 29.6bn. EBITDA came in at INR 26bn (+15% YoY). Note, AGEL has locked-in portfolio of >34GW with EBITDA potential of INR 226bn. It plans to achieve 50GW of operational capacity by 2030 – 45GW of generation capacity and 5GW of PSP capacity; it is targeting 30GW of operational capacity at Khavda by 2029. Maintain **BUY** with a revised TP of **INR 1,290** (earlier 1,230).

Capacity commissioning on track

AGEL has commissioned ~0.9GW of capacity in Q2FY26 (0.4GW/0.03GW/0.4GW solar/wind/hybrid), taking the commissioning in H1FY26 to 2.4GW. It remains on track to meet its target of commissioning 5GW capacity in FY26. Note, AGEL had commissioned 3.3GW/2.9GW/2.7GW of capacity in FY25/24/23, respectively.

Below par generation...

Generation increased 34% YoY to 9BU - subdued compared to capacity increase, on account of low wind PLF and lower solar grid availability. Wind generation stood at 1.5BU (vs. 1.8BU in Q1FY26) - wind ideally sees higher generation in Q2. Solar generation stood at 5.4BU (+54% YoY) and hybrid at 2.1BU (+14% YoY).

...limits growth in EBITDA in Q2FY26

Revenue increased 20% YoY to INR 29.6bn on incremental capacity addition. EBITDA increased 15% YoY to INR 26bn (below our estimate - partly led by weak solar revenue in Q2, lower merchant realisation and low grid availability). PBT fell 30% YoY to INR 3.8bn. PAT was up 25% YoY to INR 5.8bn (due to one-off in taxes).

Robust execution pipeline

AGEL has locked-in portfolio of >34GW with estimated EBITDA potential of INR 226bn. It plans to operationalise 50GW by 2030, including 5GW PSP capacity. It is targeting 30GW capacity in Khavda (in Gujarat) by 2029. Note, Khavda is a resource-rich location, resulting in higher PLFs.

Maintain BUY with revised TP of INR 1,290

Maintain **BUY** with TP of **INR 1,290**, valuing the stock at 16x locked-in EBITDA.

Financial Summary

Y/E Mar-31 (INR mn)	FY25A	FY26E	FY27E	FY28E
Net Revenue	98,920	1,28,651	1,61,872	2,07,618
EBITDA	90,060	1,16,920	1,47,909	1,90,172
EBITDA Margin (%)	91.0	90.9	91.4	91.6
Net Profit	14,460	23,297	32,203	46,129
EPS (INR)	14.2	14.1	19.5	28.0
EPS % Chg YoY	31.5	54.9	38.2	46.8
P/E (x)	121.9	78.7	56.9	38.8
EV/EBITDA (x)	28.0	22.3	19.0	15.7
RoCE (%)	7.4	6.9	7.4	7.8
RoE (%)	7.8	9.0	9.9	12.6

Mohit Kumar
kumar.mohit@icicisecurities.com
+91 22 6807 7419
Mahesh Patil
mahesh.patil@icicisecurities.com
Abhinav Nalawade
abhinav.nalawade@icicisecurities.com
Nidhi Shah
nidhi.shah@icicisecurities.com

Market Data

Market Cap (INR)	1,833bn
Market Cap (USD)	20,777mn
Bloomberg Code	ADANIGR IN
Reuters Code	ADNA.BO
52-week Range (INR)	1,734 /758
Free Float (%)	19.0
ADTV-3M (mn) (USD)	38.2

Price Performance (%)	3m	6m	12m
Absolute	9.6	20.6	(32.0)
Relative to Sensex	5.1	14.8	(37.7)

ESG Score	2023	2024	Change
ESG score	**67.6**	**71.2**	**3.6**
Environment	58.8	64.4	5.6
Social	79.0	76.4	(2.6)
Governance	68.5	74.1	5.6

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

30-07-2025: Q1FY26 results review

29-04-2025: Q4FY25 results review

ICICI Securities

Exhibit 1: Quarterly result highlights (consolidated)

P&L (INR mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	% Ch QoQ	% Ch YoY
Net sales	**24,670**	**21,040**	**27,060**	**33,790**	**29,610**	**(12.4)**	**20.0**
EBITDA	**22,720**	**19,080**	**24,060**	**30,420**	**26,030**	**(14.4)**	**14.6**
OPM (%)	*92%*	*91%*	*89%*	*90%*	*88%*	**-212**	**-419**
Other inc.	3,210	2,650	2,140	2,060	2,410	17.0	(24.9)
Interest	14,360	12,510	13,770	15,250	16,350	7.2	13.9
Depreciation	6,180	6,150	6,630	7,670	8,340	8.7	35.0
PBT	5,390	3,070	5,800	9,560	3,750	(60.8)	(30.4)
Reported PAT	**5,150**	**4,140**	**4,620**	**8,240**	**6,440**	**(21.8)**	**25.0**
PAT	5,130	4,720	3,870	7,240	6,120	(15.5)	19.3
EPS (INR)	32	26	29	46	39	(15.5)	19.3
Operational capacity (GW)	11	12	14	16	17	5.5	49.1
Generation (MU)	6,772	5,980	7,861	10,479	9,090	-13.3	34.2

Source: Company data, I-Sec research

Outlook and valuation

AGEL has the strongest track record of developing renewables portfolio. It also has the resources to develop up to 30GW at a single location in Khavda. It has been miles ahead in the competition. It has a capex to EBITDA ratio of close to ~7.5x, indicating high capital efficiency. We value the asset with an EV to EBITDA of 16x – implying a doubling of the asset from 30GW to 60GW in the next eight years. The multiple factors include – 1) AGEL's strong track record of execution with 16.6GW of operational capacity, 2) superior capital efficiency, 3) access to funds, and 4) quality solar and wind resources on a large scale. We maintain **BUY** with a revised target price of INR 1,290 (earlier INR1,230)**.** Revision takes into account increased locked-in EBITDA to INR 226bn (vs earlier INR 220bn).

Key risks: 1) Delay in commissioning of under-development capacity; and 2) lower-than-estimated generation.

Exhibit 2: Valuation

Locked in EBITDA	**2,26,355**
Multiple	16
EV	36,95,240
Less: Debt	12,12,055
Total Value	24,83,185
Discounted value	**21,25,219**
No of Shares	1,647
TP	**1,290**
CMP	1,113
Upside	**16%**
Rating	BUY

Source: I-Sec research, Company data

Q2FY26 conference call highlights

Operating performance

- Energy sales were up 34% YoY to 9BU.
- It expects EBITDA of INR 34bn for the next two quarters each.

Capacity addition review

- AGEL commissioned 0.9GW capacity in Q2FY26.
- Total capacity commissioned in H1FY26 stands at 2.4GW.
- The company maintains its guidance of commissioning 5GW capacity in FY26.
- Total capex estimated stands at INR 300bn in FY26 and INR 300- 350bn for the next two years each.

On pumped storage projects

- Chitravati PSP is progressing well with 57% physical progress.
- Overall cost stands at INR 26bn resulting in INR 50-52mn/MW.
- 1800MW PSP capacity will be more cost effective.
- PPA has not been locked in for these PSP capacities.

On transmission connectivity and merchant sales

- The company highlighted that given the amount of RE capacity addition at industry level and transmission infrastructure being planned to evacuate RE, there can be some mismatches in terms of commissioning of generation and transmission capacity.
- Commissiong of projects before the scheduled timeline allows for sale of power from these projects in merchant market after due approvals.

Others

- AGEL's gross debt as of Jun'25 stood at INR 860bn.
- Solar grid availability stood at 89% - grid availability not only incorporates its plants' connection to national grid substation but also incorporates any grid curtailment from grid operator beyond the said substation. It has less than 5% impact.

RE tendering outlook

- Over the next two years – storage power systems will complement the pure play solar/wind projects.
- It has taken a strategic decision to not enter BESS projects currently but is building its capabilities.
- The company mentioned the scale at which BESS would come in and it would be unprecedented across the industry. Given the solar capacity and land availability to install BESS, AGEL would be well placed compared to peers.

Exhibit 3: Shareholding pattern

%	Mar'25	Jun'25	Sep'25
Promoters	60.9	61.9	62.4
Institutional investors	14.9	14.4	14.3
MFs and other	1.0	1.5	1.6
Banks/ FIs	0.0	0.0	0.0
Insurance Cos.	1.4	1.3	1.3
FIIs	12.5	11.6	11.3
Others	24.2	23.6	23.3

Source: Bloomberg, I-Sec research

Exhibit 4: Price chart

Source: Bloomberg, I-Sec research

ICICI Securities

Financial Summary

Exhibit 5: Profit & Loss

(INR mn, year ending Mar-31)

	FY25A	FY26E	FY27E	FY28E
Net Sales	**98,920**	**1,28,651**	**1,61,872**	**2,07,618**
Operating Expenses	3,602	4,677	5,916	7,607
EBITDA	**90,060**	**1,16,920**	**1,47,909**	**1,90,172**
EBITDA Margin (%)	91.0	90.9	91.4	91.6
Depreciation & Amortization	24,890	31,084	39,495	51,148
EBIT	65,170	85,836	1,08,414	1,39,024
Interest expenditure	54,820	64,799	77,797	90,354
Other Non-operating Income	10,660	11,606	13,928	14,485
Recurring PBT	**21,010**	**32,644**	**44,545**	**63,156**
Profit / (Loss) from Associates	**4,440**	**4,440**	**4,440**	**4,440**
Less: Taxes	2,160	8,216	11,212	15,896
PAT	18,850	24,427	33,333	47,259
Less: Minority Interest	(5,570)	(5,570)	(5,570)	(5,570)
Extraordinaries (Net)	(3,260)	-	-	-
Net Income (Reported)	**20,030**	**23,297**	**32,203**	**46,129**
Net Income (Adjusted)	**14,460**	**23,297**	**32,203**	**46,129**

Source Company data, I-Sec research

Exhibit 6: Balance sheet

(INR mn, year ending Mar-31)

	FY25A	FY26E	FY27E	FY28E
Total Current Assets	86,220	59,201	1,34,999	81,432
of which cash & cash eqv.	51,360	1,980	67,766	412
Total Current Liabilities & Provisions	61,820	95,634	1,25,146	1,45,530
Net Current Assets	**24,400**	**(36,433)**	**9,853**	**(64,098)**
Investments	9,690	1,857	1,912	1,970
Net Fixed Assets	7,99,150	9,70,854	11,87,603	14,83,602
ROU Assets	-	-	-	-
Capital Work-in-Progress	1,44,790	1,28,807	1,74,279	1,02,000
Total Intangible Assets	-	-	-	-
Other assets	74,130	37,065	40,772	41,179
Deferred Tax Assets	-	-	-	-
Total Assets	**10,52,160**	**11,02,150**	**14,14,418**	**15,64,654**
Liabilities				
Borrowings	**8,13,930**	**7,69,534**	**10,46,734**	**11,47,910**
Deferred Tax Liability	**-**	**-**	**-**	**-**
provisions	-	-	-	-
other Liabilities	26,740	24,557	25,294	26,052
Equity Share Capital	15,840	16,480	16,480	16,480
Reserves & Surplus	91,290	1,85,131	2,17,334	2,63,464
Total Net Worth	**1,07,130**	**2,01,611**	**2,33,814**	**2,79,944**
Minority Interest	1,04,360	1,06,447	1,08,576	1,10,748
Total Liabilities	**10,52,160**	**11,02,150**	**14,14,418**	**15,64,654**

Source Company data, I-Sec research

Exhibit 7: Cashflow statement

(INR mn, year ending Mar-31)

	FY25A	FY26E	FY27E	FY28E
Operating Cashflow	**48,280**	**35,880**	**52,833**	**53,856**
Working Capital Changes	29,430	11,453	19,500	6,597
Capital Commitments	(2,56,830)	(1,55,721)	(2,62,221)	(2,23,721)
Free Cashflow	**3,05,110**	**1,91,601**	**3,15,054**	**2,77,577**
Other investing cashflow	**(4,390)**	**(1,130)**	**(1,130)**	**(1,130)**
Cashflow from Investing Activities	(2,61,220)	(1,56,851)	(2,63,351)	(2,24,851)
Issue of Share Capital	36,790	73,271	2,129	2,172
Interest Cost	-	-	-	-
Inc (Dec) in Borrowings	1,51,890	(44,396)	2,77,200	1,01,176
Dividend paid	-	-	-	-
Others	(22,230)	42,715	(3,025)	294
Cash flow from Financing Activities	1,66,450	71,591	2,76,304	1,03,641
Chg. in Cash & Bank balance	**(46,490)**	**(49,380)**	**65,786**	**(67,353)**
Closing cash & balance	51,360	1,980	67,766	412

Source Company data, I-Sec research

Exhibit 8: Key ratios

(Year ending Mar-31)

	FY25A	FY26E	FY27E	FY28E
Per Share Data (INR)				
Reported EPS	9.1	14.1	19.5	28.7
Adjusted EPS (Diluted)	14.2	14.1	19.5	28.0
Cash EPS	24.8	33.0	43.5	59.0
Dividend per share (DPS)	-	-	-	-
Book Value per share (BV)	67.6	122.3	141.9	169.9
Dividend Payout (%)	-	-	-	-
Growth (%)				
Net Sales	22.9	30.1	25.8	28.3
EBITDA	23.1	29.8	26.5	28.6
EPS (INR)	31.5	54.9	38.2	46.8
Valuation Ratios (x)				
P/E	121.9	78.7	56.9	38.8
P/CEPS	44.8	33.7	25.6	18.8
P/BV	16.5	9.1	7.8	6.5
EV / EBITDA	28.0	22.3	19.0	15.7
P / Sales	17.9	14.3	11.4	8.9
Dividend Yield (%)	-	-	-	-
Operating Ratios				
Gross Profit Margins (%)	94.7	94.5	95.0	95.3
EBITDA Margins (%)	91.0	90.9	91.4	91.6
Effective Tax Rate (%)	10.3	25.2	25.2	25.2
Net Profit Margins (%)	19.1	19.0	20.6	22.8
NWC / Total Assets (%)	0.1	-	-	-
Net Debt / Equity (x)	7.0	3.8	4.2	4.1
Net Debt / EBITDA (x)	8.4	6.5	6.6	6.0
Profitability Ratios				
RoCE (%)	7.4	6.9	7.4	7.8
RoE (%)	7.8	9.0	9.9	12.6
RoIC (%)	7.4	6.9	7.4	7.8
Fixed Asset Turnover (x)	0.1	0.1	0.1	0.2
Inventory Turnover Days	4	34	33	34
Receivables Days	63	90	89	90
Payables Days	16	113	156	157

Source Company data, I-Sec research

ICICI Securities

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION
I/We, Mohit Kumar, MBA; Mahesh Patil, MBA; Abhinav Nalawade, MBA; Nidhi Shah, MBA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:
ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions. (Link)

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122