

Steady performance; BESS to cushion evacuation constraints

Power ▶ Result Update ▶ October 22, 2026

CMP (Rs): 1,250 | TP (Rs): 1,700

AGEL's consolidated 2QFY27 EBITDA rose 46% yoy to Rs38.0bn (down 5% qoq; a 5% beat), supported by 24% yoy growth in operational capacity to 20.8GW, better realizations, BESS contribution, and operating efficiencies. Power sales grew 33% yoy, aided by better CUFs, though curtailment weighed on solar CUFs. 1HFY27 EBITDA stood at Rs82.8bn and could have approached Rs90bn without curtailment. However, the impact is expected to ease in 2H as AGEL accelerates BESS deployment as a strategic hedge against evacuation constraints, targeting to surpass 10GWh by FY27-end. Commissioning of the 7GW transmission corridor has been delayed to 4QFY27 from 3QFY27 due to ROW challenges. The management retained its FY27 RE capacity addition guidance of 4.5–5GW, subject to corridor availability. However, AGEL is completing balance-of-system works and infrastructure ahead of transmission readiness, enabling rapid module installation/commissioning once evacuation is assured. Accelerated BESS additions should also support RE deployment amid transmission delays. We retain FY27–29E earnings and roll forward to Sep-27E, raising our TP by 3% to Rs1,700 from Rs1,650; maintain BUY.

Result highlights

AGEL reported 2QFY27 consolidated revenue of Rs42.6bn, up 42% yoy and at a 5% beat, albeit down 4% qoq. Core power supply revenue grew 45% yoy to Rs40.2bn (a 3% beat; down 6% qoq), driven by 24% yoy growth in operational capacity, better realizations, and marginally higher CUFs. Sequentially, however, CUFs moderated due to seasonality. Book realization rose 9%/6% yoy/qoq to Rs3.3/kWh, backed by sequential improvement in merchant tariffs. Power supply EBITDA rose 51% yoy to Rs38.4bn (down 7% qoq), with EBITDAM improving to 95%. Finance cost was up 30%/6% yoy/qoq to Rs21.2bn, while net debt rose 37% yoy to Rs1.1trn (up 14% HoH). D/A was up 6% qoq to Rs10.8bn; other income of Rs2.6bn was up 9%/13% yoy/qoq, though at a 13% miss. Share of profit from associates/JVs fell 29% yoy to Rs820mn (up 41% qoq). AGEL's APAT (after MI) beat our estimate by 28% (at Rs6.7bn; down 8%/21% yoy/qoq). Share of merchant and infirm power fell to 43% from 44% yoy and qoq each. AGEL added 3,081MWh of BESS capacity in 2QFY27, partly mitigating curtailment amid a sharp decline in grid availability.

Management KTAs

AGEL targets 13–14% ROA. AESL contracted solar tariffs are better (at Rs2.7/kWh) than current merchant rates (Rs2.3–2.4/kWh), while wind at Rs3.93/kWh compares with ~Rs4/kWh, supporting targeted returns. Scheduled power is compensated for procurer rejection or grid curtailment. 72–73% of project loans carry fixed rates for 3–5 years; ~70% of debt is rupee-denominated. Rating/borrowing cost to improve on rising operational share; leverage to also improve. Of the 6.6GWh BESS, 3.5GWh is contracted.

Valuation

We value AGEL at 12.5x FY31E EV/EBITDA, discounted at 15% (CoE) to Sep-27E. Key risks: project execution, policy, equipment inflation, technology, resource-yield related.

Target Price – 12M	Sep-27
Change in TP (%)	3.0
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	36.0

Stock Data	ADANIGR IN
52-week High (Rs)	1,632
52-week Low (Rs)	765
Shares outstanding (mn)	1,647.2
Market-cap (Rs bn)	2,059
Market-cap (USD mn)	21,713
Net-debt, FY27E (Rs mn)	1,292,856.0
ADTV-3M (mn shares)	3.1
ADTV-3M (Rs mn)	2,781.7
ADTV-3M (USD mn)	29.3
Free float (%)	31.0
Nifty-50	22,687.7
INR/USD	94.8

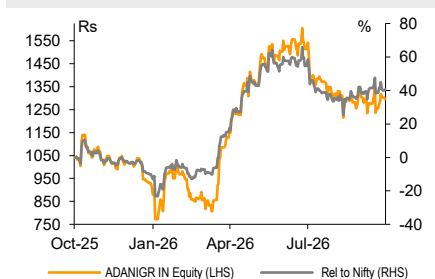
Shareholding, Sep-26

Promoters (%)	62.4
FPIs/MFs (%)	11.3/5.3

Price Performance

(%)	1M	3M	12M
Absolute	(4.1)	(15.1)	20.2
Rel. to Nifty	(1.4)	(10.2)	37.0

1-Year share price trend (Rs)



Adani Green Energy: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	112,120	129,280	195,525	271,523	349,054
EBITDA	88,770	107,680	172,489	244,420	318,240
Adj. PAT	16,530	17,540	37,115	66,036	96,919
Adj. EPS (Rs)	10.4	10.7	22.5	40.1	58.8
EBITDA margin (%)	79.2	83.3	88.2	90.0	91.2
EBITDA growth (%)	21.3	21.3	60.2	41.7	30.2
Adj. EPS growth (%)	34.5	2.8	110.1	77.9	46.8
RoE (%)	16.6	11.7	17.6	25.1	28.1
RoIC (%)	8.7	8.6	8.7	9.2	9.7
P/E (x)	119.8	116.6	55.5	31.2	21.2
EV/EBITDA (x)	30.5	27.9	18.9	14.4	11.8
P/B (x)	18.5	10.6	9.0	7.0	5.2
FCFF yield (%)	(5.8)	(5.3)	(7.7)	(5.7)	(4.1)

Source: Company, Emkay Research

Sabri Hazarika

sabri.hazarika@emkayglobal.com
+91-22-66121282

Arya Patel

arya.patel@emkayglobal.com
+91-22-66121285

Exhibit 1: Actuals vs Estimates (2QFY27)

(Rs mn)	Actual	Estimates (Emkay)	Consensus Estimates (Bloomberg)	Variation	Variation	Comments
				Emkay	Consensus	
Total revenue	42,580	40,733	40,680	5%	5%	Higher power sales amid higher-than-expected realization and better CUFs
Adjusted EBITDA	37,970	36,063	35,995	5%	5%	
EBITDA margin	89.2%	88.5%	88.5%	64bps	69bps	
Adjusted net profit	6,730	5,274	5,653	28%	19%	Lower D/A, finance cost, and ETR

Source: Company, Emkay Research

Exhibit 2: AGEL – Quarterly Financial Summary

Consolidated (Rs mn)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	yoy	qoq	1HFY26	1HFY27	yoy
Revenue	30,080	26,180	35,020	44,310	42,580	42%	-4%	68,080	86,890	28%
Expenditure	4,050	3,770	6,200	4,460	4,610	14%	3%	11,630	9,070	-22%
EBITDA	26,030	22,410	28,820	39,850	37,970	46%	-5%	56,450	77,820	38%
Depreciation	8,340	8,860	8,850	10,260	10,840	30%	6%	16,010	21,100	32%
EBIT	17,690	13,550	19,970	29,590	27,130	53%	-8%	40,440	56,720	40%
Finance cost	16,350	16,980	16,260	20,010	21,190	30%	6%	31,600	41,200	30%
Other income	2,410	2,190	2,250	2,320	2,620	9%	13%	4,470	4,940	11%
PBT before exceptionals	3,750	(1,240)	5,960	11,900	8,560	128%	-28%	13,310	20,460	54%
Forex Gain/(Loss)	-	-	-	-	-			-	-	
Exceptional item	(830)	(110)	(1,080)	(20)	-			(1,000)	(20)	
PBT	2,920	(1,350)	4,880	11,880	8,560	193%	-28%	12,310	20,440	66%
Tax	(2,370)	(370)	560	2,630	1,910			(50)	4,540	NM
PAT	5,290	(980)	4,320	9,250	6,650	26%	-28%	12,360	15,900	29%
Assoc-JV profit share	1,150	1,030	820	580	820	-29%	41%	2,320	1,400	-40%
Minority interest (MI)	610	460	1,170	1,380	740			1,720	2,120	
PAT after MI	5,830	(410)	3,970	8,450	6,730	15%	-20%	12,960	15,180	17%
EPS (Rs)	3.5	(0.2)	2.4	5.1	4.1	15%	-20%	7.9	9.2	16%
Operational Capacity (MW)	16,680	17,240	19,294	20,143	20,763	24%	3%	16,680	20,763	24%
Solar	11,593	11,943	13,515	14,207	14,550	26%	2%	11,593	14,550	26%
Wind	2,142	2,176	2,563	2,670	2,947	38%	10%	2,142	2,947	38%
Hybrid	2,945	3,121	3,216	3,266	3,266	11%	0%	2,945	3,266	11%
CUF										
Solar	21.9%	21.7%	24.9%	25.3%	20.6%			24.8%	22.9%	
Wind	33.5%	13.5%	19.5%	44.4%	41.6%			37.8%	42.9%	
Hybrid	35.0%	27.3%	36.3%	49.0%	41.5%			39.1%	45.2%	
Sale of Power (MU)	9,090	8,067	9,931	13,657	12,090	33%	-11%	19,569	25,747	32%
Solar	5,441	5,627	6,565	7,653	6,490	19%	-15%	11,813	14,143	20%
Wind	1,499	646	968	2,516	2,604	74%	3%	3,304	5,120	55%
Hybrid	2,150	1,794	2,398	3,488	2,996	39%	-14%	4,452	6,484	46%
Book Realisation (Rs/kwh)	3.05	3.00	3.12	3.13	3.32	9%	6%	3.11	3.22	4%
Merchant+Infirm Share	44%	46%	40%	44%	43%			43%	44%	
Power Supply Revenue	27,760	24,200	30,940	42,800	40,190	45%	-6%	60,880	82,990	36%
Power Supply EBITDA	25,430	22,700	29,440	41,220	38,350	51%	-7%	56,510	79,570	41%
EBITDAM	92%	94%	95%	96%	95%			93%	96%	
Net Debt	799,320		960,850		1,096,590			799,320	1,096,590	37%

Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions)

Earnings call highlights

- India's installed non-fossil fuel capacity has reached ~308GW, accounting for over 54% of total installed power capacity, supporting progress toward the 500GW target by 2030. Electricity demand continues to rise, driven by industrial growth, electric mobility, AI, data centres, hyperscalers, and broader electrification. Growing demand for firm and dispatchable RE, including integrated RE-plus-storage solutions from C&I customers, presents a significant growth opportunity for AGEL.
- AGEL's operational RE capacity reached 20.8GW, including 10.8GW of solar, wind, and hybrid capacity at Khavda. In 1HFY27, power supply revenue/EBITDA increased 36%/41% yoy to Rs83.0bn/Rs79.6bn, while total EBITDA stood at Rs82.8bn, which would have been close to Rs90bn without curtailment. The portfolio supplied clean power equivalent to the needs of over 4.4mn homes and helped avoid 17.5mn tonnes of CO₂ emissions during 1HFY27.
- Energy storage is emerging as the next major growth pillar for the company. AGEL commissioned ~3.1GWh of BESS at Khavda in 2QFY27, increasing the installed capacity to ~6.6GWh – representing over 50% of India's operational BESS capacity. The company remains on track to surpass 10GWh by FY27-end, while the maiden 500MW Chitravathi PSP is progressing toward completion by FY27-end. The ~Rs2.4trn capex program through FY30 remains supported by long-term contracts, disciplined capital allocation, and a targeted ROA of 13–14%.
- Commissioning of the first additional 7GW transmission corridor at Khavda, under Phase III, is slightly delayed and is now expected in 4QFY27 vs 3QFY27 earlier. Another 7GW corridor is also slightly delayed. Right-of-way issues remain a key constraint, with transmission developers working alongside central and state governments to resolve them. AGEL is closely monitoring progress, with its immediate focus on the Phase III corridor, through which most of its evacuation requirements are linked.
- AGEL retains its FY27 RE capacity addition target of 4.5–5GW, subject to the Phase III transmission corridor becoming available in 4QFY27. Drawing on earlier experience, the company is completing balance-of-system works and associated infrastructure ahead of transmission readiness, while aligning module installation and final commissioning with greater certainty on evacuation availability. Solar module installation capability of <20–30MW/day enables rapid commissioning once the corridor becomes available. If transmission commissioning slips further, new generation commissioning will remain aligned with evacuation readiness; meanwhile, BESS will help mitigate curtailment from existing assets.
- The Phase III 7GW corridor is expected to provide AGEL with its required GNA connectivity, address existing curtailment, and support further capacity additions. Meanwhile, accelerated BESS deployment should reduce the curtailment impact in 2HFY27 vs 1HFY27. Storage is increasingly providing flexibility to manage transmission delays and improve utilization of existing evacuation infrastructure.
- As a broad rule of thumb, 10GWh of BESS can absorb generation corresponding to ~2GW of solar capacity, helping cushion curtailment during peak solar-generation hours and shift dispatch to periods when evacuation capacity is available. Dividing battery energy capacity by ~4.5–5 provides an indicative estimate of the corresponding solar capacity, although the actual relationship depends on seasonality and the solar generation curve.
- AGEL has demonstrated the ability to execute large BESS projects within ~8–10 months. Such projects require relatively limited additional land and can utilize existing substations, allowing quicker deployment in response to transmission constraints. Batteries effectively enable virtual transmission, supporting greater deployment of solar and wind despite delays in physical evacuation infrastructure.
- 1HFY27 solar CUF declined to ~23% from 24.8% yoy, primarily due to higher curtailment, with some impact from seasonal variations. Underlying resource availability was broadly stable to slightly better yoy, while plant performance and operating efficiency remained healthy. The CUF decline therefore largely reflected evacuation constraints. CUFs are expected to improve once the additional transmission corridor becomes operational.

- Transmission delays or curtailment of 3–6 months are not expected to materially alter project returns over a 25-year operating period. Several assets have also been commissioned ahead of schedule, providing incremental generation and returns before their contracted commencement dates. While delays affect near-term earnings, the underlying long-term project economics remain intact.
- Scheme-level developments are progressing for transmission Phases VI and VII at Khavda. While there could be some delays in evacuation infrastructure, AGEL remains committed to achieving and potentially surpassing its FY30 capacity target. Accelerated BESS deployment would help mitigate potential transmission delays, particularly under Phase VI, while capacity additions in other states, including Rajasthan, are also being evaluated to support growth.
- AGEL's contracting strategy focuses on securing long-term returns from creditworthy counterparties, with no preference between C&I, government, or other buyers. The key requirements are counterparties rated at least AA+ and a targeted ROA of 13–14%. Solar and wind capacities are tied up under 25-year PPAs with SECI-like terms and conditions. AESL meets these criteria and has been a key counterparty, although AGEL remains open to other buyers offering comparable terms.
- While the company targets 13-14% ROA, equity returns would be higher, given the company's ~75:25 debt-equity funding structure. The focus remains on securing the required project returns while limiting exposure to merchant-price volatility.
- Infirm power continues to be sold in merchant markets until the relevant long-term contracts become operational. Merchant realizations improved to ~Rs2.4/kWh from ~Rs2.1/kWh yoy in 2Q. Solar capacity contracted with AESL earns Rs2.70/kWh under 25-year PPAs, which is better than current merchant realizations of ~Rs2.3–2.4/kWh. Besides, these contracts provide visibility over the project life and remove exposure to future merchant-price fluctuations.
- Wind capacity has been contracted with AESL at Rs3.93/kWh for 25 years, broadly comparable with average merchant realizations of ~Rs4+/kWh in the previous year. Wind merchant prices can vary significantly with seasonality, and the contracted tariff was assessed against annual realizations, benchmark PPAs, and targeted project returns. The broader strategy is to focus on execution, efficient operations, and the substantial capex pipeline, while reducing merchant-price risk for both shareholders and lenders.
- Around 3.5GWh of BESS capacity has already been contracted, while tie-ups for the remaining ~3.1GWh commissioned toward 2QFY27-end are in progress. The allocation of BESS tie-ups between AESL and other counterparties will depend on credit quality, contractual terms, and return requirements. Solar and wind generation required to meet battery charging needs are already available, with no input-power constraint envisaged.
- Power is scheduled in 15-minute blocks, based on available generation and permissible evacuation capacity. Once scheduled, AGEL is compensated if the procurer does not accept the power or if the grid subsequently instructs it to back down (curtailment). These principles apply to AESL contracts as well as other PPAs on SECI-like terms. However, generation that is not scheduled is not compensated.
- 2QFY27 power EBITDA growth of 51% yoy outpaced generation growth of ~33%, supported by better realizations, the inclusion of BESS earnings, favourable wind generation, and operating efficiencies. Wind output benefited from better wind conditions, with the majority of wind power still being sold in merchant markets. Operating expenses increased more slowly than the scale of operations, supported by rationalization of O&M, manpower, and other costs. Investments in digitization, technology, and advanced analytics are increasingly translating into stronger asset performance and profitability.
- Around 72–73% of AGEL's project loans carry fixed interest rates for 3–5 years, limiting near-term sensitivity to rising interest rates. Construction-stage assets are typically rated in the BBB- to A range, with ratings generally improving to AA upon commissioning, potentially reducing borrowing costs by ~50bps on commissioning. As operating capacity scales up, the share of under-construction assets is expected to decline from ~30% currently to ~10–20%, when operational capacity reaches ~30GW, supporting a gradual improvement in the rating profile and potentially lowering interest cost.

- AGEL's average borrowing cost has declined from ~11.1% in FY19 to ~8.9% currently, supported by a five-notch improvement in its credit rating despite intervening interest-rate cycles. Borrowing costs were broadly stable at ~8.9–8.95% over the past six months, notwithstanding the construction pipeline of ~10GWh of BESS and ~5GW of solar and wind capacity. The increasing share of operating assets, rating improvements, and fixed-rate funding should cushion the impact of a rising interest-rate environment.
- AGEL's SPV AGEL23L, contributing ~15% of consolidated EBITDA, has been upgraded from AA+ to AAA, potentially supporting a further ~20–25bps reduction in its borrowing cost on project level. The SPV's interest rate has declined from ~10–11% historically to ~8.4%, supported by rating upgrades. Its operating track record, better-than-expected asset performance, and repayment of a 20-year amortizing loan are supporting profitability and credit quality. While the immediate borrowing-cost benefit applies to the SPV, such upgrades also strengthen AGEL's overall credit profile as more assets mature.
- Around 70% of the loan book is rupee-denominated, with the remaining ~30% denominated in USD. Principal and interest payments on foreign-currency borrowings are fully hedged, in line with lender requirements. Hedging for RG2 extends through FY30, while RG1 is hedged through FY28 and will be rolled over when an appropriate market window is available. The company typically uses 3–5-year hedging tenors, where liquidity and pricing are more favourable.
- AGEL remains committed to its ~Rs2.4trn capex program through FY30, with solar, wind, BESS, and PSPs each having a role in the expansion strategy. BESS deployment has accelerated in FY27 and offers scope for further growth over the next few years, adding to the broader growth opportunity. The focus remains on deploying capital prudently and cost-efficiently.
- Leverage could remain around the current ~5.6x level through FY28–29, before declining as the major capex program is completed and the operating portfolio expands. By FY29–30, the portfolio is envisaged to comprise ~45GW of RE, ~5GW of PSPs, and 40–50GWh of BESS, supporting leverage of ~4.5–5x, and followed by a further decline toward 4x and below over time. Project loans are amortizing, and financed projects continue to service interest and repayments. Temporary transmission delays are not expected to materially change this long-term deleveraging trajectory.

Exhibit 3: AGEL's EV/EBITDA-based valuation

Consolidated (Rs bn)	Target FY31/30-end
EBITDA	467
Target EV/EBITDA (x)	12.5
EV	5,840
Net Debt (Phase-adjusted)	1,867
Equity Value	3,973
Profit from Associates - Minority Interest	-1
Target PER (x)	25
Value of Net Minority	-30
Target Equity Value	3,943
Discounted Equity Value (15% CoE, Sep-27)	2,781
Target Price (Rs)	1,700

Source: Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

Adani Green Energy: Consolidated Financials and Valuations

Profit & Loss					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	112,120	129,280	195,525	271,523	349,054
Revenue growth (%)	21.6	15.3	51.2	38.9	28.6
EBITDA	88,770	107,680	172,489	244,420	318,240
EBITDA growth (%)	21.3	21.3	60.2	41.7	30.2
Depreciation & Amortization	24,980	33,720	46,668	71,063	90,740
EBIT	63,790	73,960	125,821	173,357	227,500
EBIT growth (%)	17.8	15.9	70.1	37.8	31.2
Other operating income	1,650	6,020	7,826	8,609	9,039
Other income	11,990	8,840	8,094	7,857	8,077
Financial expense	54,810	64,770	83,293	92,376	104,934
PBT	20,970	18,030	50,622	88,838	130,643
Extraordinary items	(3,260)	(2,190)	0	0	0
Taxes	2,140	140	11,137	20,433	31,354
Minority interest	(6,740)	(4,520)	(6,370)	(6,370)	(6,370)
Income from JV/Associates	4,440	4,170	4,000	4,000	4,000
Reported PAT	13,270	15,350	37,115	66,036	96,919
PAT growth (%)	35.0	15.7	141.8	77.9	46.8
Adjusted PAT	16,530	17,540	37,115	66,036	96,919
Diluted EPS (Rs)	10.4	10.7	22.5	40.1	58.8
Diluted EPS growth (%)	34.5	2.8	110.1	77.9	46.8
DPS (Rs)	0	0	0	0	0
Dividend payout (%)	0	0	0	0	0
EBITDA margin (%)	79.2	83.3	88.2	90.0	91.2
EBIT margin (%)	56.9	57.2	64.4	63.8	65.2
Effective tax rate (%)	10.2	0.8	22.0	23.0	24.0
NOPLAT (pre-IndAS)	57,280	73,386	98,140	133,485	172,900
Shares outstanding (mn)	1,584	1,636	1,647	1,647	1,647

Source: Company, Emkay Research

Balance Sheet					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	15,840	16,470	16,470	16,470	16,470
Reserves & Surplus	105,530	183,180	220,295	286,331	383,250
Net worth	121,370	199,650	236,765	302,801	399,720
Minority interests	104,360	99,140	104,340	109,540	114,740
Non-current liab. & prov.	4,960	3,590	3,590	3,590	3,590
Total debt	780,690	1,004,780	1,338,169	1,630,159	1,884,809
Total liabilities & equity	1,043,620	1,351,960	1,728,370	2,092,338	2,449,886
Net tangible fixed assets	727,010	921,770	1,242,783	1,575,117	1,924,989
Net intangible assets	-	-	-	-	-
Net ROU assets	36,050	49,790	52,506	55,357	58,351
Capital WIP	144,800	190,310	234,060	277,810	277,810
Goodwill	30	30	30	30	30
Investments [JV/Associates]	9,390	13,560	13,560	13,560	13,560
Cash & equivalents	51,360	43,930	45,313	46,765	48,290
Current assets (ex-cash)	34,470	70,680	77,777	90,144	103,213
Current Liab. & Prov.	64,020	77,920	84,685	121,048	138,917
NWC (ex-cash)	(29,550)	(7,240)	(6,907)	(30,905)	(35,704)
Total assets	1,043,620	1,351,960	1,728,370	2,092,338	2,449,886
Net debt	729,330	960,850	1,292,856	1,583,394	1,836,519
Capital employed	1,043,620	1,351,960	1,728,370	2,092,338	2,449,886
Invested capital	733,540	964,350	1,288,411	1,599,599	1,947,666
BVPS (Rs)	67.6	117.9	139.7	179.8	238.6
Net Debt/Equity (x)	6.8	5.0	5.6	5.3	4.7
Net Debt/EBITDA (x)	8.2	8.9	7.5	6.5	5.8
Interest coverage (x)	1.4	1.3	1.6	2.0	2.2
RoCE (%)	8.5	7.2	9.0	9.8	10.6

Source: Company, Emkay Research

Cash flows					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	13,420	13,360	46,528	84,981	126,566
Others (non-cash items)	5,070	2,920	4,094	3,857	4,077
Taxes paid	(2,220)	(1,430)	(11,137)	(20,433)	(31,354)
Change in NWC	1,330	(6,340)	(4,127)	20,013	616
Operating cash flow	89,570	101,350	157,225	244,001	287,502
Capital expenditure	(247,610)	(259,920)	(416,862)	(452,850)	(446,600)
Acquisition of business	0	0	0	0	0
Interest & dividend income	7,220	2,270	4,908	4,604	4,753
Investing cash flow	(198,270)	(262,270)	(408,768)	(444,993)	(438,523)
Equity raised/(repaid)	0	61,580	0	0	0
Debt raised/(repaid)	135,910	182,350	334,095	292,732	255,429
Payment of lease liabilities	(2,700)	(4,580)	0	0	0
Interest paid	(49,650)	(74,340)	(83,293)	(92,376)	(104,934)
Dividend paid (incl tax)	-	-	-	-	-
Others	31,190	(8,860)	5,200	5,200	5,200
Financing cash flow	114,750	156,150	256,002	205,556	155,695
Net chg in Cash	6,050	(4,770)	4,460	4,564	4,674
OCF	89,570	101,350	157,225	244,001	287,502
Adj. OCF (w/o NWC chg.)	88,240	107,690	161,352	223,987	286,885
FCFF	(158,040)	(158,570)	(259,637)	(208,849)	(159,098)
FCFE	(205,630)	(221,070)	(338,021)	(296,622)	(259,279)
OCF/EBITDA (%)	100.9	94.1	91.2	99.8	90.3
FCFE/PAT (%)	(1,549.6)	(1,440.2)	(910.7)	(449.2)	(267.5)
FCFF/NOPLAT (%)	(275.9)	(216.1)	(264.6)	(156.5)	(92.0)

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	149.2	133.2	55.5	31.2	21.2
EV/CE(x)	2.7	2.3	2.0	1.8	1.6
P/B (x)	18.5	10.6	9.0	7.0	5.2
EV/Sales (x)	24.5	24.4	17.9	13.9	11.5
EV/EBITDA (x)	30.5	27.9	19.4	14.9	12.2
EV/EBIT(x)	42.5	40.6	26.6	21.0	17.1
EV/IC (x)	3.7	3.1	2.6	2.3	2.0
FCFF yield (%)	(5.8)	(5.3)	(7.7)	(5.7)	(4.1)
FCFE yield (%)	(10.0)	(10.7)	(16.4)	(14.4)	(12.6)
Dividend yield (%)	0	0	0	0	0
DuPont-RoE split					
Net profit margin (%)	14.7	13.6	19.0	24.3	27.8
Total asset turnover (x)	0.1	0.1	0.1	0.1	0.2
Assets/Equity (x)	9.1	7.7	7.0	7.1	6.4
RoE (%)	16.6	11.7	17.6	25.1	28.1
DuPont-RoIC					
NOPLAT margin (%)	51.1	56.8	50.2	49.2	49.5
IC turnover (x)	0.2	0.2	0.2	0.2	0.2
RoIC (%)	8.7	8.6	8.7	9.2	9.7
Operating metrics					
Core NWC days	(96.2)	(20.4)	(12.9)	(41.5)	(37.3)
Total NWC days	(96.2)	(20.4)	(12.9)	(41.5)	(37.3)
Fixed asset turnover	0.1	0.1	0.2	0.2	0.2
Opex-to-revenue (%)	8.0	11.2	8.7	8.7	8.1

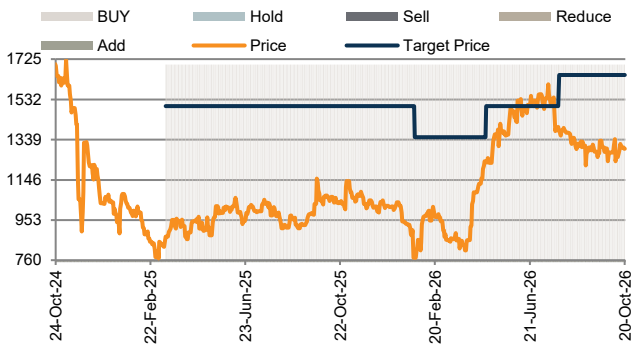
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
07-Oct-26	1,341	1,650	Buy	Sabri Hazarika
03-Aug-26	1,395	1,650	Buy	Sabri Hazarika
28-Jul-26	1,378	1,650	Buy	Sabri Hazarika
26-Apr-26	1,236	1,500	Buy	Sabri Hazarika
25-Jan-26	773	1,350	Buy	Sabri Hazarika
30-Oct-25	1,140	1,500	Buy	Sabri Hazarika
30-Jul-25	1,010	1,500	Buy	Sabri Hazarika
30-Apr-25	901	1,500	Buy	Sabri Hazarika
13-Mar-25	874	1,500	Buy	Sabri Hazarika
23-Oct-24	1,702	2,550	Buy	Sabri Hazarika

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

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 clients simultaneously, not all clients may receive this report at the same time. 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.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. 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 research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions.com)

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, 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 or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of October 22, 2026
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report

Disclosure of previous investment recommendation produced:

- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of October 22, 2026
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the October 22, 2026
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions)

OTHER DISCLAIMERS AND DISCLOSURES:

Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. 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 research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.

CHIRAG
UTTAM
JAIN

Digitally signed
by CHIRAG

UTTAM JAIN

Date: 2026.10.22

21:39:38 +05'30'

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)