

Indian energy group ReNew prepares to abandon Nasdaq

MALCOLM MOORE — LONDON
CHRIS KAY — MUMBAI

India's second-largest renewable energy group ReNew plans to leave Nasdaq after losing more than 30 per cent of its value since listing in 2021.

ReNew, which has a market capitalisation of just over \$2.4bn, was founded in 2011 and now has more than 10 gigawatts of renewable capacity, split roughly half between wind and solar.

It is part of a group of companies led by Adani Green Energy that are pursuing India's target to more than double its non-fossil fuel power generation capacity to 500GW by 2030 as the coal power-dependent country attempts to meet growing energy demand.

India's renewables industry is reeling after US prosecutors last month accused Gautam Adani and seven others of orchestrating a \$265mn bribery scheme to secure green energy deals with Indian officials. Adani's conglomerate has rejected the charges, with the billionaire telling an audience last month that "every attack makes us stronger".

ReNew plans to offer \$7.07 a share, compared with Tuesday's closing price

of \$6.34, in a buyout deal with a consortium, according to a US Securities and Exchange Commission filing.

The consortium includes Masdar, the state-owned UAE renewables company, and other strategic investors such as the Canada Pension Plan Investment Board, one of the world's biggest pension funds, and the Abu Dhabi Investment Authority. ReNew declined to comment.

"There is a high probability the consortium will be able to buy out the other shareholders and take ReNew private, although they might have to make a better offer," Bernstein India analysts wrote in a note. "Subsequent to that it won't be surprising to us to see the stock listed back in India with a capital raise to help ReNew realise its full potential."

Sumant Sinha, a former investment banker and chief executive of ReNew, said this year that markets were undervaluing renewable energy companies and hampering the green transition.

A Mumbai-based energy analyst said the "biggest challenge is the US listing itself", and added that the "low liquidity" company was a relative minnow for US investors. "The target market for the stock is very small."