

Weak Quarter But Future Capacity PPA Tariffs Rising

Sep Qtr EBITDA was 4% lower than expectation given lower utilisation on weak power demand. Hence, we lower FY26E EBITDA by 4%. Recent thermal tariff PPAs are being signed at close to Rs6/unit vs sub Rs5.5/unit earlier. This should lead to better profitability for FY28E-30E, and we raise our EBITDA by 11-12% to account for the same. 1H capacity is 18.2 GW, and it should rise by at least 1.7x to 31 GW by 2030 and management's aim is to reach 42 GW by 2032.

Thermal PPA tariffs on an upward trend: Adani Power (APL) signed 1,600 MW PPA for its Raipur plant with Maharashtra SEB at Rs5.4/unit in Sep 2024. In Aug-Sep 2025, the company locked in 2,400 MW with Bihar SEB at Rs6.1/unit and 1,600 MW with Madhya Pradesh SEB at Rs5.8/unit. APL's current capacity is 18.2 GW. 8.5 GW of the upcoming 23.7 GW by 2032 is already tied-up with PPAs and APL is also L1 on a 3.2 GW bid in Assam. The equipment for 23.7 GW is also entirely ordered out. Management mentioned on the call that there are multiple ongoing thermal bids totalling to around 21-22 GW. Of this 3.2 GW is Rajasthan SEB, 4 GW is UP, 4 GW is Gujarat, 2.3 GW is West Bengal, 1.6 GW is Maharashtra, 1.6 GW is Karnataka and 1.3 GW is Uttarakhand.

PPA plants utilisation lower in Sep Qtr: Weak power demand, which rose just 3% YoY in Sep-Qtr, saw PPA plants PLF declining to 55% PLF vs 59% YoY. Merchant market was favourable given lower prices which helped PLF of those plants to increase to 79% vs 74% YoY and 75% QoQ. However, absolute per unit profitability was lower YoY and hence EBITDA was down 2%, despite merchant volumes rising 16% YoY.

APL – faster growth vs. NTPC; 2.2x rise in EBITDA over FY25-30E: We raise our PT to Rs195 vs Rs138 earlier as we raise our PT multiple to 18x EV/EBITDA Sep 27E vs 14x earlier on the back of the 11-12% EBITDA upgrade for FY28E-30E and better earnings visibility. This is a 80% premium to NTPC's implied 10x multiple given faster growth and as merchant upside is also available in APL. Downside risks: 1) Past PPA issues cropping up again and impacting EBITDA; 2) sharp drop in merchant realisations, 3) demand disappointment; 4) payment delays for 1.6 GW Godda power plant that has PPAs with Bangladesh.

Exhibit 1 - APL: Financial Summary

(Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	234,445	247,412	363,961	496,678	545,032	538,659	637,921	839,870
Growth (%)	(10)	6	47	36	10	(1)	18	32
EBITDA	58,915	68,442	76,674	174,973	196,055	200,735	222,782	298,645
EBITDA (%)	25.1	27.7	21.1	35.2	36.0	37.3	34.9	35.6
Adjusted PAT	(7,843)	5,734	24,804	114,982	110,439	113,120	125,105	154,166
PAT Growth (%)	NM	NM	332.6	363.6	(4.0)	2.4	10.6	23.2
EPS (Rs)	(0.4)	0.3	1.3	6.0	5.7	5.9	6.5	8.0
EPS Growth (%)	(70.1)	(173.1)	332.6	363.6	(4.0)	2.4	10.6	23.2
ROCE (%)	11.6	15.7	16.2	32.2	22.0	14.5	12.0	12.8
RONW (%)	95.8	19.2	22.4	43.8	24.8	19.2	17.7	18.2
PE (x)*	(399.0)	545.7	126.1	27.2	28.3	27.7	25.0	20.3
PBV (x)*	628.8	57.0	18.8	8.7	5.9	4.8	4.1	3.4
EV/EBITDA (x)*	61.7	52.5	46.0	19.4	17.6	18.5	17.8	13.9
Installed Capacity (MW)	12,450	12,450	13,650	15,250	17,550	18,150	18,150	21,350

Source: Company data, Jefferies estimates

FY (Mar)	2025A	2026E	2027E	2028E
Rev. (MM)	545,032	538,659	637,921	839,870
Cons. Rev.	-	600,602.0	655,421.0	770,064.0
Cons. EBITDA	-	239,268.0	250,145.0	301,745.0
EBITDA (MM)	196,055.0	200,735.0	222,782.0	298,645.0

TARGET | ESTIMATE CHANGE

RATING	BUY
PRICE	INR162.10*
PRICE TARGET % TO PT	↑ INR195 (INR138) +20%
52W HIGH-LOW	INR182.75 - INR86.17
FLOAT (%) ADV MM (USD)	16.0% 174.15
MARKET CAP	INR3.1T \$35.4B
TICKER	ADANI IN
*Prior trading day's closing price unless otherwise noted.	

FY (Mar)	CHANGE TO JEF		JEF vs CONS	
	2026	2027	2026	2027
REV	-8%	-1%	-10%	-3%
EPS	-11%	-4%	NA	NA

2026 (INR)	Q1	Q2	Q3	Q4	FY
EPS	--	--	--	--	↓ 5.90
PREV					6.64

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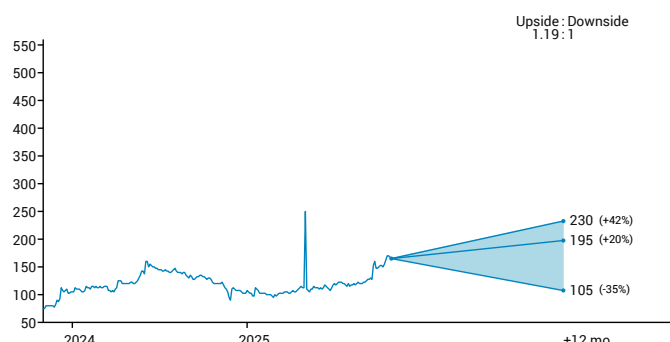
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The Long View: Adani Power Limited

Investment Thesis / Where We Differ

- Strong project pipeline, land bank, and equipment awards provide visibility into achieving 30.7 GW capacity target by 2030.
- We forecast 17% FY25-30E EBITDA CAGR, driven by new capacity addition.

Risk/Reward - 12 Month View



Base Case, INR195, +20%

- Installed capacity to reach 30.7 GW by FY30E.
- Factors Rs5.5/unit merchant realisations.
- Revenue and EBITDA CAGR of 18% and 17%, respectively, over FY25-30E.
- PT of Rs195 is based on 18x EV/EBITDA Sept 27E.

Upside Scenario, INR230, +42%

- Installed capacity to reach 30.7 GW by FY30E.
- Factors sharp rise in demand driving higher merchant realisations at Rs7/unit.
- Revenue and EBITDA CAGR of 19% and 20%, respectively, over FY25-30E.
- PT of Rs230 is based on 18x EV/EBITDA Sept 27E.

Downside Scenario, INR105, -35%

- Subdued demand growth leading to weak merchant realisations at Rs3.5/unit.
- Revenue and EBITDA CAGR of 18% and 16% respectively, over FY25-30E.
- PT of Rs105 is based on 14x EV/EBITDA Sept 27E.

Sustainability Matters

Top Material Issues: 1) Carbon footprint - Transition toward Net Zero carbon footprint. The company has made significant progress in achieving net-zero carbon footprint by effectively implementing carbon capture, usage and storage (CCUS) technology across operational fleets. 2) Installation of flue gas desulphurisers (FGD) at operating plants, targeted completion by December 2026. 3) Implemented closed-loop system for steam processes to conserve and efficiently reuse water. Internal target set for surface water consumption in hinterland plants, which is well below the prescribed limit of 3.5 m3/MWh set by the Ministry of Environment, Forest and Climate Change (MoEFCC)

Company Targets: 1) Reduction in GHG emission intensity to 0.84 tCO2e/MWh by FY25. 2) Single-use-Plastic-Free (SuPF) Certified Company for 100% of operating locations by FY25, and 3) Zero health & safety related injuries.

Qs to Mgmt: 1) How do you plan to achieve zero net loss of biodiversity by FY25. 2) How do you plan to conserve ecology while expanding your thermal capacity?

Catalysts

- Pick-up in capacity additions driven by execution
- Sustained demand-supply tightness driving elevated merchant prices

Exhibit 2 - Sep Qtr EBITDA is 4% below our estimates

(Rs mn)	2QFY25	2QFY26A	Growth YoY (%)	2QFY26E	v/s Expectation
Sales	129,491	131,063	1.2	147,013	-10.8
EBITDA	48,858	47,998	-1.8	50,094	-4.2
Margin (%)	37.7	36.6		34.1	
Adjusted PAT	28,552	24,891	-12.8	30,032	-17.1

Source: Company data, Jefferies estimates

Exhibit 3 - APL: Quarterly Income Statement

(Rs mn)	3QFY24	3QFY25	% chg	4QFY24	4QFY25	% chg	1QFY25	1QFY26	% chg	2QFY25	2QFY26	% chg
Total Income	131,433	126,918	-3	132,883	141,453	6	147,169	137,029	-7	129,491	131,063	1
Expenditure	83,461	86,483	4	85,140	94,248	11	87,613	84,239	-4	80,633	83,066	3
EBITDA	47,972	40,436	-16	47,744	47,205	-1	59,556	52,791	-11	48,858	47,998	-2
EBITDA (%)	36.5	31.9		35.9	33.4		40.5	38.5		37.7	36.6	
Other income	2,621	7,419	183	4,990	3,771	-24	3,347	4,646	39	5,162	5,329	3
Interest	7,966	9,565	20	8,196	7,649	-7	8,115	8,569	6	8,069	8,416	4
Depreciation	10,022	11,700	17	9,900	10,847	10	9,956	10,886	9	10,586	11,934	13
Extra.	-502	13,997		804	116		4,224	4,062		5,975	6,259	
PBT	32,104	40,586	26	35,440	32,597	-8	49,055	42,043	-14	41,341	39,236	-5
Tax	4,724	11,186	137	8,068	6,605	-18	9,927	8,992	-9	8,366	10,172	22
Tax rate %	14.7	27.6		22.8	20.3		20.2	21.4		20.2	25.9	
Reported PAT	27,380	30,572	12	27,372	26,370	-4	39,128	33,849	-13	33,318	29,528	-11
Adjusted PAT	27,808	20,433	-27	26,752	26,277	-2	35,759	30,655	-14	28,552	24,891	-13

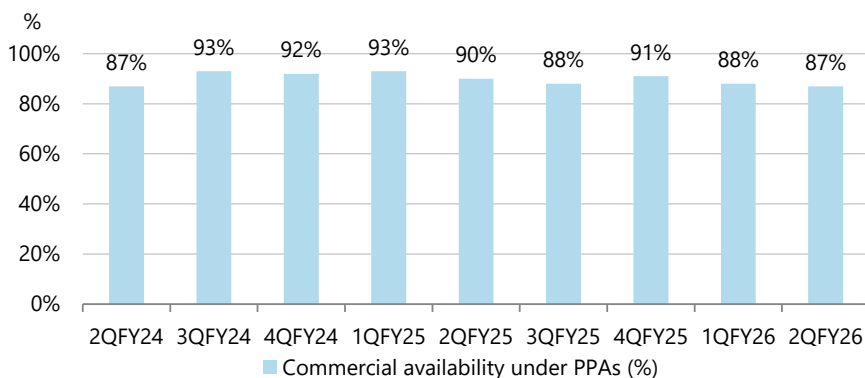
Source: Company data, Jefferies

Exhibit 4 - APL: Quarterly Expenditure

Rs mn	3QFY24	3QFY25	% chg	4QFY24	4QFY25	% chg	1QFY25	1QFY26	% chg	2QFY25	2QFY26	% chg
Cost of Operations	77,167	76,490	-1	76,132	81,602	7	80,419	74,336	-8	72,382	73,055	1
% of sales	58.7	60.3		57.3	57.7		54.6	54.2		55.9	55.7	
Staff cost	1,510	2,114	40	1,894	1,896	0	2,129	2,217	4	1,705	1,869	10
% of sales	1.1	1.7		1.4	1.3		1.4	1.6		1.3	1.4	
Other expenses	4,783	7,879	65	7,113	10,750	51	5,065	7,686	52	6,546	8,142	24
% of sales	3.6	6.2		5.4	7.6		3.4	5.6		5.1	6.2	
Total	83,461	86,483	4	85,140	94,248	11	87,613	84,239	-4	80,633	83,066	3
% of sales	63.5	68.1		64.1	66.6		59.5	61.5		62.3	63.4	

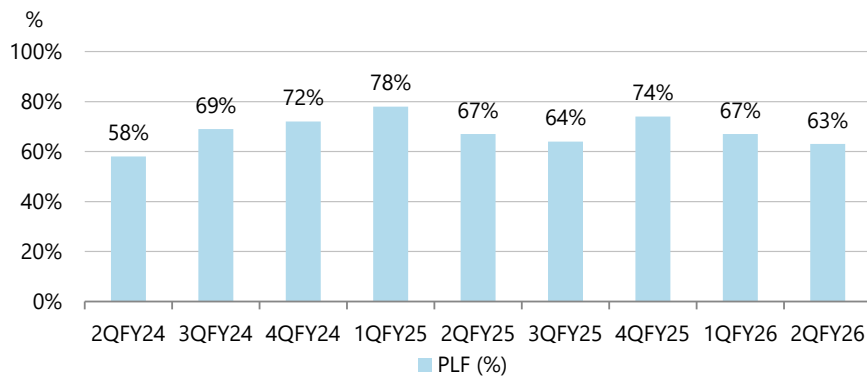
Source: Company data, Jefferies

Exhibit 5 - Lower plant availability at 87% due to scheduled plant maintenance



Source: Company data, Jefferies

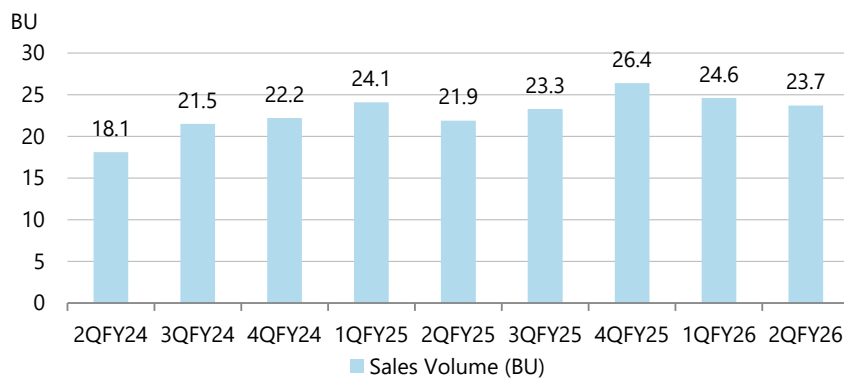
Exhibit 6 - Reduced PLF due to extended monsoon



Source: Company data, Jefferies

PLF lower also due to weak power demand

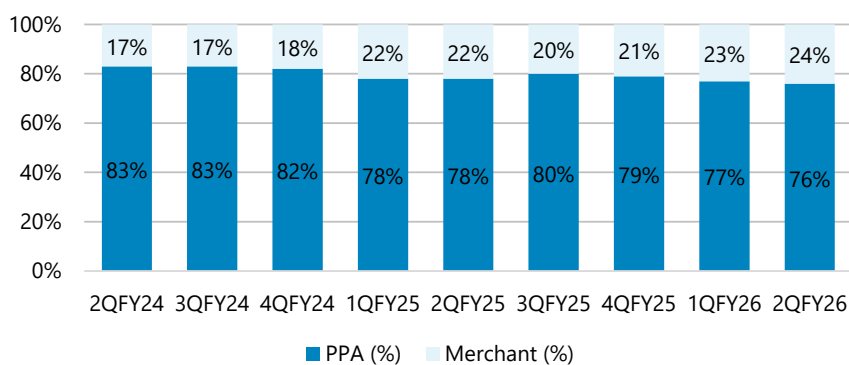
Exhibit 7 - 8% YoY growth in sales volume due to merchant sales from newly added capacities



Source: Company data, Jefferies

Increased installed capacity resulted to rise in sales volume

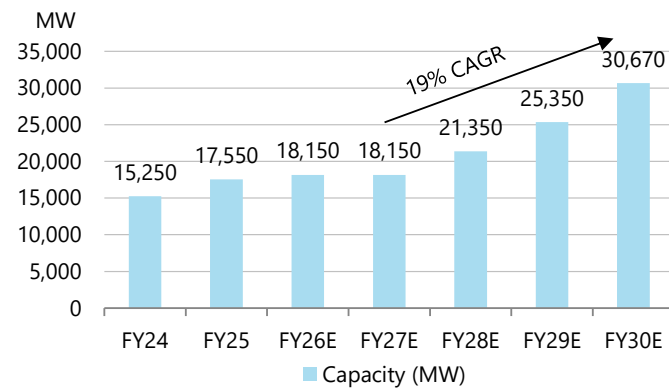
Exhibit 8 - Merchant share increased to 24% in 2QFY26 vs 22% YoY



Source: Company data, Jefferies

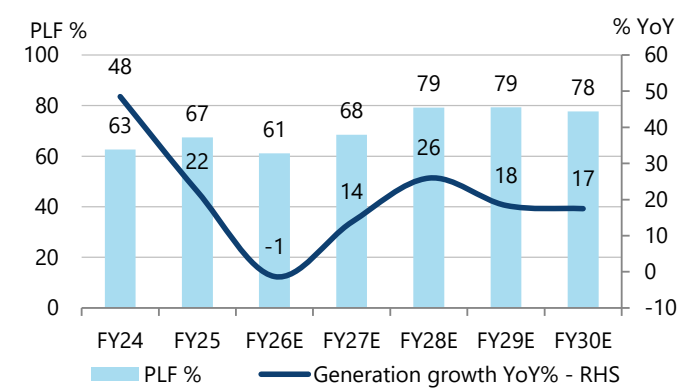
Merchant exposure should help APL benefit from peak deficit in the next 3-5 years

Exhibit 9 - APL's capacity to rise 1.7x by FY30E



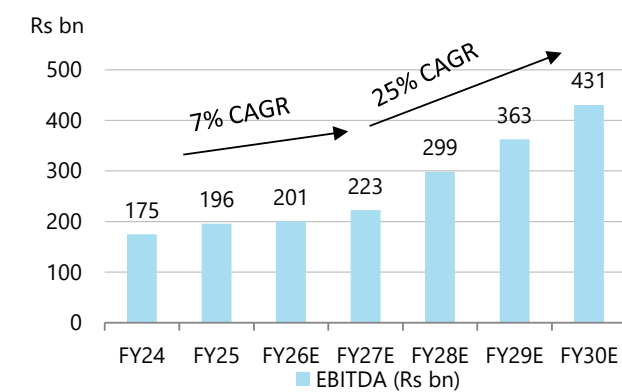
Source: Company data, Jefferies estimates

Exhibit 10 - PLFs should move to 78-79% by FY29E-30E



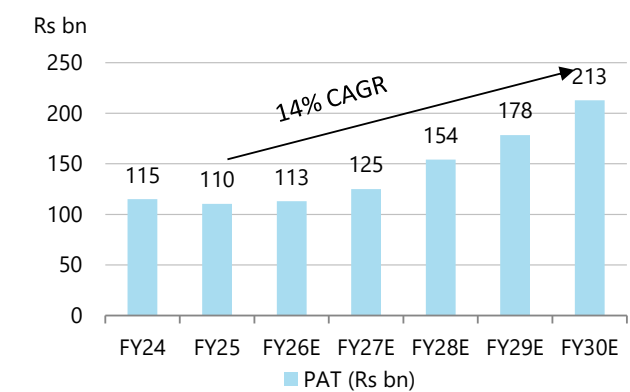
Source: Company data, Jefferies estimates

Exhibit 11 - EBITDA to rise 2.2x over FY25-30E



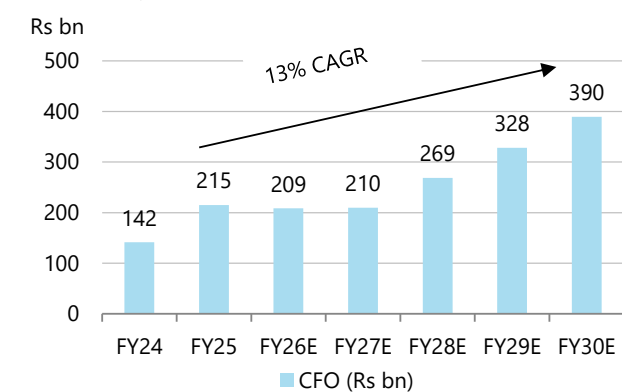
Source: Company data, Jefferies estimates

Exhibit 12 - PAT CAGR to be 14% over FY25-30E



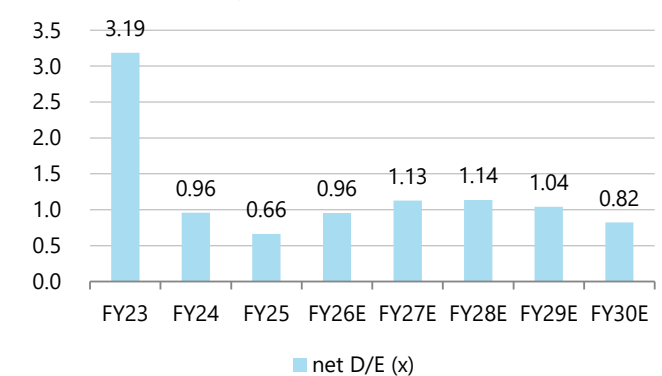
Source: Company data, Jefferies estimates

Exhibit 13 - Operational cash flow to grow at 13% CAGR over FY25-30E on the back of capacity additions



Source: Company data, Jefferies estimates

Exhibit 14 - Net Debt/Equity to drop from FY28E onwards



Source: Company data, Jefferies estimates

Exhibit 15 - APL: Income Statement

Rs mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Income from operations	234,445	247,412	363,961	496,678	545,032	538,659	637,921	839,870
Cost of fuel	151,465	153,078	256,950	286,749	306,302	292,494	366,754	489,668
as a % of sales	65	62	71	58	56	54	57	58
Employee benefit expense	4,315	4,703	5,700	6,437	7,844	8,628	9,491	10,440
as a % of sales	2	2	2	1	1	2	1	1
Other expenses	19,750	21,189	24,637	28,520	34,830	36,801	38,894	41,116
as a % of sales	6	6	5	5	6	6	5	4
Total Expenditure	175,530	178,970	287,286	321,706	348,977	337,924	415,139	541,225
EBITDA	58,915	68,442	76,674	174,973	196,055	200,735	222,782	298,645
Other non-operational income	9,602	11,453	8,722	12,921	19,699	19,896	20,095	20,296
Interest income/expense	51,063	40,948	33,335	33,881	33,398	35,357	37,124	64,672
Depreciation & amortisation	32,017	31,175	33,037	39,313	43,089	46,239	51,736	63,926
Extraordinary income/expense	38,144	58,794	63,250	93,077	24,312	0	0	0
PBT	23,581	66,565	82,274	207,776	163,579	139,036	154,017	190,343
Tax	10,881	17,449	-24,992	-512	36,083	27,807	30,803	38,069
Tax rate%	46	26	-30	0	22	20	20	20
PAT (Reported)	12,700	49,116	107,266	208,288	127,496	111,229	123,213	152,275
Adjusted PAT : Less minority int.	-7,843	5,734	24,804	114,982	110,439	113,120	125,105	154,166

Source: Company data, Jefferies estimates

Exhibit 16 - APL: Balance Sheet

Rs mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	38,569	38,569	38,569	38,569	38,569	38,569	38,569	38,569
Reserves & surplus	-33,594	16,315	128,037	319,731	494,332	607,453	732,558	886,724
Networth	4,976	54,884	166,607	358,300	532,902	646,022	771,127	925,293
Minority Interest	0	0	0	0	13,265	11,373	9,482	7,590
Unsecured Perpetual securities	126,150	132,150	132,150	73,150	30,569	30,569	30,569	30,569
Total loan funds	525,187	488,984	423,495	346,156	394,949	644,949	894,949	1,094,949
Deferred tax	13,281	24,998	0	-605	40,227	62,473	87,116	117,571
Sources of funds	669,594	701,017	722,252	777,001	1,011,912	1,395,386	1,793,242	2,175,972
Fixed assets	702,733	737,544	744,182	905,187	1,008,571	1,142,071	1,209,571	1,569,821
Less: Depreciation/amortisation	176,126	206,708	238,624	276,934	318,129	364,367	416,104	480,030
CWIP	64,394	102,697	128,795	9,251	121,044	444,017	822,924	866,787
Net block	591,001	633,533	634,354	637,504	811,487	1,221,720	1,616,392	1,956,578
Goodwill on consolidation	1,906	1,906	1,906	1,906	2,045	2,045	2,045	2,045
Investments	201	1,833	13,590	3,735	11,459	11,459	11,459	11,459
Liquid Investments	201	1,832	6,115	3,735	10,377	10,377	10,377	10,377
Current Assets	187,016	182,538	208,363	276,340	304,185	300,899	330,018	425,325
Inventories	20,251	22,583	30,752	41,421	33,173	36,894	43,693	57,525
Sundry debtors	118,393	95,609	115,294	116,775	130,221	122,054	131,080	172,576
Cash & bank balance	16,073	23,647	18,737	72,118	61,199	48,041	44,441	64,484
Loans and advances	88	76	32	35	68	72	75	79
Other current assets	32,210	40,623	43,549	45,991	79,524	93,839	110,730	130,661
Current liabilities & provisions	118,466	118,794	135,961	142,484	117,264	140,738	166,672	219,436
Advances from customers	191	533	327	49	213	539	638	840
Other Liabilities	118,274	118,261	135,634	142,435	117,052	140,199	166,034	218,596
Provision for dividend	0	0	0	0	0	0	0	0
Net current assets	68,550	63,745	72,402	133,856	186,921	160,162	163,346	205,889
Miscellaneous Expenditure	7,935	0	0	0	0	0	0	0
Intangibles	0	0	0	0	0	0	0	0
Application of funds	669,594	701,017	722,252	777,001	1,011,912	1,395,386	1,793,242	2,175,972

Source: Company data, Jefferies estimates

Exhibit 17 - APL: Cash Flow Statement

Rs mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
PBIT	74,645	107,513	115,610	241,657	196,977	174,393	191,141	255,015
Add: depreciation	32,017	31,175	33,037	39,313	43,089	46,239	51,736	63,926
Less other income	-9,602	-11,453	-8,722	-12,921	-19,699	-19,896	-20,095	-20,296
Working capital changes	-33,701	12,379	-13,568	-8,072	-63,984	13,601	-6,785	-22,500
Less: tax	-256	-7,683	-6	-1	-549	-5,561	-6,161	-7,614
Others	7,041	-29,294	-42,045	-118,275	59,177	0	0	0
Net cash from operations (a)	70,144	102,637	84,305	141,702	215,011	208,775	209,837	268,532
Change in fixed assets	-42,797	-73,114	-32,736	-41,461	-215,178	-456,473	-446,408	-404,113
Change in investments	-173	-1,632	-11,757	9,855	-7,724	0	0	0
Add: other income	9,602	11,453	8,722	12,921	19,699	19,896	20,095	20,296
Others	11,492	77,153	51,216	53,535	31,782	0	0	0
Cash flow from inv. (b)	-21,876	13,861	15,444	34,850	-171,421	-436,576	-426,312	-383,816
Proceeds from issue of equity	196	102	-6,612	-59,000	-42,581	0	0	0
Change in borrowings	-27,871	-36,203	-65,489	-77,340	48,793	250,000	250,000	200,000
Dividends paid + dividend tax	0	0	0	0	0	0	0	0
Interest paid	-51,063	-40,948	-33,335	-33,881	-33,398	-35,357	-37,124	-64,672
Others	26,750	-31,876	776	47,050	-27,324	0	0	0
Financial cash flow (c)	-51,988	-108,924	-104,660	-123,171	-54,509	214,643	212,876	135,328
Net inc/dec in cash (a+b+c)	-3,720	7,574	-4,910	53,381	-10,919	-13,158	-3,600	20,044
Add: opening cash balance	19,793	16,073	23,647	18,737	72,118	61,199	48,041	44,441
Closing cash balance	16,073	23,647	18,737	72,118	61,199	48,041	44,441	64,484

Source: Company data, Jefferies estimates

Exhibit 18 - APL: Key Ratios

Key Ratios	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Diluted EPS (Rs)	-0.4	0.3	1.3	6.0	5.7	5.9	6.5	8.0
BVPS (Rs)	0.3	2.8	8.6	18.6	27.6	33.5	40.0	48.0
Dividend per share	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend payout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)								
Diluted PE	-399.0	545.7	126.1	27.2	28.3	27.7	25.0	20.3
Diluted EV/EBITDA	61.7	52.5	46.0	19.4	17.6	18.5	17.8	13.9
Diluted PSR	13.3	12.6	8.6	6.3	5.7	5.8	4.9	3.7
PBV	628.8	57.0	18.8	8.7	5.9	4.8	4.1	3.4
Profitability Ratios								
ROCE %	11.6	15.7	16.2	32.2	22.0	14.5	12.0	12.8
ROE%	95.8	19.2	22.4	43.8	24.8	19.2	17.7	18.2
Turnover Ratios								
Inventory in days	35	32	27	27	25	25	25	25
Debtor days	157	158	106	85	83	83	75	75
Creditors turnover	193	174	127	102	87	95	95	95
Wkq. Capital cycle	0	15	5	10	21	13	5	5

Source: Company data, Jefferies estimates

Exhibit 19 - APL: Key Parameters

Key Parameters	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
Installed Capacity (MW)	12,450	12,450	13,650	15,250	17,550	18,150	18,150	21,350	25,350	30,670
Units sold (mn units)	59,242	52,272	53,390	79,274	96,900	95,636	108,784	136,997	162,160	190,501
Blended utilisation (%)	54	48	47	63	67	61	68	79	79	78
Blended realisation (Rs/unit)	4.0	4.7	6.8	6.3	5.6	5.6	5.9	6.1	6.3	6.5
Blended EBITDA (Rs/unit)	1.0	1.3	1.4	2.2	2.0	2.1	2.0	2.2	2.2	2.3
Merchant units (mn units)	14,142	9,069	12,140	14,269	19,368	22,343	21,165	21,165	22,151	22,151
Merchant of overall units (%)	23.9	17.3	22.7	18.0	20.0	23.4	19.5	15.4	13.7	11.6
Merchant realisation (Rs/unit)	5.0	5.0	7.0	6.9	5.9	5.5	5.5	5.5	5.0	4.0
Merchant EBITDA (Rs/unit)	2.0	2.0	3.9	3.9	2.9	3.1	3.1	3.1	2.6	1.6
PPA realisation (Rs/unit)	3.6	4.7	6.5	6.0	5.6	5.6	5.9	6.2	6.5	6.8
PPA EBITDA (Rs/unit)	0.7	1.2	0.9	1.8	1.8	1.8	1.8	2.0	2.2	2.3
Revenue (Rs mn)	234,445	247,412	363,961	496,678	545,032	538,659	637,921	839,870	1,028,576	1,246,879
Revenue Growth (%)	(10.1)	5.5	47.1	36.5	9.7	(1.2)	18.4	31.7	22.5	21.2
EBITDA (Rs mn)	58,915	68,442	76,674	174,973	196,055	200,735	222,782	298,645	362,717	430,618
EBITDA Growth (%)	11.4	16.2	12.0	128.2	12.0	2.4	11.0	34.1	21.5	18.7
EBITDA margin (%)	25.1	27.7	21.1	35.2	36.0	37.3	34.9	35.6	35.3	34.5
PAT	(7,843)	5,734	24,804	114,982	110,439	113,120	125,105	154,166	178,482	212,703
PAT Growth (%)	NM	NM	332.6	363.6	(4.0)	2.4	10.6	23.2	15.8	19.2
NPM (%)	(0.4)	2.3	6.8	23.2	20.3	21.0	19.6	18.4	17.4	17.1
Capex (Rs mn)	42,797	73,114	32,736	41,461	215,178	456,473	446,408	404,113	364,760	264,000
Debt (Rs mn)	525,187	488,984	423,495	346,156	394,949	644,949	894,949	1,094,949	1,194,949	1,144,949
RoE (%)	95.8	19.2	22.4	43.8	24.8	19.2	17.7	18.2	17.6	17.6
RoCE (%)	11.6	15.7	16.2	32.2	22.0	14.5	12.0	12.8	12.9	13.3
net D:E (x)	127.6	10.9	3.2	1.0	0.7	1.0	1.1	1.1	1.0	0.8
net Debt:EBITDA (x)	10.8	8.7	6.9	2.0	1.8	3.1	3.9	3.5	3.2	2.5
PE (x)	(399.0)	545.7	126.1	27.2	28.3	27.7	25.0	20.3	17.5	14.7
PB (x)	628.8	57.0	18.8	8.7	5.9	4.8	4.1	3.4	2.8	2.4
EV/EBITDA (x)	61.7	52.5	46.0	19.4	17.6	18.5	17.8	13.9	11.7	9.7

Source: Company data, Jefferies estimates

We would like to thank Darshan Parmar, employee of Evalueserve Inc., for providing research support services to our preparation of this report.

Company Description

Adani Power Limited

Adani Power, part of the Adani Group, is the largest private thermal power producer in India.

Company Valuation/Risks

Adani Power Limited

Our price target of Rs195 is based on 18x EV/EBITDA Sept 27E, at a premium to NTPC (implied 10x target multiple), given merchant upside for APL. Risks include 1) past PPA issues cropping up again and impacting EBITDA and 2) sharp drop in merchant realisations.

NTPC

Our price target of Rs440 is based on 2x PB Sept 27E. Risks include 1) coal supply shortage impacting PAF and earnings and 2) meaningful delay in RE execution.

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(Article 3(1)e and Article 7 of MAR)

Recommendation Published	October 30, 2025 13:39 P.M.
Recommendation Distributed	October 30, 2025 13:39 P.M.

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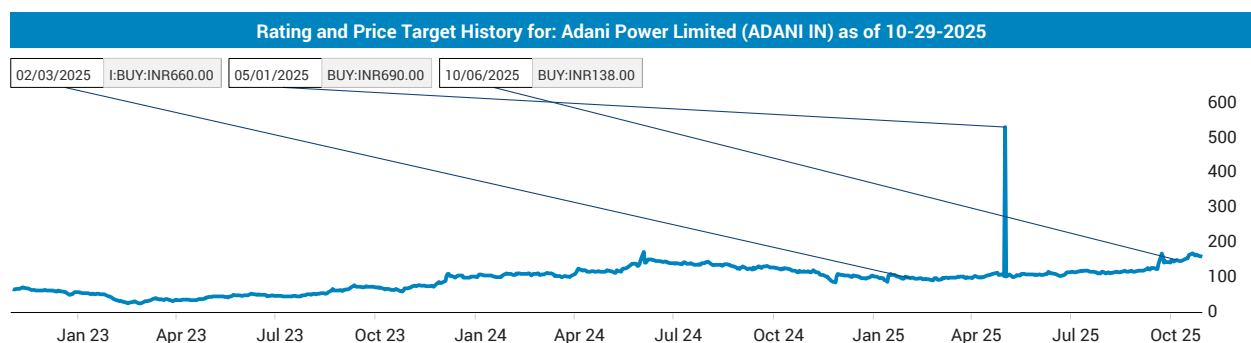
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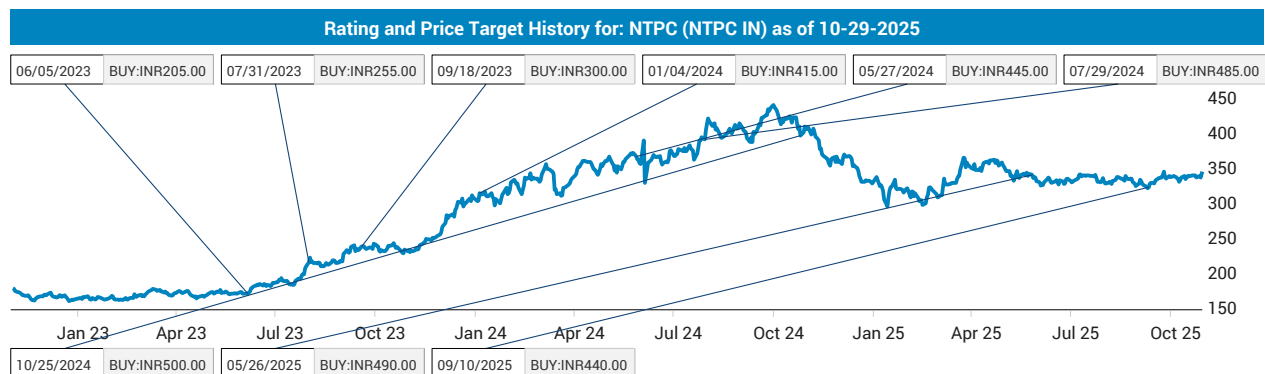
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Legend:

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H: Hold

UP: Underperform

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