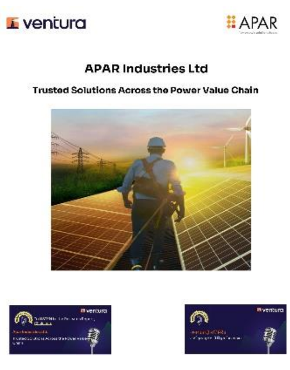
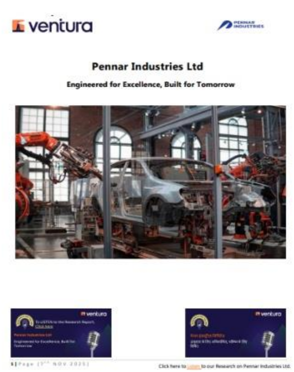
# Adani Enterprises Ltd

## Fundraise to ease balance sheet pressure & fuel growth

## Our recent initiating coverage reports




Apar Inds

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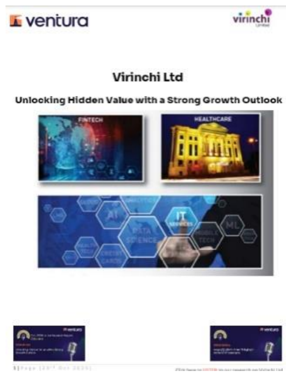
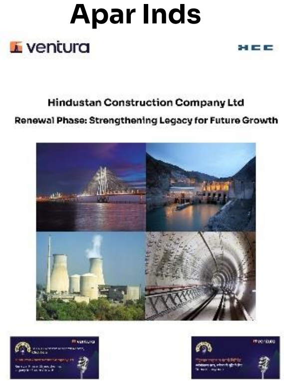



Virinchi


V-Mart Retail


Paytm

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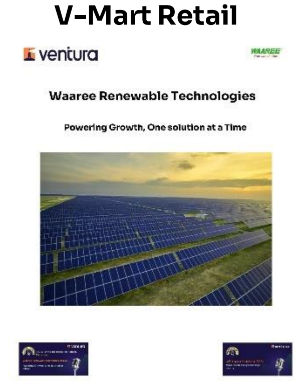
Manorama Inds

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Anlon Tech


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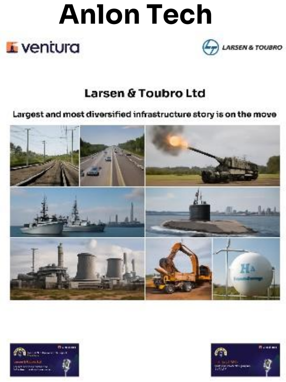
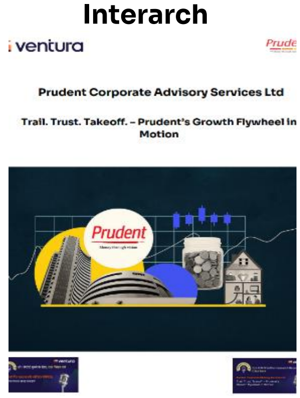



Larsen & Toubro


Transport Corp

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# Adani Enterprises Ltd

| BUY @ CMP INR 2,399 | Target: INR 3,433 in 24 months | Upside Potential: 43.1% |
|---|---|---|

# Fundraise to ease balance sheet pressure & fuel growth

**The INR 25,000 cr fresh equity raise announced by Adani Enterprises Ltd (AEL) is a timely and strategic step to monetise the stock's strong recovery over the past two-and-a-half years. As the incubator for the Adani Group's next-generation businesses, AEL continually requires fresh capital to fund its extensive pipeline of capital-intensive ventures—airports, copper, roads, the green hydrogen (GH2) ecosystem, and more (please refer our [previous_report]). The IRM & mining verticals act as AEL's primary cash engines. Though they do not materially shape the company's long-term growth story, they provide stable cash flows at minimal capex, supporting the expansion of newer, capital-intensive businesses. However, given the scale of AEL's upcoming investments (~7 trillion in 10 years), internal cash flows alone will not suffice. Consequently, AEL will need to tap additional capital (equity or debt) to fund its ambitious capex programme.**

**AEL is currently undertaking an INR 25,000 cr rights issue, priced at INR 1,800 – representing a 25% discount to the CMP of INR 2,399. Given the substantial growth headroom in its current portfolio, we view this offer price attractive and recommend SUBSCRIBE. The promoters are also participating in the issue—signaling confidence—while simultaneously increasing public shareholding and strengthening governance visibility. In addition, between FY27-31, AEL intends to list key businesses—airports (likely in 2027) and Adani New Industries Ltd (ANIL - GH2 ecosystem including solar/WTG, electrolyzer)—mirroring its successful FY16-20 value-unlocking cycle when Adani Total Gas (ATGL), Adani Green Energy (AGEL), and Adani Wilmar (AWL) were taken public. AEL also divested its entire 43.94% stake in AWL for INR 156 bn during the year, deploying the proceeds to meet capital requirements for its incubating businesses.**

**Over FY25-28E, AEL's consolidated revenue & EBITDA are projected to grow at a CAGR of 17.4% and 18.7%, reaching INR 1,585 bn & INR 238 bn, respectively, while EBITDA margins are expected to widen by 48bps to 15%. Growth in airports & ANIL, coupled with ramp-up in data centres & copper, is poised to drive stronger financial performance and EBITDA margin expansion in the years ahead. However, net profit is expected to decline at an annual rate of 12.8% to INR 4,702 cr due to an expected increase in depreciation & interest cost. As a result, return ratios – RoE & RoIC – are expected to decline by 935bps to 5.5% & 195bps to 6.6% respectively by FY28E. While the elevated capex and increased leverage may compress return ratios over 3-5 years, we anticipate a strong rebound over the longer term as high-margin verticals such as airports, GH2, data centres & copper scale up and contribute more meaningfully to profitability.**

**AEL is setting up a 1 MMTPA PVC facility in Mundra and it is targeted for commissioning by FY29. Additionally, AEL has received creditor approval for its INR 14,535 cr bid to acquire the bankrupt infrastructure group Jaiprakash Associates Ltd (JAL). However, we have excluded both the PVC project and the JAL acquisition from our financial forecasts, as financial disclosures for these verticals are yet to be made available.**

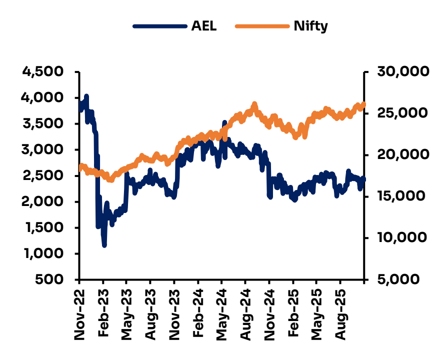
**Valuation call – At the CMP of INR 2,399, AEL is trading at FY28 EV/EBITDA of 18X. We recommend BUY with a SOTP based price target of INR 3,433 (23.6X FY28 EV/EBITDA), representing an upside of 43.1%.**

| Industry | Diversified |
|---|---|

| Scrip Details | |
|---|---|
| Face Value (INR) | 1.0 |
| Mkt. Cap. (INR Cr) | 3,10,118 |
| Price (INR) | 2,399 |
| No. of Sh. O/S (Cr) | 129.3 |
| 3M Avg. Vol. (000) | 4,235.6 |
| 52W H/L (INR) | 2,613/1,965 |
| Dividend Yield (%) | 0.05 |

| Shareholding (%) | Sep 2025 |
|---|---|
| Promoter | 74.0 |
| Institution | 18.5 |
| Public | 7.5 |
| **TOTAL** | **100.0** |

**Price Chart**




**Key consolidated financial data (INR Cr, unless specified)**

| | Net Revenue | EBITDA (excl OI) | Adj. Net Profit | EBITDA (%) | Adj Net (%) | EPS (₹) | BVPS (₹) | RoE (%) | RoIC (%) | P/E (X) | EV/EBITDA (X) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| FY24 | 96,421 | 11,377 | 3,241 | 11.8 | 3.4 | 25.1 | 321.5 | 8.9 | 10.3 | 95.7 | 31.1 |
| FY25 | 97,895 | 14,251 | 7,099 | 14.6 | 7.3 | 54.9 | 416.5 | 14.9 | 8.6 | 43.7 | 26.6 |
| FY26E | 95,413 | 14,598 | 6,277 | 15.3 | 6.6 | 48.6 | 629.2 | 8.3 | 8.7 | 49.4 | 23.3 |
| FY27E | 1,30,136 | 18,509 | 5,220 | 14.2 | 4.0 | 40.4 | 668.7 | 6.5 | 6.9 | 59.4 | 20.7 |
| FY28E | 1,58,540 | 23,833 | 4,702 | 15.0 | 3.0 | 36.4 | 704.3 | 5.5 | 6.6 | 66.0 | 18.0 |

## Valuation

We value AEL on a SOTP basis, assigning a FY28 price target of INR 3,433 per share (23.6x FY28 EV/EBITDA, based on a post rights issue equity share base of 129.3 cr). **At the CMP of INR 2,399 per share (18x FY28 EV/EBITDA), we recommend BUY, offering a potential upside of 43.1% over the next 24 months.**

### AEL's SOTP valuation summary

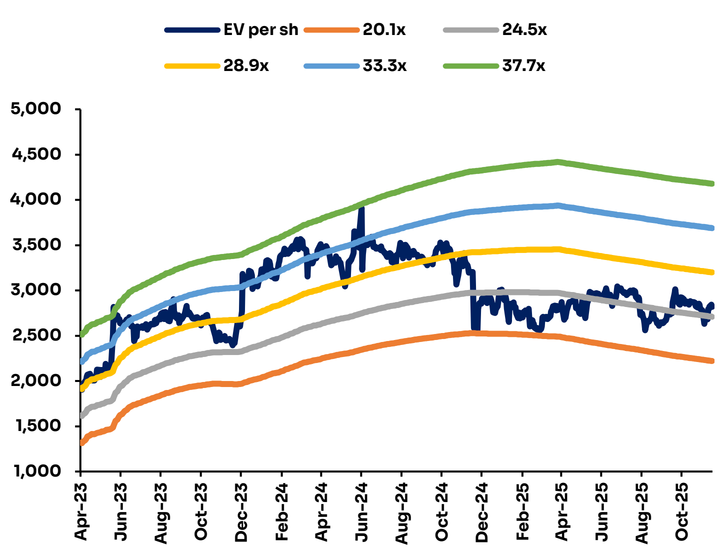
| Fig in INR cr, unless specified | FY28 EV | FY28 Net Debt | FY28 Equity value | AEL stake (%) | Value of AEL's stake | Conglomerate discount (%) | Equity value attributable to AEL | Per share value (INR) |
|---|---|---|---|---|---|---|---|---|
| IRM | 23,989 | 0 | 23,989 | 100 | 23,989 | 0 | 23,989 | 186 |
| Mining (Carmichael + MDO) | 15,833 | 7,298 | 8,534 | 100 | 8,534 | 0 | 8,534 | 66 |
| Airport | 209,030 | 52,284 | 156,746 | 100 | 156,746 | 20 | 125,397 | 970 |
| Road | 63,868 | 16,340 | 47,528 | 100 | 47,528 | 20 | 38,022 | 294 |
| Solar panel & WTG | 75,879 | 4,727 | 71,152 | 100 | 71,152 | 20 | 56,922 | 440 |
| Green H2 ecosystem | 188,276 | 5,429 | 182,847 | 100 | 182,847 | 20 | 146,278 | 1,132 |
| Data Center | 54,002 | 23,717 | 30,285 | 50 | 15,142 | 20 | 12,114 | 94 |
| Copper | 39,088 | 10,163 | 28,925 | 100 | 28,925 | 20 | 23,140 | 179 |
| Others | 23,993 | 12,228 | 11,765 | 100 | 11,765 | 20 | 9,412 | 73 |
| TOTAL | 693,956 | 132,187 | 561,769 | | 546,627 | | 443,806 | 3,433 |
| Current price | | | | | | | | 2,399 |
| Upside potential (%) | | | | | | | | 43.1 |

***Note: Our FY28 target price of INR 3,433 per share is based on the new equity base of 129.3 cr shares (including 13.9 cr shares of upcoming rights issue)***

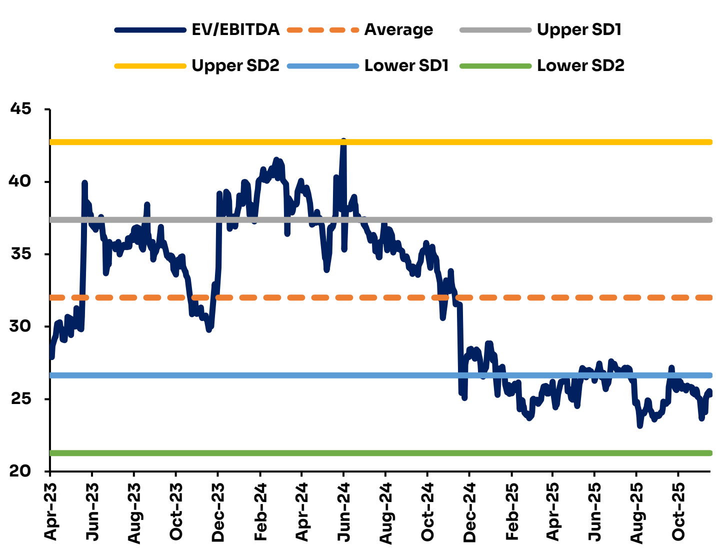
AEL is setting up a 1 MMTPA PVC plant in Mundra, targeted for FY29 commissioning, and has received creditor approval for its INR 14,535 cr bid for JAL. We have excluded both from our forecasts due to the absence of detailed financial disclosures.

### Strong growth outlook, improving profitability could re-rate the valuation

**1 year forward EV/EBITDA**




**1 year forward EV/EBITDA and its standard deviation**




*Source: Ventura Research*

## Consensus vs Ventura Estimates

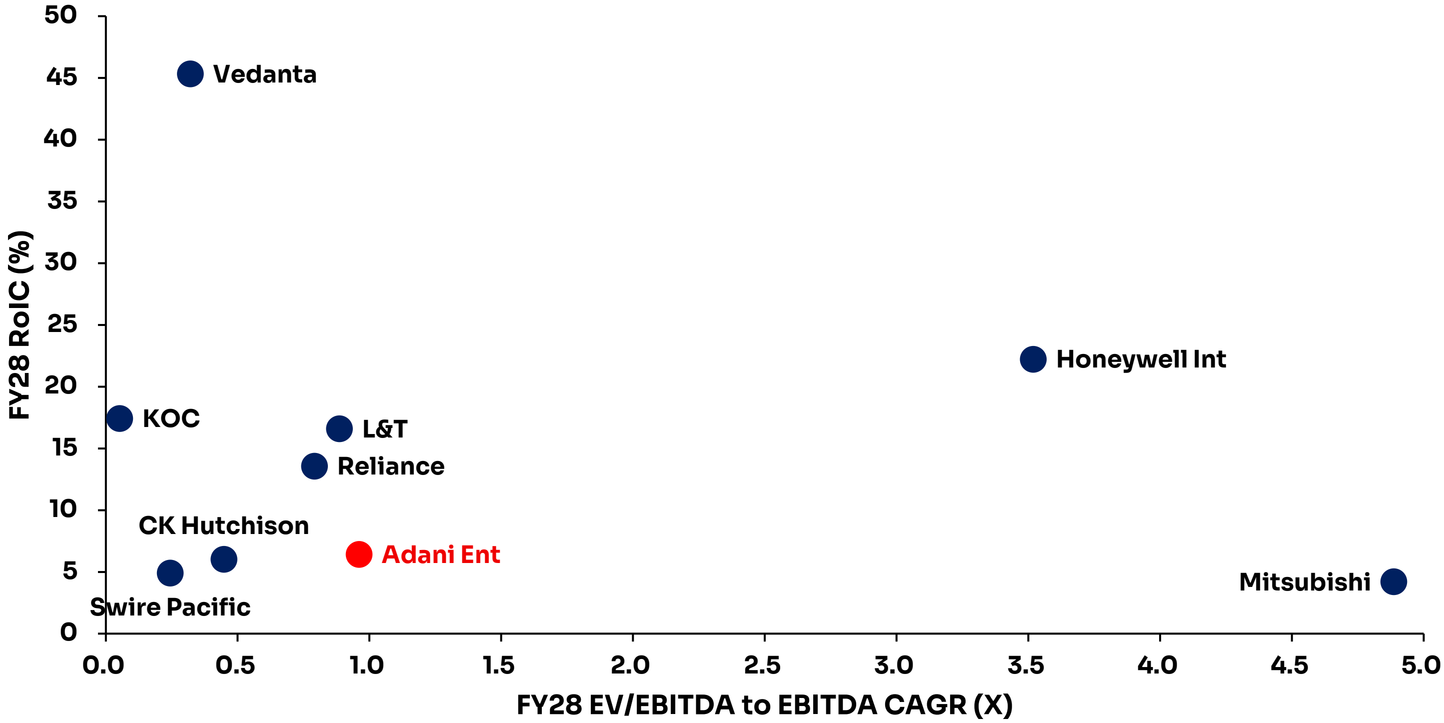
Compared to consensus, our revenue and profitability targets are more conservative.

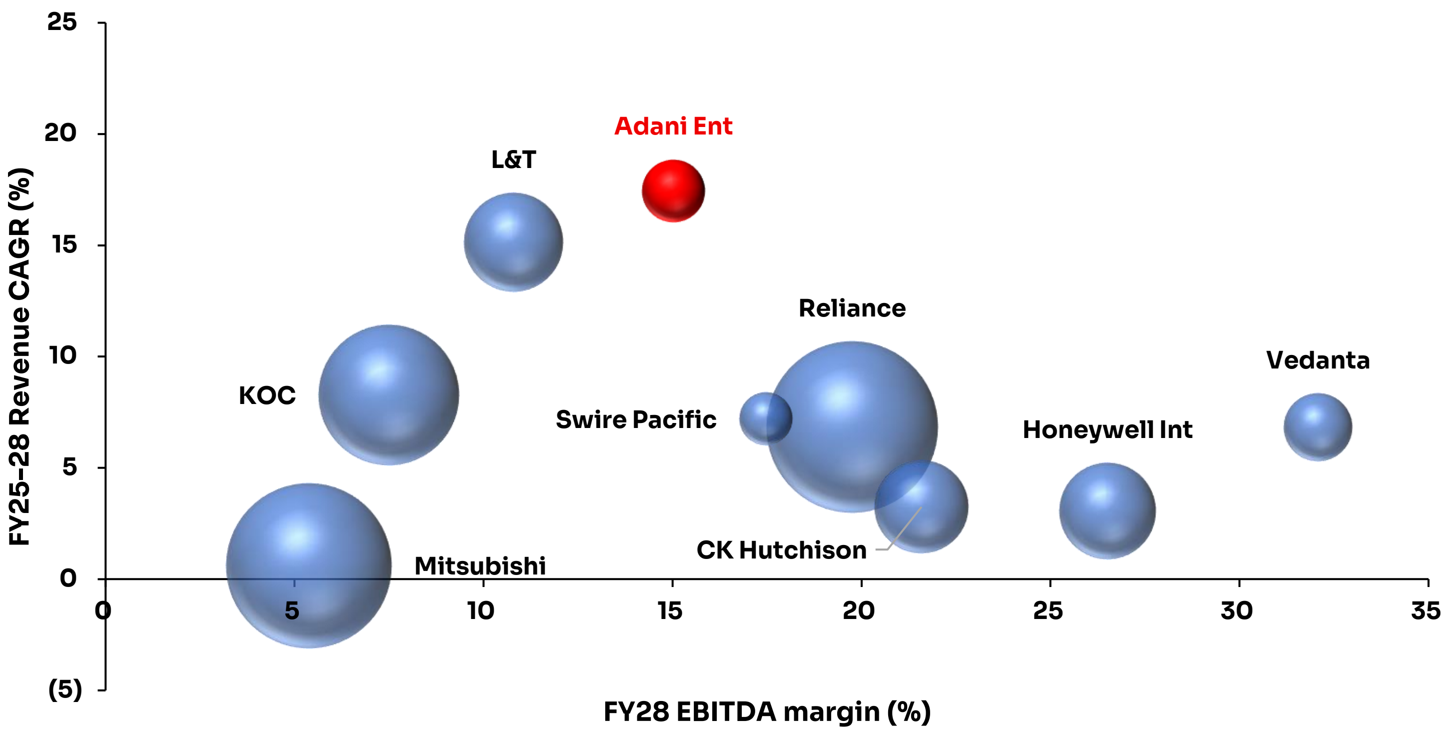
| Fig in INR cr, unless specified | FY25 | FY26E | FY27E | FY28E | FY25-28E CAGR (%) |
|---|---|---|---|---|---|
| **Revenue (INR cr)** | | | | | |
| Consensus | 97,895 | 95,413 | 130,136 | 158,540 | *17.4* |
| *YoY Growth (%)* | *1.5* | *-2.5* | *36.4* | *21.8* | |
| Ventura Estimates | 97,895 | 99,163 | 136,100 | 154,900 | *16.5* |
| *YoY Growth (%)* | *1.5* | *1.3* | *37.2* | *13.8* | |
| **EBITDA (INR cr) & EBITDA margin (%)** | | | | | |
| Consensus | 14,251 | 17,552 | 24,249 | 28,140 | *25.5* |
| *Consensus Margin (%)* | *14.6* | *18.4* | *18.6* | *17.7* | |
| Ventura Estimates | 14,251 | 14,598 | 18,509 | 23,833 | *18.7* |
| *Ventura Margin (%)* | *14.6* | *14.7* | *13.6* | *15.4* | |
| **Net Profit (INR cr) & Net margin (%)** | | | | | |
| Consensus | 7,099 | 6,672 | 5,200 | 7,151 | *0.2* |
| *Consensus Margin (%)* | *7.3* | *7.0* | *4.0* | *4.5* | |
| Ventura Estimates | 7,099 | 6,277 | 5,220 | 4,702 | *-12.8* |
| *Ventura Margin (%)* | *7.3* | *6.3* | *3.8* | *3.0* | |
| **Valuation** | | | | | |
| EV/EBITDA Ratio (X) | | | | | |
| Consensus | | 21.8 | 15.8 | 13.6 | |
| Ventura Estimates | | 23.3 | 20.7 | 18.0 | |

## Valuation and comparable metrics of domestic and global companies

| Company Name | Mkt Cap | Price | PEG (X) | P/E (X) | | | EV/Sales (X) | | | EV/EBIDTA (X) | | | RoE (%) | | | RoIC (%) | | | Sales | | | EBITDA Margin (%) | | | Net Margin (%) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 | 2026 | 2027 | 2028 |
| Domestic Peers (Fig in INR cr, unless specified) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Adani Enterprise Ltd | 310,119 | 2,399 | 1.0 | 49.4 | 59.4 | 66.0 | 3.6 | 3.0 | 2.7 | 23.3 | 20.7 | 18.0 | 7.7 | 6.0 | 5.2 | 8.2 | 6.7 | 6.4 | 95,413 | 130,136 | 158,540 | 15.3 | 14.2 | 15.0 | 6.6 | 4.0 | 3.0 |
| Reliance Industries Ltd | 2,078,249 | 1,536 | 0.8 | 24.4 | 22.5 | 20.3 | 2.3 | 2.1 | 1.9 | 12.2 | 10.7 | 9.4 | 9.1 | 9.2 | 9.3 | 11.4 | 12.4 | 13.6 | 1,008,400 | 1,091,300 | 1,173,900 | 18.6 | 19.3 | 19.8 | 8.4 | 8.5 | 8.7 |
| Vedanta Ltd | 193,466 | 495 | 0.3 | 10.7 | 8.7 | 8.1 | 1.5 | 1.4 | 1.3 | 4.9 | 4.3 | 3.9 | 38.4 | 40.0 | 37.5 | 38.4 | 41.3 | 45.3 | 163,000 | 177,900 | 186,400 | 30.7 | 32.1 | 32.1 | 11.0 | 12.5 | 12.8 |
| Larsen & Toubro Ltd | 552,021 | 4,013 | 0.9 | 30.4 | 24.8 | 21.0 | 2.2 | 1.9 | 1.6 | 20.6 | 17.4 | 14.9 | 16.3 | 17.4 | 18.1 | 13.3 | 15.1 | 16.6 | 295,200 | 341,400 | 390,200 | 10.5 | 10.7 | 10.8 | 6.1 | 6.5 | 6.7 |
| Global Peers (Fig in USD mn, unless specified) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| KOC Holding AS | 10,268 | 4 | 0.1 | 17.2 | 6.8 | 4.0 | 0.1 | 0.1 | 0.1 | 1.4 | 1.0 | 0.8 | 3.4 | 6.6 | 8.5 | 17.5 | 18.5 | 17.4 | 60,075 | 74,438 | 89,635 | 6.4 | 7.0 | 7.5 | 1.0 | 2.0 | 2.8 |
| CK Hutchison Holdings | 27,170 | 7 | 0.4 | 10.1 | 8.5 | 7.8 | 1.2 | 1.1 | 1.1 | 5.2 | 5.2 | 5.0 | 3.9 | 4.5 | 4.8 | 4.5 | 5.9 | 6.0 | 37,023 | 37,956 | 39,685 | 22.3 | 22.1 | 21.6 | 7.3 | 8.4 | 8.8 |
| Mitsubishi Corp | 97,372 | 25 | 4.9 | 21.0 | 19.1 | 17.2 | 1.0 | 1.0 | 1.0 | 19.5 | 18.8 | 18.3 | 7.8 | 8.3 | 8.8 | 3.3 | 3.7 | 4.2 | 116,978 | 121,284 | 124,418 | 5.3 | 5.4 | 5.4 | 4.0 | 4.2 | 4.6 |
| Swire Pacific | 9,021 | 9 | 0.2 | 9.3 | 6.8 | 5.7 | 1.5 | 1.4 | 1.2 | 9.2 | 7.9 | 7.1 | 3.7 | 4.9 | 5.7 | 3.8 | 4.6 | 4.9 | 11,520 | 12,090 | 12,938 | 16.3 | 17.5 | 17.5 | 8.4 | 11.0 | 12.2 |
| Honeywell International | 120,640 | 190 | 3.5 | 18.9 | 19.0 | 17.6 | 3.5 | 3.6 | 3.4 | 13.8 | 13.8 | 12.8 | 35.0 | 30.7 | 29.9 | 22.4 | 21.4 | 22.2 | 40,806 | 39,965 | 42,127 | 25.7 | 26.1 | 26.5 | 15.6 | 15.9 | 16.2 |

**AEL is in the investment phase and hence its ROIC is lower than its peers. Strong growth is expected over the next 5-10 years**




*Bubble size represents the size of the companies' revenue*

## AEL's Financial Summary

| Fig in INR Cr (unless specified) | FY25 | FY26E | FY27E | FY28E | FY29E | FY30E | FY31E | FY32E | FY33E | FY34E | FY35E | FY36E | FY37E | FY38E | FY39E | FY40E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| IRM | 39,264 | 30,999 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 |
| *Share in total revenue (%)* | *40.1* | *32.5* | *23.6* | *19.4* | *18.0* | *15.2* | *13.3* | *11.8* | *10.8* | *9.9* | *9.3* | *9.1* | *8.9* | *8.7* | *8.5* | *8.3* |
| Mining (Carmichael + MDO) | 10,766 | 10,534 | 10,825 | 11,100 | 11,375 | 11,650 | 11,700 | 11,750 | 11,800 | 11,850 | 11,900 | 11,950 | 12,000 | 12,050 | 12,100 | 12,150 |
| *Share in total revenue (%)* | *11.0* | *11.0* | *8.3* | *7.0* | *6.7* | *5.8* | *5.1* | *4.5* | *4.2* | *3.8* | *3.6* | *3.5* | *3.5* | *3.4* | *3.3* | *3.3* |
| Airport | 10,016 | 13,325 | 15,470 | 17,674 | 20,680 | 26,130 | 31,975 | 36,952 | 41,880 | 46,988 | 52,578 | 55,871 | 59,365 | 63,073 | 67,007 | 71,181 |
| *Share in total revenue (%)* | *10.2* | *14.0* | *11.9* | *11.1* | *12.1* | *12.9* | *13.8* | *14.3* | *14.7* | *15.2* | *15.9* | *16.5* | *17.1* | *17.8* | *18.5* | *19.2* |
| Road | 9,694 | 5,960 | 6,478 | 7,000 | 7,210 | 7,608 | 8,023 | 8,264 | 8,512 | 8,767 | 9,030 | 9,301 | 9,580 | 9,867 | 10,163 | 10,468 |
| *Share in total revenue (%)* | *9.9* | *6.2* | *5.0* | *4.4* | *4.2* | *3.8* | *3.5* | *3.2* | *3.0* | *2.8* | *2.7* | *2.7* | *2.8* | *2.8* | *2.8* | *2.8* |
| Solar panel & WTG | 13,965 | 14,031 | 17,565 | 22,000 | 24,500 | 29,434 | 31,934 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 |
| *Share in total revenue (%)* | *14.3* | *14.7* | *13.5* | *13.9* | *14.3* | *14.6* | *13.8* | *13.3* | *12.1* | *11.2* | *10.4* | *10.2* | *9.9* | *9.7* | *9.5* | *9.3* |
| Green H2 ecosystem | 0 | 0 | 0 | 0 | 725 | 13,591 | 28,378 | 43,586 | 59,145 | 73,546 | 85,991 | 86,571 | 87,168 | 87,783 | 88,417 | 89,069 |
| *Share in total revenue (%)* | *0.0* | *0.0* | *0.0* | *0.0* | *0.4* | *6.7* | *12.3* | *16.8* | *20.8* | *23.8* | *26.0* | *25.6* | *25.2* | *24.8* | *24.4* | *24.0* |
| Copper | 0 | 10,000 | 36,050 | 53,045 | 54,636 | 56,275 | 57,964 | 59,703 | 61,494 | 63,339 | 65,239 | 67,196 | 69,212 | 71,288 | 73,427 | 75,629 |
| *Share in total revenue (%)* | *0.0* | *10.5* | *27.7* | *33.5* | *32.0* | *27.8* | *25.1* | *23.1* | *21.6* | *20.5* | *19.7* | *19.8* | *20.0* | *20.1* | *20.3* | *20.4* |
| Data Center | 408 | 565 | 1,237 | 2,628 | 5,540 | 8,472 | 9,608 | 10,040 | 10,376 | 10,760 | 11,250 | 11,750 | 12,250 | 12,750 | 13,250 | 13,750 |
| *Share in total revenue (%)* | *0.4* | *0.6* | *1.0* | *1.7* | *3.2* | *4.2* | *4.2* | *3.9* | *3.7* | *3.5* | *3.4* | *3.5* | *3.5* | *3.6* | *3.7* | *3.7* |
| Others | 13,782 | 10,000 | 11,831 | 14,413 | 15,535 | 18,384 | 21,026 | 23,541 | 25,832 | 28,036 | 30,110 | 30,775 | 31,469 | 32,193 | 32,948 | 33,736 |
| *Share in total revenue (%)* | *14.1* | *10.5* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* | *9.1* |
| Revenue from operations | 97,895 | 95,413 | 130,136 | 158,540 | 170,881 | 202,224 | 231,288 | 258,950 | 284,152 | 308,400 | 331,213 | 338,528 | 346,158 | 354,119 | 362,426 | 371,098 |
| *YoY Growth (%)* | *1.5* | *(2.5)* | *36.4* | *21.8* | *7.8* | *18.3* | *14.4* | *12.0* | *9.7* | *8.5* | *7.4* | *2.2* | *2.3* | *2.3* | *2.3* | *2.4* |
| Raw Material Cost | 51,369 | 45,798 | 62,465 | 76,099 | 82,023 | 97,068 | 111,018 | 124,296 | 136,393 | 148,032 | 158,982 | 162,494 | 166,156 | 169,977 | 173,964 | 178,127 |
| *RM Cost to Sales (%)* | *52.5* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* | *48.0* |
| Employee Cost | 3,119 | 4,294 | 5,856 | 7,134 | 7,690 | 9,100 | 10,408 | 11,653 | 12,787 | 13,878 | 14,905 | 15,234 | 15,577 | 15,935 | 16,309 | 16,699 |
| *Employee Cost to Sales (%)* | *3.2* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* | *4.5* |
| Other Expenses | 29,155 | 30,723 | 43,306 | 51,473 | 51,273 | 53,638 | 51,627 | 46,909 | 39,126 | 31,590 | 23,189 | 22,911 | 22,235 | 21,450 | 20,541 | 19,525 |
| *Other Expenses to Sales (%)* | *29.8* | *32.2* | *33.3* | *32.5* | *30.0* | *26.5* | *22.3* | *18.1* | *13.8* | *10.2* | *7.0* | *6.8* | *6.4* | *6.1* | *5.7* | *5.3* |
| EBITDA | 14,251 | 14,598 | 18,509 | 23,833 | 29,896 | 42,418 | 58,235 | 76,092 | 95,847 | 114,900 | 134,137 | 137,890 | 142,190 | 146,757 | 151,612 | 156,746 |
| *EBITDA Margin (%)* | *14.6* | *15.3* | *14.2* | *15.0* | *17.5* | *21.0* | *25.2* | *29.4* | *33.7* | *37.3* | *40.5* | *40.7* | *41.1* | *41.4* | *41.8* | *42.2* |
| Depreciation & Amortization | 4,211 | 5,405 | 7,803 | 10,398 | 14,943 | 19,834 | 24,425 | 29,216 | 34,174 | 36,359 | 37,264 | 37,937 | 38,472 | 38,963 | 39,410 | 39,813 |
| EBIT | 10,040 | 9,192 | 10,705 | 13,435 | 14,953 | 22,584 | 33,810 | 46,876 | 61,673 | 78,541 | 96,873 | 99,952 | 103,718 | 107,793 | 112,201 | 116,933 |
| *EBIT Margin (%)* | *10.3* | *9.6* | *8.2* | *8.5* | *8.8* | *11.2* | *14.6* | *18.1* | *21.7* | *25.5* | *29.2* | *29.5* | *30.0* | *30.4* | *31.0* | *31.5* |
| Other Income | 2,471 | 2,273 | 3,333 | 3,661 | 4,231 | 4,474 | 5,078 | 5,652 | 6,181 | 6,668 | 7,136 | 7,575 | 7,722 | 7,876 | 8,035 | 8,226 |
| Exceptional Income / Expenses | 3,946 | 3,583 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest Cost | 5,978 | 5,995 | 6,331 | 9,922 | 15,752 | 23,493 | 30,850 | 37,271 | 43,005 | 45,054 | 41,786 | 35,812 | 28,635 | 20,459 | 11,330 | 3,815 |
| PBT | 10,479 | 9,053 | 7,707 | 7,174 | 3,432 | 3,565 | 8,037 | 15,257 | 24,849 | 40,154 | 62,224 | 71,716 | 82,805 | 95,211 | 108,906 | 121,344 |
| *PBT Margin (%)* | *10.7* | *9.5* | *5.9* | *4.5* | *2.0* | *1.8* | *3.5* | *5.9* | *8.7* | *13.0* | *18.8* | *21.2* | *23.9* | *26.9* | *30.0* | *32.7* |
| Tax | 2,969 | 2,375 | 1,940 | 1,806 | 864 | 897 | 2,023 | 3,840 | 6,254 | 10,107 | 15,662 | 18,051 | 20,842 | 23,965 | 27,412 | 30,542 |
| *Tax to PBT (%)* | *28.3* | *26.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* | *25.2* |
| PAT | 7,510 | 6,678 | 5,767 | 5,368 | 2,568 | 2,668 | 6,014 | 11,417 | 18,594 | 30,047 | 46,562 | 53,665 | 61,963 | 71,246 | 81,494 | 90,802 |
| *PAT Margin (%)* | *7.7* | *7.0* | *4.4* | *3.4* | *1.5* | *1.3* | *2.6* | *4.4* | *6.5* | *9.7* | *14.1* | *15.9* | *17.9* | *20.1* | *22.5* | *24.5* |
| Net Profit | 7,099 | 6,277 | 5,220 | 4,702 | 1,850 | 1,818 | 5,043 | 10,329 | 17,401 | 28,752 | 45,171 | 52,243 | 60,509 | 69,759 | 79,972 | 89,243 |
| *Net Margin (%)* | *7.3* | *6.6* | *4.0* | *3.0* | *1.1* | *0.9* | *2.2* | *4.0* | *6.1* | *9.3* | *13.6* | *15.4* | *17.5* | *19.7* | *22.1* | *24.0* |
| | | | | | | | | | | | | | | | | |
| Adjusted EPS | 54.9 | 48.6 | 40.4 | 36.4 | 14.3 | 14.1 | 39.0 | 79.9 | 134.6 | 222.4 | 349.4 | 404.1 | 468.1 | 539.6 | 618.6 | 690.4 |
| *P/E (X)* | *43.7* | *49.4* | *59.4* | *66.0* | *167.6* | *170.6* | *61.5* | *30.0* | *17.8* | *10.8* | *6.9* | *5.9* | *5.1* | *4.4* | *3.9* | *3.5* |
| Adjusted BVPS | 368.9 | 581.6 | 621.1 | 656.7 | 670.7 | 684.5 | 722.7 | 800.9 | 932.7 | 1,150.4 | 1,492.4 | 1,888.0 | 2,346.2 | 2,874.4 | 3,480.0 | 4,155.8 |
| *P/BV (X)* | *6.5* | *4.1* | *3.9* | *3.7* | *3.6* | *3.5* | *3.3* | *3.0* | *2.6* | *2.1* | *1.6* | *1.3* | *1.0* | *0.8* | *0.7* | *0.6* |
| Enterprise Value | 379,761 | 340,264 | 383,921 | 428,543 | 510,482 | 597,767 | 670,486 | 737,264 | 795,312 | 780,836 | 721,888 | 648,189 | 562,963 | 467,296 | 360,294 | 242,928 |
| *EV/EBITDA (X)* | *26.6* | *23.3* | *20.7* | *18.0* | *17.1* | *14.1* | *11.5* | *9.7* | *8.3* | *6.8* | *5.4* | *4.7* | *4.0* | *3.2* | *2.4* | *1.5* |
| | | | | | | | | | | | | | | | | |
| Net Worth | 47,690 | 75,182 | 80,292 | 84,895 | 86,706 | 88,486 | 93,422 | 103,532 | 120,565 | 148,710 | 192,925 | 244,064 | 303,294 | 371,579 | 449,860 | 537,217 |
| *Return on Equity (%)* | *14.9* | *8.3* | *6.5* | *5.5* | *2.1* | *2.1* | *5.4* | *10.0* | *14.4* | *19.3* | *23.4* | *21.4* | *20.0* | *18.8* | *17.8* | *16.6* |
| Capital Employed | 126,550 | 128,303 | 166,549 | 217,081 | 301,296 | 391,101 | 469,988 | 547,504 | 623,362 | 637,799 | 623,761 | 601,639 | 576,119 | 549,164 | 521,717 | 549,358 |
| *Return on Capital Employed (%)* | *5.7* | *5.3* | *4.8* | *4.6* | *3.7* | *4.3* | *5.4* | *6.4* | *7.4* | *9.2* | *11.6* | *12.4* | *13.5* | *14.7* | *16.1* | *15.9* |
| Invested Capital | 117,332 | 105,327 | 154,094 | 203,319 | 287,069 | 376,134 | 453,789 | 530,678 | 605,758 | 619,427 | 604,695 | 582,134 | 556,138 | 528,756 | 500,036 | 470,026 |
| *Return on Invested Capital (%)* | *8.6* | *8.7* | *6.9* | *6.6* | *5.2* | *6.0* | *7.5* | *8.8* | *10.2* | *12.7* | *16.0* | *17.2* | *18.6* | *20.4* | *22.4* | *24.9* |
| | | | | | | | | | | | | | | | | |
| Cash Flow from Operations | 4,513 | 1,162 | 15,631 | 21,976 | 31,221 | 41,784 | 57,201 | 73,850 | 91,876 | 107,564 | 121,774 | 125,207 | 126,798 | 128,327 | 129,822 | 131,941 |
| Cash Flow from Investing | (26,259) | 16,753 | (53,953) | (57,480) | (97,763) | (106,536) | (99,889) | (104,020) | (107,354) | (48,199) | (20,813) | (14,825) | (11,901) | (10,981) | (10,064) | (9,150) |
| Cash Flow from Financing | 21,947 | (1,086) | 26,695 | 35,907 | 66,613 | 64,494 | 42,994 | 29,915 | 15,452 | (59,369) | (100,994) | (110,177) | (114,664) | (117,173) | (118,749) | (65,418) |
| Net Cash Flow | 202 | 16,830 | (11,628) | 403 | 71 | (258) | 306 | (255) | (26) | (4) | (33) | 206 | 233 | 174 | 1,009 | 57,374 |
| Free Cash Flow | (20,010) | (19,855) | (30,720) | (25,864) | (53,826) | (44,846) | (17,509) | (335) | 18,441 | 94,725 | 133,756 | 137,664 | 136,826 | 133,178 | 128,779 | 126,211 |
| *FCF to Revenue (%)* | *(20.4)* | *(20.8)* | *(23.6)* | *(16.3)* | *(31.5)* | *(22.2)* | *(7.6)* | *(0.1)* | *6.5* | *30.7* | *40.4* | *40.7* | *39.5* | *37.6* | *35.5* | *34.0* |
| *FCF to EBITDA (%)* | *(140.4)* | *(136.0)* | *(166.0)* | *(108.5)* | *(180.0)* | *(105.7)* | *(30.1)* | *(0.4)* | *19.2* | *82.4* | *99.7* | *99.8* | *96.2* | *90.7* | *84.9* | *80.5* |
| *FCF to Net Profit (%)* | *(281.9)* | *(316.3)* | *(588.5)* | *(550.0)* | *(2,908.8)* | *(2,466.7)* | *(347.2)* | *(3.2)* | *106.0* | *329.5* | *296.1* | *263.5* | *226.1* | *190.9* | *161.0* | *141.4* |
| *FCF to Net Worth (%)* | *(42.0)* | *(26.4)* | *(38.3)* | *(30.5)* | *(62.1)* | *(50.7)* | *(18.7)* | *(0.3)* | *15.3* | *63.7* | *69.3* | *56.4* | *45.1* | *35.8* | *28.6* | *23.5* |
| | | | | | | | | | | | | | | | | |
| Total Debt | 78,860 | 53,122 | 86,258 | 132,187 | 214,591 | 302,616 | 376,567 | 443,972 | 502,796 | 489,090 | 430,836 | 357,575 | 272,825 | 177,585 | 71,857 | 12,141 |
| Net Debt | 69,642 | 30,146 | 73,803 | 118,424 | 200,363 | 287,648 | 360,367 | 427,145 | 485,193 | 470,717 | 411,770 | 338,070 | 252,844 | 157,177 | 50,176 | (67,191) |
| *Net Debt to Equity (X)* | *1.5* | *0.4* | *0.9* | *1.4* | *2.3* | *3.3* | *3.9* | *4.1* | *4.0* | *3.2* | *2.1* | *1.4* | *0.8* | *0.4* | *0.1* | *(0.1)* |
| *Net Debt to EBITDA (X)* | *4.9* | *2.1* | *4.0* | *5.0* | *6.7* | *6.8* | *6.2* | *5.6* | *5.1* | *4.1* | *3.1* | *2.5* | *1.8* | *1.1* | *0.3* | *(0.4)* |
| *Interest Coverage Ratio (X)* | *1.7* | *1.5* | *1.7* | *1.4* | *0.9* | *1.0* | *1.1* | *1.3* | *1.4* | *1.7* | *2.3* | *2.8* | *3.6* | *5.3* | *9.9* | *30.6* |
| | | | | | | | | | | | | | | | | |
| Fundamental scores | | | | | | | | | | | | | | | | |
| Altman Z Score | 0.7 | 0.7 | 0.7 | 0.6 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | 0.7 | 0.8 | 0.9 | 1.0 | 1.0 | 1.1 | 1.1 |
| Piotroski F-score | 4.0 | 6.0 | 4.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 5.0 | 6.0 | 6.0 | 7.0 | 7.0 | 6.0 | 7.0 | 6.0 |
| Beneish M-score | (2.3) | (2.4) | (2.0) | (2.3) | (2.3) | (2.3) | (2.3) | (2.3) | (2.3) | (2.3) | (2.3) | (2.4) | (2.4) | (2.3) | (2.3) | (2.4) |

*Source: ACE Equity, Company Reports & Ventura Research*

## Adani Enterprises Ltd SWOT Analysis in a nutshell

# Adani Enterprises Ltd

### Growth Drivers

- Government is targeting 3 MTPA of GH2 by 2030, which is in-line with AEL's target of 2 MTPA by 2034. It could replace the demand for coal & diesel in heavy industries.
- India outsources 30% of its data to overseas data centers (DC). The government is pushing for reliance on domestic DC. AEL is targeting 1 GW of DC capacity by 2030.
- UDAAN scheme is improving air travel in India. AEL is has 8 airports at key locations, which are likely to witness strong pax-traffic. Additionally, AEL's focus on non-pax revenue could accelerate its revenue.

### Key Challenges

- Green H2 is at a nascent stage and therefore its cost of production is high. Keeping its price in the affordable range could be a challenge.
- Data centers require large land parcels. Finding real estate at a reasonable price could be a challenge.

### New Trends

- AEL started production at its copper unit in FY25. The ramp-up is expected to be significant due to rising demand for copper from power and electronic industry, while India is a net importer of copper.
- AEL is planning to develop infrastructure around its 8 airports, which could significantly enhance the non-pax revenue where the profit margins are higher.

### Investment Themes

- AEL is nurturing growth-focused verticals - green H2, airports, data centers & copper. All poised for substantial expansion driven by favorable industry tailwinds, which could boost its revenue and margins.
- The Adani Group is renowned for its exceptional execution capabilities in large-scale projects. Timely completion of key infrastructure across its verticals is critical to achieve projected financial outcomes.

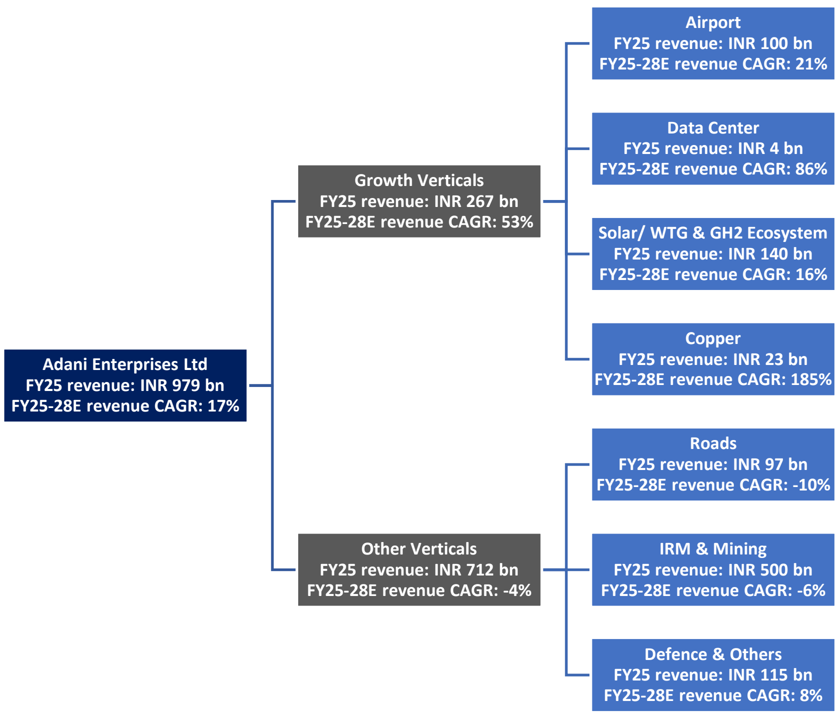


For any further query, please email us on reasech@venturasecurities.com

## AEL – Goose that lays golden eggs

AEL stands as one of India's leading incubators for growth-driven, critical businesses. With extensive experience, the company has successfully conceived, nurtured, scaled and demerged numerous thriving ventures.

### AEL's business verticals




***AEL operates as the incubation engine of the Adani Group, nurturing and scaling new-age infrastructure and utility businesses—from airports and GH2 to data centres, copper, roads, defence and others—before eventually spinning them off into independent listed entities.***

***Capital is allocated aggressively to high-growth verticals while mature businesses are spun off to unlock value and reduce balance-sheet complexity. The current growth verticals are – Airports, Data Centers, ANIL and Copper. Listing of these businesses on stock exchange are expected to happen over the next 5-7 years.***

***Each new business is built as a platform with its own management, governance, and operational ecosystem to accelerate scaling. Early-stage businesses leverage shared Group strengths—procurement, financing, brand, and project execution—reducing costs and time-to-market.***

### AEL's business portfolio and significant growth opportunities

| Business | Current Scale | Growth | Pathway | Theme |
|---|---|---|---|---|
| Airports (Adani Airport Holdings Ltd.) | 300m+ consumers[1]<br>94m pax | 550m+ consumers[1]<br>> 150m pax<br>(2028) | – Portfolio of 8 Airports controlling over 50% of top 10 domestic routes<br>– **23% of Passenger movements, ~29% Cargo** | Transport and Logistics<br>Critical Infra |
| Roads (Adani Road Transport Ltd.) | 7<br>Operational Asset | 17<br>Operational Asset | – Long term yield assets with **concession period of 15 - 20 years**<br>– Balanced target portfolio with 60% traffic and 40% annuity assets<br>– Building India's largest road concession – **Ganga Expressway** | |
| Green Hydrogen RE Supply Chain (Adani New Industries Ltd.) | Solar Manufacturing of cell and module 4.0GW<br>WTG 2.25GW | Integrated Green Hydrogen Value Chain<br>Solar – 10GW (2027)<br>WTG – 4GW (2027)<br>$GH_2$ – 2.1MT (2034) | – Deliver least cost green electron → Cheapest green H2<br>– Solar Mfg –Expansion started for additional 6 GW of TopCon Module and Cell<br>– Wind - capacity expanded to 2.25 GW | Energy Transition,<br>Address CAD<br>Digital Stack |
| Data Center (AdaniConneX Ltd.) | 211+ MW of operational and UC data centers | 1 GW<br>(2030) | – 50:50 JV with **EdgeConnex** to develop data centers in India<br>– ACX has achieved partnership with Google to develop India's largest AI Data Center campus in Visakhapatnam. | |
| Primary Industry | MDO – 63 MTPA<br>Cu – 0.5 MTPA<br>PVC – UC | MDO – 140 MTPA<br>Cu – 1 MTPA<br>PVC – 1 MTPA | – Copper Smelter (0.5 MTPA) in Mundra targeting lowest cost production driven by green power operationalized in 2024<br>– PVC plant (1 MTPA) is under execution in Mundra<br>– **Make In India** themed businesses, targeting **import substitution** | Address CAD<br>Import Sub |

1. ***AEL's incubation pipeline is focused on Critical Sectors Driving India's Infrastructure and Industrial Economy***
2. ***AEL key focus is now on managing the execution and O&M aspects with the backing of Adani Portfolio's stellar project execution experience***

**AEL an Indian Infrastructure incubator : Opportunity to Invest in Multiple Incubation Businesses with Visible, Robust Growth Profiles**

[1] Consumers including passengers and non-passengers
**m:** million | **kms:** kilometers | **GW:** Gigawatt | **MTPA:** million tonnes per annum | **MDO:** Mine Developer and Operator | **Cu:** Copper | **PVC:** Polyvinyl Chloride | **UC:** Under Construction | **WTG:** Wind Turbine Generator | **$gH_2$:** Green Hydrogen | **RLMM:** Revised List of Models & Manufacturers | **MNRE:** The Ministry of New and Renewable Energy | **Sub:** Substitution | **CAD:** Current Account Deficit

## AEL's strength in managing a diverse set of assets across India

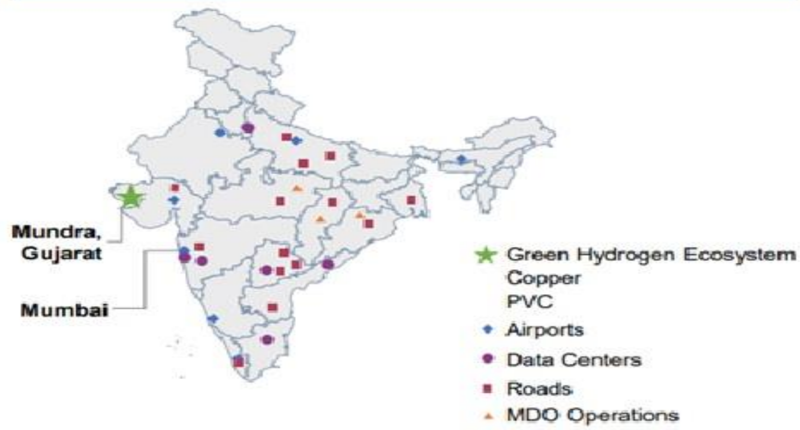
### Proven track record of successful incubation

- AEL, as an incubator of new businesses has over the last three decades:
  - seeded new businesses and developed them into scaled market leaders in emerging sectors; and
  - subsequently demerged them into independently listed platforms, thereby unlocking
  - past track record includes market stalwarts viz. **APSEZ, AGEL, AESL, ATGL** and **APL**
- AEL's current incubation portfolio includes Airports, Green Hydrogen, Data Centers, Road, Copper, Digital and other businesses.
- The **emerging core infra businesses** have recorded half-yearly **EBITDA of Rs. 5,470 crore** with an increase of **5%** on year-on-year basis and now contributes **71% to total EBITDA**.

### Current pipeline of scalable businesses

- Airports
- Solar and Wind Manufacturing
- Data Centers
- Roads
- Green Hydrogen value chain
- Primary Industries

### Diverse set of assets across India




**Key Milestones for next 12 months**

- Operationalization of Navi Mumbai airport
- Stake sale of remaining 20% of AWL
- Stabilization and capacity ramp up in copper business
- Completion of majority of road projects including Ganga expressway

## Revenue, EBITDA and Capex outlook in key verticals

| Fig in INR cr, unless specified | FY24 | FY25 | FY26E | FY27E | FY28E | FY29E | FY30E | FY31E | FY32E | FY33E | FY34E | FY35E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | | | |
| IRM | 62,019 | 39,264 | 30,999 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 | 30,680 |
| Mining (Carmichael + MDO) | 8,828 | 10,766 | 10,534 | 10,825 | 11,100 | 11,375 | 11,650 | 11,700 | 11,750 | 11,800 | 11,850 | 11,900 |
| Airport | 7,905 | 10,016 | 13,325 | 15,470 | 17,674 | 20,680 | 26,130 | 31,975 | 36,952 | 41,880 | 46,988 | 52,578 |
| Road | 7,177 | 9,694 | 5,960 | 6,478 | 7,000 | 7,210 | 7,608 | 8,023 | 8,264 | 8,512 | 8,767 | 9,030 |
| Solar panel & WTG | 8,571 | 13,965 | 14,031 | 17,565 | 22,000 | 24,500 | 29,434 | 31,934 | 34,434 | 34,434 | 34,434 | 34,434 |
| Green H2 ecosystem | 0 | 0 | 0 | 0 | 0 | 725 | 13,591 | 28,378 | 43,586 | 59,145 | 73,546 | 85,991 |
| Data Center | 140 | 408 | 565 | 1,237 | 2,628 | 5,540 | 8,472 | 9,608 | 10,040 | 10,376 | 10,760 | 11,250 |
| Copper | 0 | 2,299 | 10,000 | 36,050 | 53,045 | 54,636 | 56,275 | 57,964 | 59,703 | 61,494 | 63,339 | 65,239 |
| **EBITDA** | | | | | | | | | | | | |
| IRM | 5,173 | 3,585 | 2,895 | 2,915 | 2,915 | 2,915 | 2,915 | 2,915 | 2,915 | 2,915 | 2,915 | 2,915 |
| Mining (Carmichael + MDO) | 830 | 1,688 | 2,064 | 2,111 | 2,165 | 2,218 | 2,272 | 2,282 | 2,291 | 2,301 | 2,311 | 2,321 |
| Airport | 2,437 | 3,480 | 4,598 | 5,563 | 6,659 | 8,113 | 10,560 | 13,531 | 16,481 | 19,645 | 22,724 | 26,204 |
| Road | 1,231 | 1,769 | 1,462 | 3,887 | 4,900 | 5,768 | 6,847 | 7,221 | 7,437 | 7,661 | 7,890 | 8,127 |
| Solar panel & WTG | 2,296 | 4,776 | 4,658 | 4,813 | 5,350 | 5,425 | 6,415 | 7,040 | 7,665 | 7,665 | 7,665 | 7,665 |
| Green H2 ecosystem | 0 | 0 | 0 | 0 | 0 | 2,010 | 7,240 | 18,425 | 32,272 | 48,459 | 63,946 | 79,119 |
| Data Center | 32 | (8) | 113 | 495 | 1,314 | 3,324 | 5,930 | 6,822 | 7,229 | 7,574 | 7,962 | 8,438 |
| Copper | 0 | 96 | 80 | 875 | 2,750 | 2,800 | 2,875 | 2,975 | 3,100 | 3,225 | 3,350 | 3,475 |
| **EBITDA margin (%)** | | | | | | | | | | | | |
| *IRM* | *8.3* | *9.1* | *9.3* | *9.5* | *9.5* | *9.5* | *9.5* | *9.5* | *9.5* | *9.5* | *9.5* | *9.5* |
| *Mining (Carmichael + MDO)* | *9.4* | *15.7* | *19.6* | *19.5* | *19.5* | *19.5* | *19.5* | *19.5* | *19.5* | *19.5* | *19.5* | *19.5* |
| *Airport* | *30.8* | *34.7* | *34.5* | *36.0* | *37.7* | *39.2* | *40.4* | *42.3* | *44.6* | *46.9* | *48.4* | *49.8* |
| *Road* | *17.2* | *18.2* | *24.5* | *60.0* | *70.0* | *80.0* | *90.0* | *90.0* | *90.0* | *90.0* | *90.0* | *90.0* |
| *Solar panel & WTG* | *26.8* | *34.2* | *33.2* | *27.4* | *24.3* | *22.1* | *21.8* | *22.0* | *22.3* | *22.3* | *22.3* | *22.3* |
| *Green H2 ecosystem* | | | | | | *277.3* | *53.3* | *64.9* | *74.0* | *81.9* | *86.9* | *92.0* |
| *Data Center* | *22.8* | *(1.8)* | *20.0* | *40.0* | *50.0* | *60.0* | *70.0* | *71.0* | *72.0* | *73.0* | *74.0* | *75.0* |
| *Copper* | | *4.2* | *0.8* | *2.4* | *5.2* | *5.1* | *5.1* | *5.1* | *5.2* | *5.2* | *5.3* | *5.3* |
| **Capex** | | | | | | | | | | | | |
| IRM | 100 | 100 | 310 | 307 | 307 | 307 | 307 | 307 | 307 | 307 | 307 | 307 |
| Mining (Carmichael + MDO) | 1,300 | 2,700 | 2,500 | 2,400 | 2,400 | 2,400 | 117 | 117 | 118 | 118 | 119 | 119 |
| Airport | 6,424 | 10,887 | 13,000 | 25,500 | 23,500 | 28,000 | 12,000 | 10,000 | 9,000 | 8,000 | 7,000 | 6,000 |
| Road | 6,771 | 8,617 | 6,500 | 6,500 | 6,500 | 5,500 | 4,000 | 1,500 | 83 | 85 | 88 | 90 |
| Solar panel & WTG | 2,072 | 1,616 | 5,500 | 5,000 | 1,000 | 800 | 294 | 319 | 344 | 344 | 344 | 344 |
| Green H2 ecosystem | 0 | 0 | 300 | 550 | 8,500 | 48,700 | 80,200 | 82,106 | 89,130 | 94,134 | 35,638 | 9,193 |
| Data Center | 1,536 | 2,429 | 3,000 | 10,000 | 12,000 | 10,000 | 6,000 | 2,000 | 1,500 | 900 | 1,200 | 1,250 |
| Copper | 4,310 | 3,431 | 1,000 | 180 | 265 | 273 | 281 | 290 | 299 | 307 | 317 | 326 |

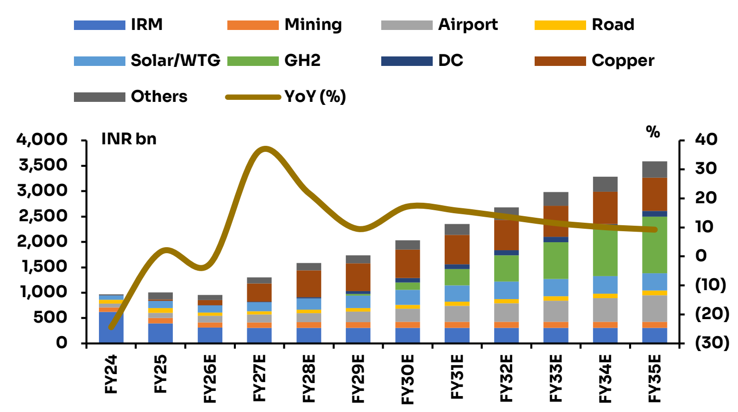
**Strong industry tailwinds and contributions from emerging verticals to drive robust revenue growth:**

AEL's revenues are projected to grow at a 17.4% CAGR over FY25-28E, reaching INR 1,585 bn, driven by:

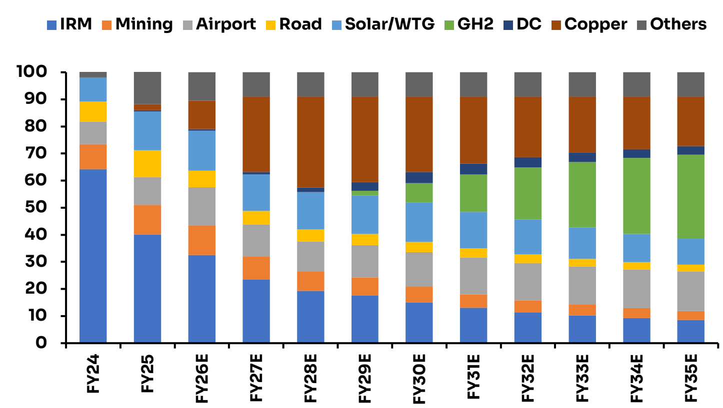
- **New energy ecosystem (ANIL):** Revenue growth at 16.4% CAGR to INR 220 bn, supported by full backward integration in solar module manufacturing and production of India's largest 5.2 MW WTG. GH2 production (including green ammonia) is expected to commence from FY29 onwards.
- **Airports:** Revenue growth at 20.8% CAGR to INR 177 bn, fueled by strong growth in air travel on existing airports, additional volumes from Navi Mumbai airport, improving share of non-passenger revenue and additional revenue from City Side Development (CSD).
- **Data centers:** Revenue growth at 86.1% CAGR to INR 26 bn, driven by the capacity expansion and government initiatives for data localization in India.
- **Copper manufacturing:** Additional revenue of INR 530 bn from its newly operational copper business, positioned as a key import substitution for India.
- **Mining:** Revenue growth at 1% CAGR to INR 111 bn, mainly driven by 3.8% CAGR growth in Carmichael Mine volumes to 14 mn tons and 3.5% CAGR growth in MDO volumes to 3.5 mn tonnes.

The **Coal IRM** vertical is projected to experience a slowdown, reflecting the declining reliance on coal globally, with revenues expected to decline at a CAGR of 7.9% to INR 307 bn over FY25-28E. Similarly, the **road vertical** is anticipated to stabilize. Revenues are expected to contract at a CAGR of 10.3% to INR 70 bn, as AEL focuses on optimizing operations of its existing road assets and adopts a cautious approach to portfolio expansion.

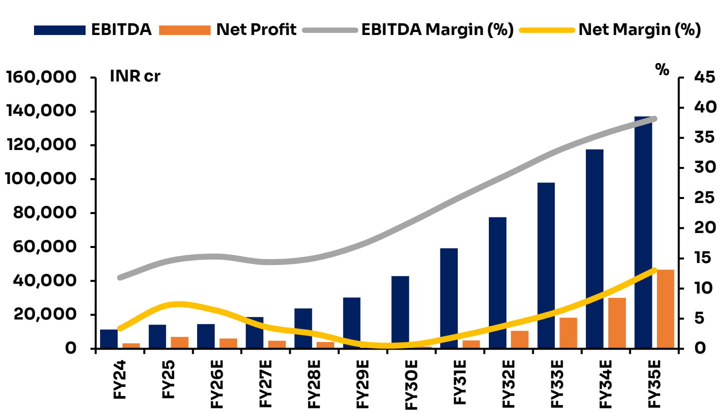
AEL's revenue performance




AEL segmental revenue share (%)




AEL's profitability performance



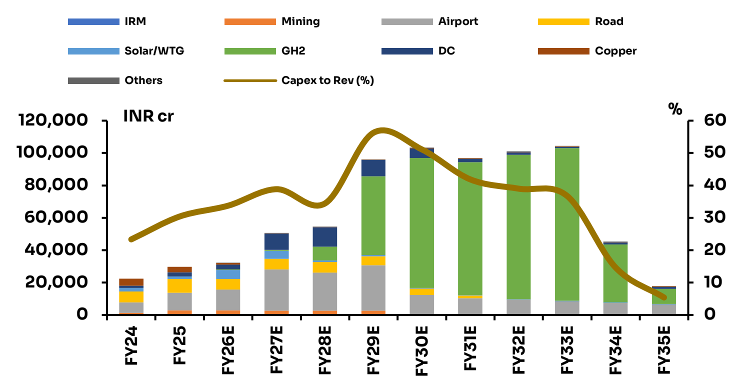

**Expansion into new verticals and reduced coal dependency to boost overall profitability.**

- The strategic expansion into new business verticals, coupled with the declining share of coal in total revenue, is expected to drive enhanced overall profitability.
- EBITDA is projected to grow at a robust CAGR of 18.7% to INR 238 bn, while net earnings are expected to decline at a CAGR of 12.8% to INR 47 bn. EBITDA margins are set to improve by 48bps to 15% due to higher profitability in new business verticals. However, net margins are expected to decline by 429bps to 3% due to expected increase in depreciation and interest cost.

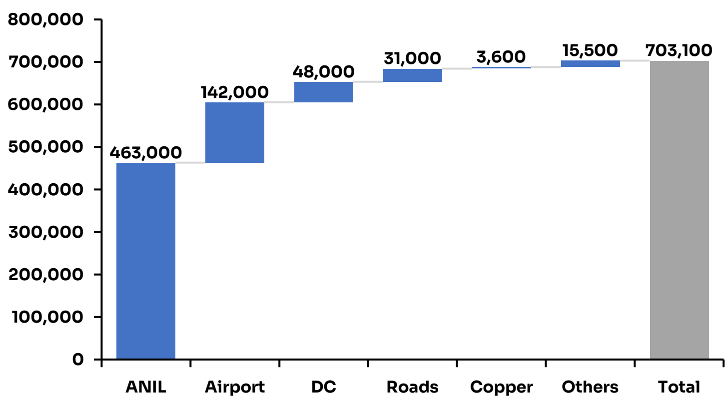
**10 years capex plan of ~INR 7 trillion to drive growth in key verticals**

- AEL has articulated a ~INR 7.0 trillion capex roadmap for the next decade, covering airports, data centres, copper smelting, green hydrogen and its ecosystem, and other emerging verticals.
- This ambitious expansion programme will be funded through a combination of internal accruals, debt, equity infusions, and IPOs of matured subsidiaries.
- Stake sale in AWL and upcoming fund raise through rights issue are the parts of this expansion plan.

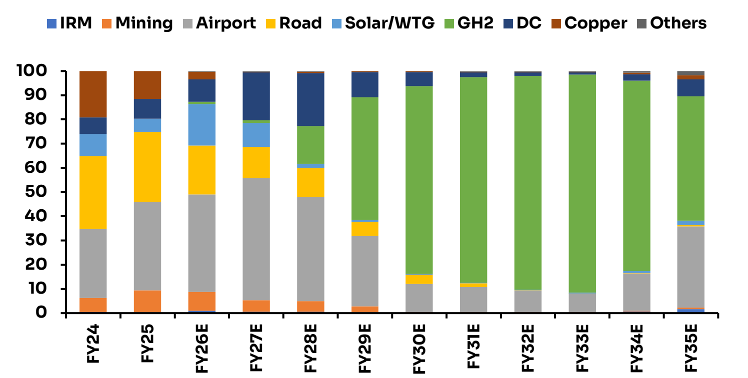
**AEL's annual capex**




**AEL's 10 years capex plan (in INR cr)**



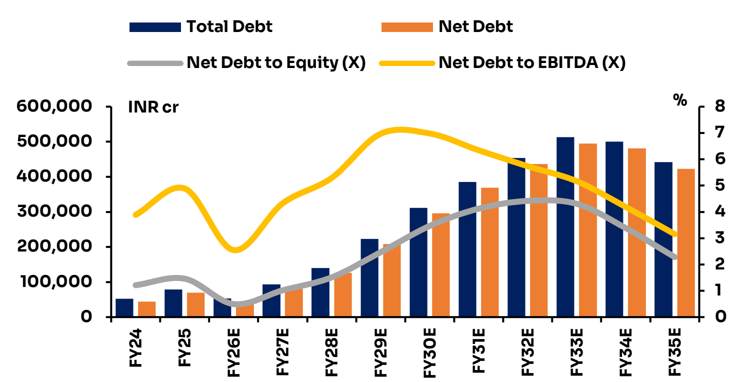

**AEL's segmental capex share (%)**



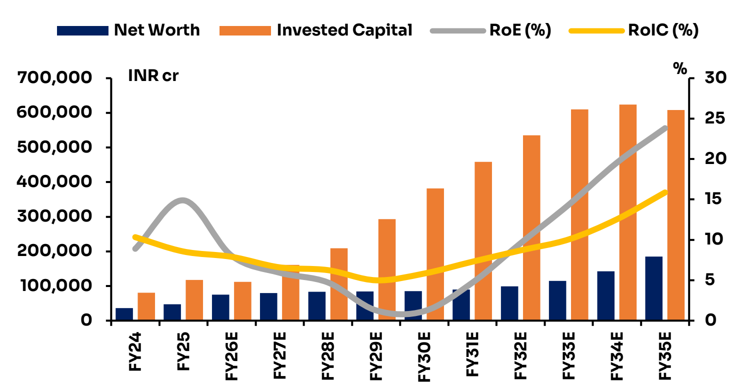

**The upcoming capex will be funded through internal accruals and debt**

- The IRM & mining verticals serve as AEL's cash-generating engines. While they do not meaningfully drive the company's long-term growth narrative, they play a crucial role by generating steady cash flows with minimal capex requirements, helping support the expansion of other verticals.
- Given the scale of AEL's upcoming investments—particularly in the GH2 ecosystem—the internal cash flows from IRM & mining alone will be insufficient. As a result, the company will likely need to rely on long-term debt to fund its ambitious growth plans.
- The proposed listing of the airport business in 2027 is expected to unlock significant capital for the GH2 ecosystem, though we have not factored this potential capital raise into our forecasts.
- While the substantial capex and resulting balance sheet leverage may temporarily pressure return ratios over the next 5 years, we expect these ratios to recover meaningfully over the long term as high-margin businesses—airports, GH2 and data centres—scale up and begin contributing more materially to profitability.

**AEL's projected debt requirements**



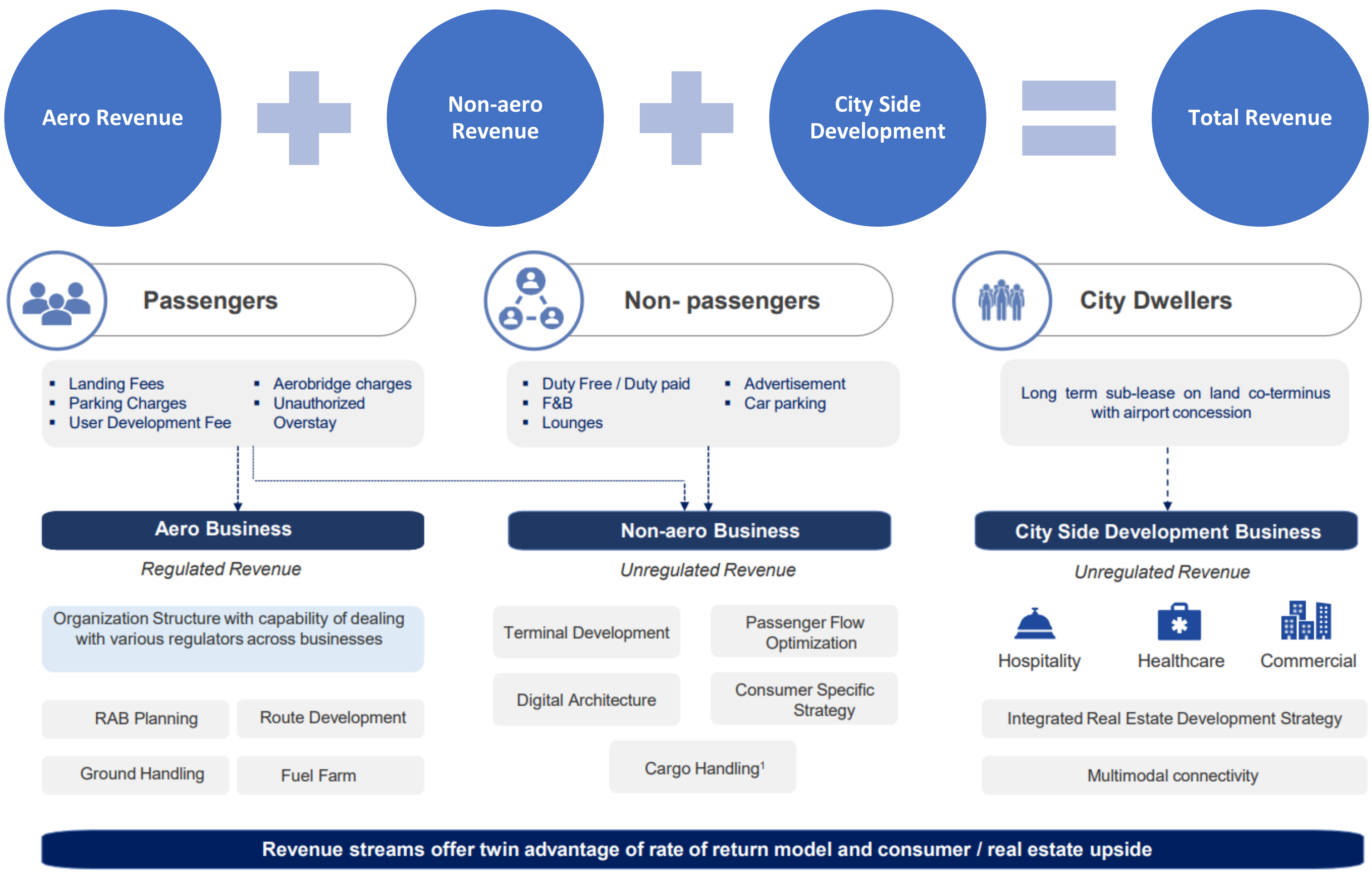

**AEL's return ratios**



## Airports – The largest private operator is at an inflection point

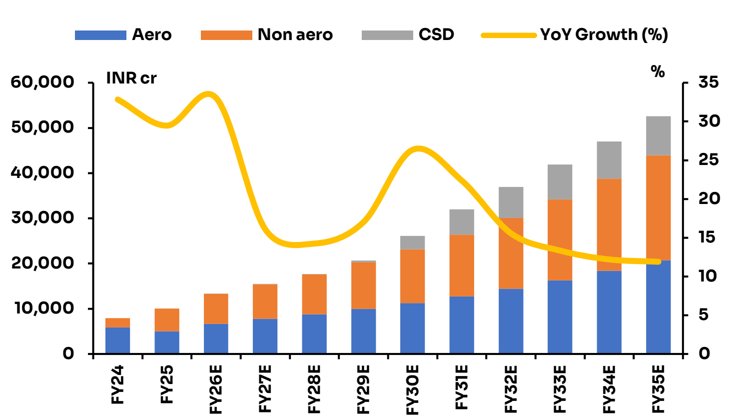
With eight operational airports (including Navi Mumbai), AEL is India's largest airport operator. The company serves ~23% of India's passenger base, ~22% of total air traffic and ~29% of cargo volume.

### Airports – Diversified revenue stream

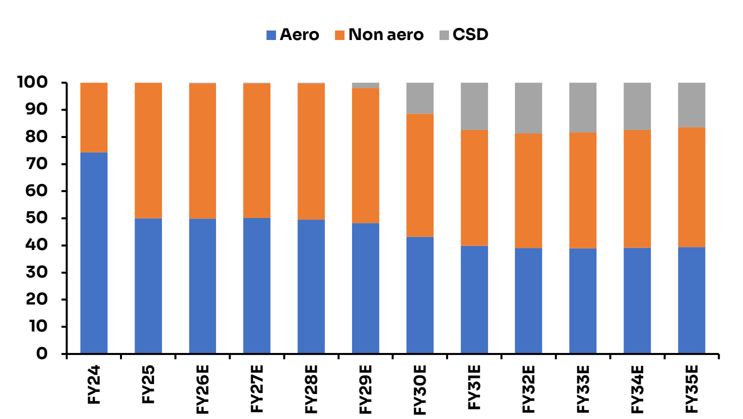



### Non-aero and city side development (CSD) revenues to drive overall performance

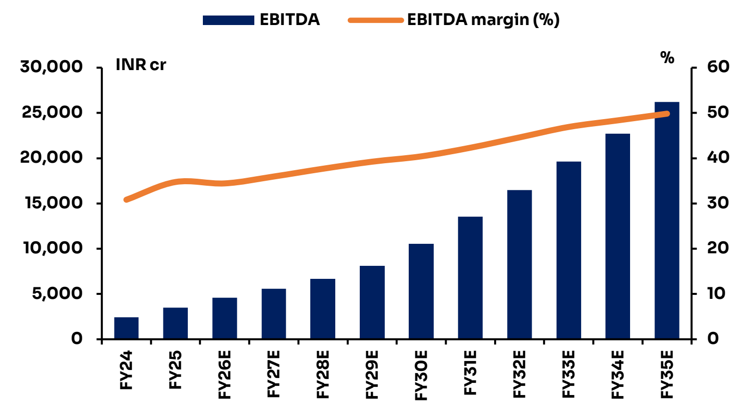
**Airport segment revenue performance**



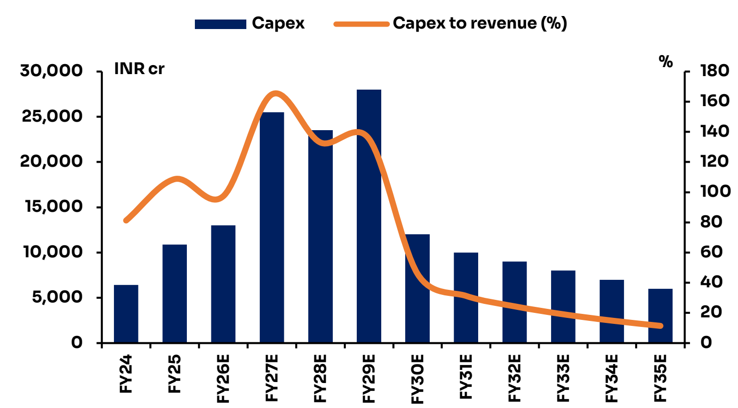

**Airport segment revenue share (%)**



Airport profitability performance




Airport annual capex



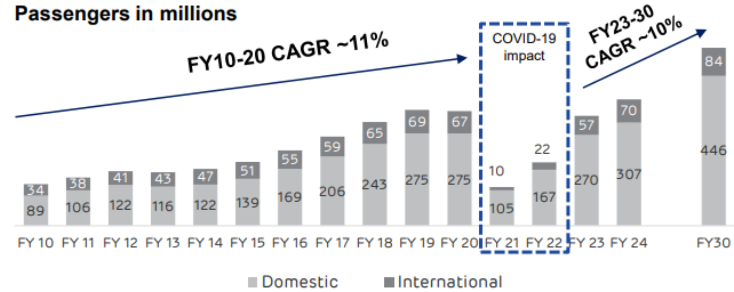

**Airports – Transformation from a B2B to a large scale B2C vertical driven by non-aero and CSD revenue**

- With eight operational airports (including Navi Mumbai), AEL is India's largest airport operator, handling ~23% of the country's passenger traffic, ~22% of total air movements, and ~29% of cargo volumes.
- AEL has redefined the airport business model by shifting from a traditional B2B framework—largely dependent on airline-related charges—to a B2C-led "airport-as-a-hub" strategy. This approach prioritizes enhanced passenger experience and broadens revenue streams through high-margin non-aero businesses and city-side developments (CSD).
- During FY23–25, the segment's revenue and EBITDA registered a CAGR of 29.7% to INR 10,016 cr and 43.9% to INR 3,480 cr, respectively, while EBITDA margins improved by 650bps to 34.7% over the same period. Over FY25–28E, we expect revenue and EBITDA to grow at a CAGR of 20.8% to INR 17,674 cr and 24.1% to INR 6,659 cr, with EBITDA margins expanding by 293bps to 37.7% by FY28E.
- Management aims to list the airport business by 2027, a move that will unlock substantial value for AEL and provide critical capital to fuel the growth of other incubating verticals.

## Indian aviation market – Strong decadal growth story

**India – Fastest growing aviation market over the last decade…**

Passengers in millions




**...with strong indicators of future growth**

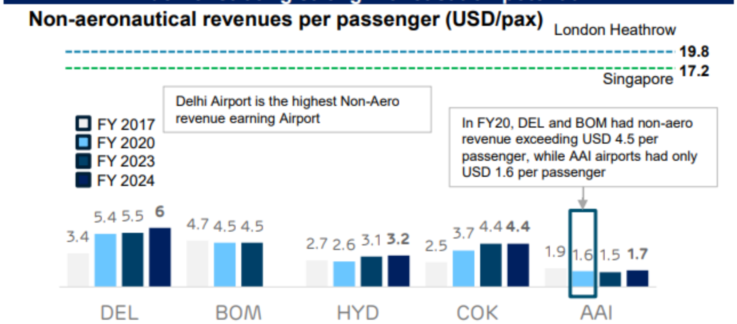
**CAGR (2018-40) – Top 10 fastest growing Asia Pacific aviation markets by passenger**

| 1. Vietnam | 2. India | 4. Philippines | 5. Indonesia | 9. China | 10. Malaysia |
|---|---|---|---|---|---|
| 6.2% | 6.1% | 5.3% | 5.2% | 4.7% | 4.4% |

- India remains **one of the least penetrated aviation market** in the world
- **Asia Pacific** is poised to be the top contributor **~37.3%** of the world wide traffic growth
- **India** is estimated to grow at the **second highest CAGR of 6.1%** during 2018-40

**Private airports have successfully augmented non-aero revenues demonstrating strong monetisation potential**

Non-aeronautical revenues per passenger (USD/pax)




**Key Growth Drivers for Aviation sector in India**

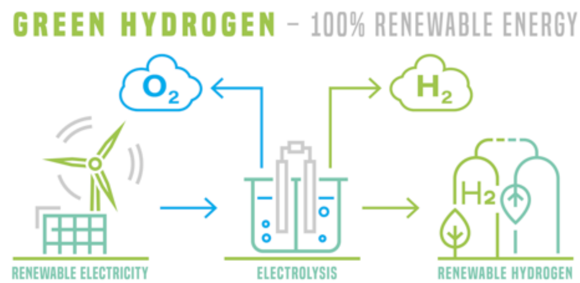
| | |
|---|---|
| **Privatization** | – 24 AAI airports have been earmarked for privatization by government over next 3 years<br>– **11 Airports expected to be privatized in 2026/2027**<br>– **Divestment** of AAI residual stake in PPP airports |
| **Government thrust on-air connectivity** | – **UDAN scheme** driving traffic in **underserved locations**<br>– Traffic growth at non-metro airports consistently **outpacing national average** |
| **Airspace Management** | – India to rationalize use of **airspace to cut short flying time**<br>– **Rationalization of** airspace restrictions between civil and defense use |

## ANIL's new energy ecosystem – A decadal growth story of GH2 ecosystem

AEL operates a fully integrated manufacturing facility for solar modules and WTG, which will be used for GH2 production.

### Green H2 – Adani New Industries Ltd (ANIL) is building the world's largest single location GH2 ecosystem

- **AEL is targeting to develop 1 MTPA of green H2 capacity by FY31-32.**
- **The company has RE generation site at Khavda with potential of 20 GW capacity, sufficient to power 1 MTPA green H2 plant.**
- **Solar modules, WTGs and Electrolyser to be sourced from in-house facility at Mundra SEZ**



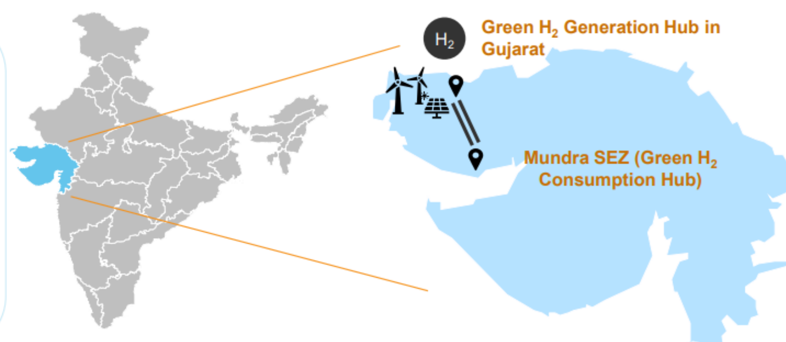

**Renewable Energy (70% of total cost)** + **Opex & electrolysis (7% of total cost)** + **Depreciation (23% of total cost)** = **Production cost of Green H2**

| Renewable Energy | Opex & electrolysis | Depreciation | Production cost of Green H2 |
|---|---|---|---|
| 20 GW capacity could generate 52,600 GWh power @30% CUF.<br><br>Power Cost at INR 3 per unit = INR 158 bn | Opex + Electolysis cost = INR 16 bn | Depreciation = INR 52 bn | Production cost = INR 226 bn per mn ton (INR 226 per kg or US$ 2.6 per kg) |

**AEL aims to reduce the cost of GH2 to US$2/kg, primarily by reducing RE costs from INR 3/unit to INR 2/unit.**

**This cost efficiency is expected to be achieved through large-scale, in-house manufacturing of solar modules, WTGs & electrolyzers, enabling economies of scale.**

- 70% of the total cost to produce hydrogen is power cost
- Low-cost renewable power key for green hydrogen generation
- RE generation site in Gujarat with potential of ~20 GW with high wind and solar resource
- Electrolyser to be sourced from manufacturing facility at Mundra SEZ
- Green $H_2$ generation plant to be located near the renewable cluster




**Supply Chain Products Manufacturing**

- Manufacture key components and materials for RE projects

Solar – Polysilicon

Solar – Ingot, wafer, cell, modules

WTG

Electrolysers

Ancillary: Tracker, Glass etc.

\+

**Green Hydrogen Generation**

Integrated RE and $H_2$ Electrolyser Projects

- Renewable Power generation to power $H_2$ electrolyser
- Part of $H_2$ will go into downstream products
- Integrated project connecting to Mundra with a $H_2$ pipeline

\+

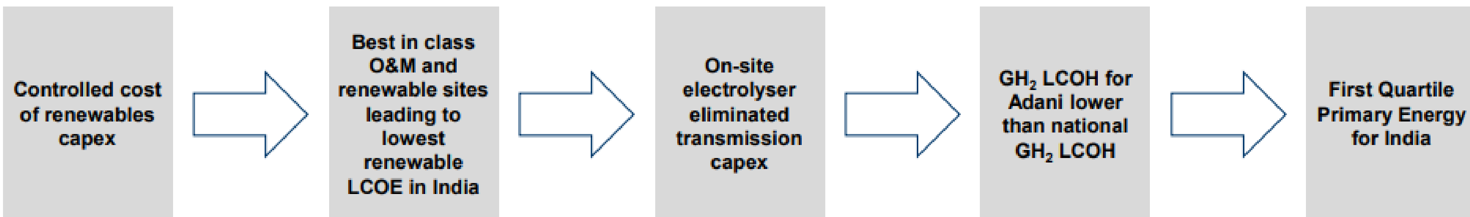
**Downstream Products**

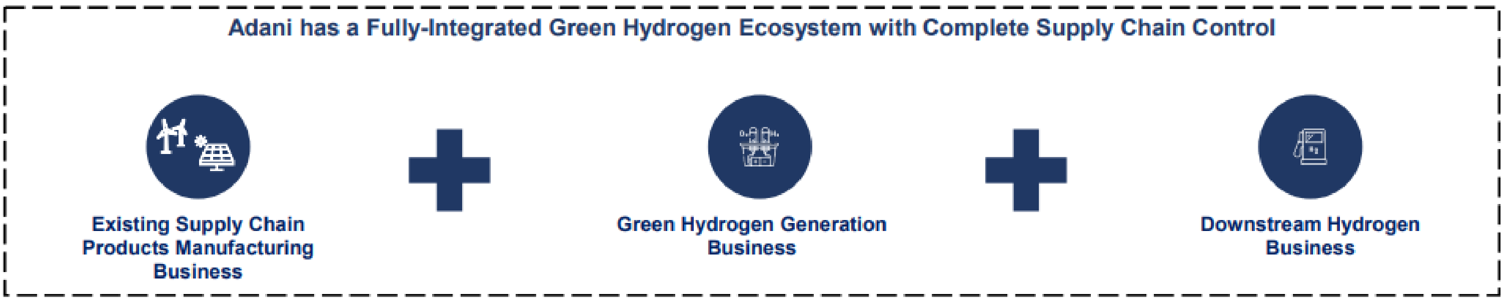
Large scale downstream anchor projects at Mundra SEZ

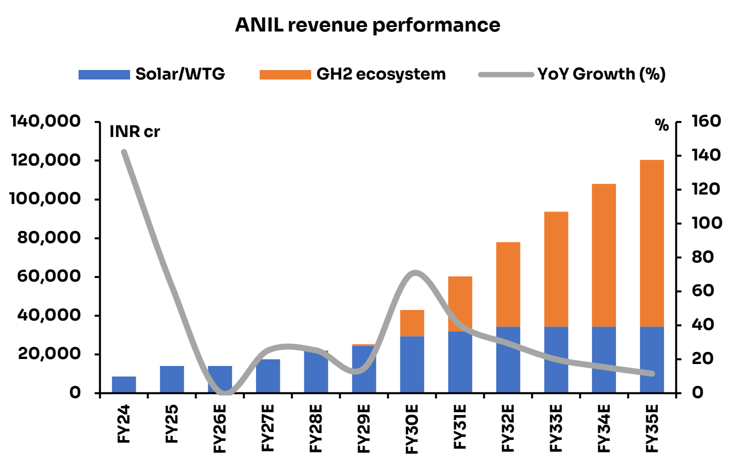
- Focus on Ammonia and Urea

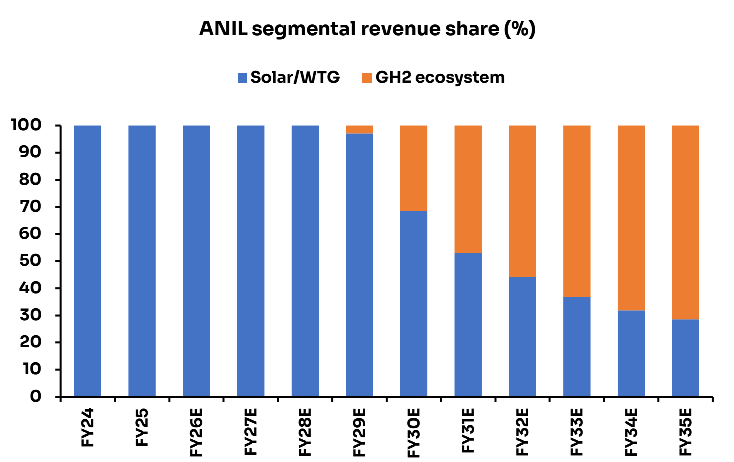
## Strong case for ANIL and why it will succeed

**Adani's control of its' input cost and access to the Mundra site have removed the principal cost variables and ensure the lowest cost H2 production in India, representing first quartile primary energy**



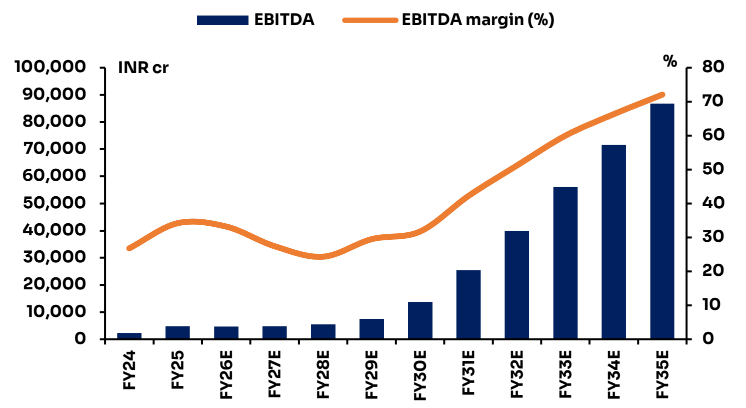




**Strong green energy drive and increasing demand for GH2 are the key drivers for future growth**

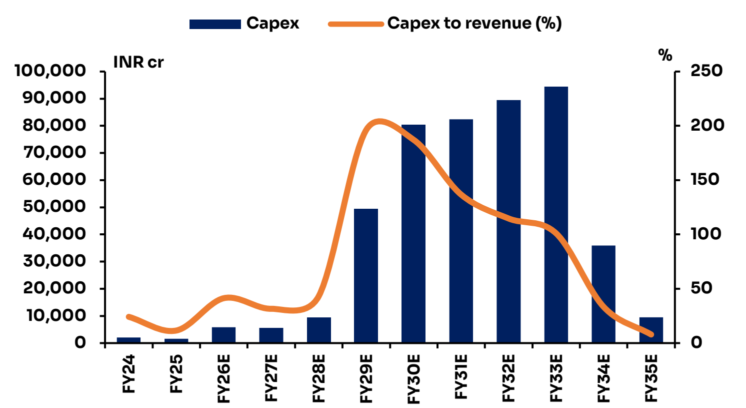
- ANIL's business model mirrors the Adani Group's proven philosophy of building large, integrated, low-cost platforms anchored in scale, technology & strategic location advantages. The company is developing a fully integrated renewables & GH2 ecosystem that spans the entire value chain, enabling lowest-cost production & high operational efficiency.
- GH2 production—including green ammonia—is expected to begin from FY29 with an initial capacity of 0.1 MMTPA, which will ramp up to 2 MMTPA by FY35. This scale-up is poised to significantly accelerate the vertical's revenue trajectory and enhance profitability.
- Its capex strategy focuses on de-risking through early adoption of next-generation technologies, while the Mundra SEZ provides a strategic base with abundant land, strong infrastructure and a concentrated industrial cluster.
- During FY23–25, the segment's revenue and EBITDA registered a CAGR of 98.7% to INR 13,965 cr and 240.9% to INR 4,776 cr, respectively, while EBITDA margins improved by 2258bps to 34.2% over the same period. Over FY25–28E, we expect revenue and EBITDA to grow at a CAGR of 16.4% to INR 22,000 cr and 3.9% to INR 5,350 cr, with EBITDA margins declining by 988bps to 24.3% by FY28E due to declining prices of solar modules.

- The renewables & GH2 ecosystem will require a ~INR 4.6–4.65 trillion in capex over the next decade. This investment will enable the development of:
  - 10 GW of solar module capacity,
  - 3 GW of WTG capacity,
  - 30–35 GW of electrolysis capacity,
  - 40–42 GW of renewable power capacity,
  - 2 MMTPA of GH2 capacity, and
  - 11 MMTPA of green ammonia capacity.
- A substantial portion of this capex is expected to be deployed between FY29–33. Once fully commissioned, the integrated renewables–GH2 platform is projected to generate INR 900–1,000 bn in annual revenue, supported by a remarkably high steady-state EBITDA margin of 90%+.
- Technology-driven operations, including AI-enabled predictive maintenance through ENOC, further enhance reliability and asset performance. Value creation is reinforced by strong policy tailwinds such as PLI for GH2, long-term offtake support, and diversified capital management aligned with the group's financial discipline.
- Overall, ANIL is systematically replicating the Adani blueprint—scale, integration, technology, captive demand, and capital efficiency—to build a cost-competitive and resilient new-energy platform.

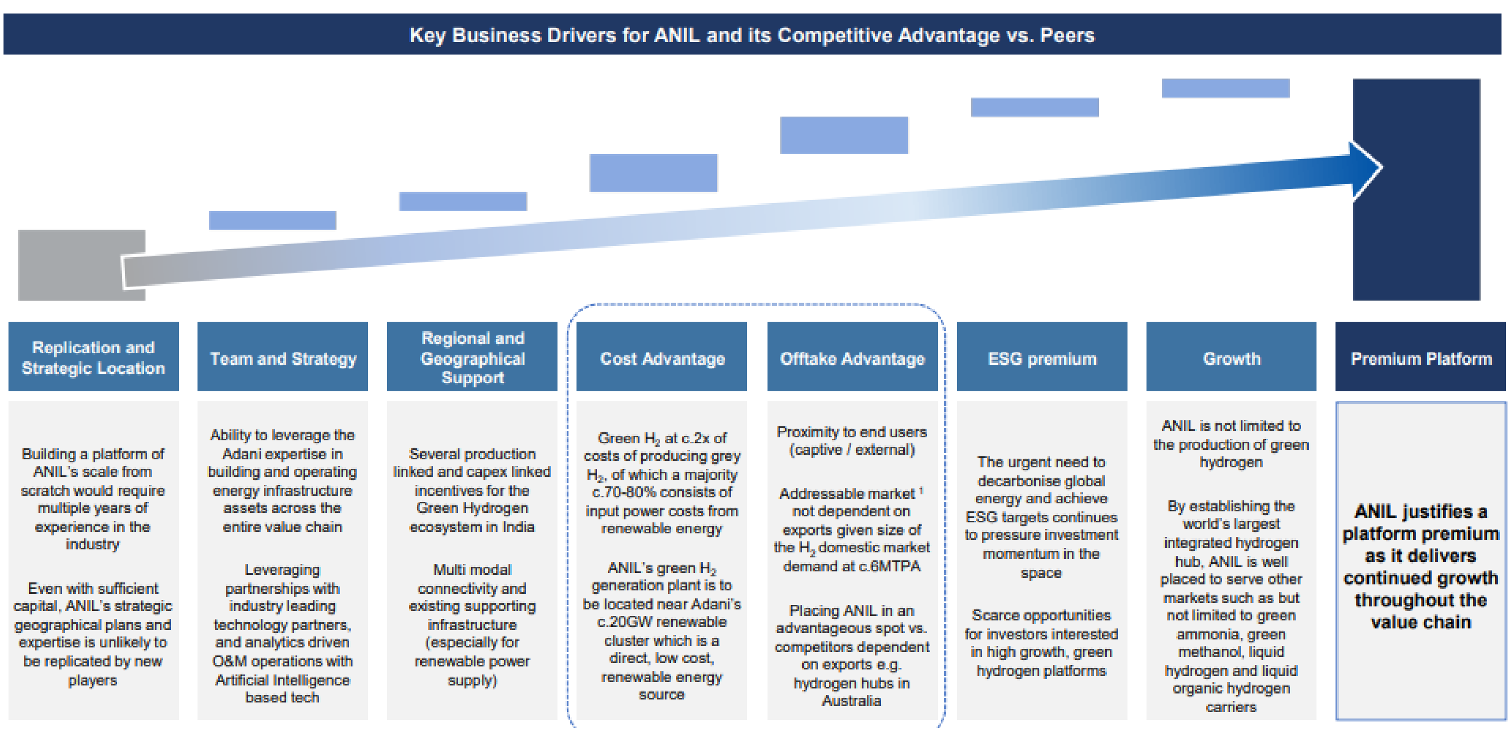
**ANIL profitability performance**




**ANIL annual capex**




## ANIL is building a critical platform with key competitive advantages



# Green Hydrogen in India – Massive potential to decarbonize industries

| End Use Sectors | Green Hydrogen Market (MMT) FY26 | FY30 | FY35 | Key Drivers |
|---|---|---|---|---|
| Refinery Demand | 0.13 | 0.78 | 1.85 | – Green $H_2$ consumption by existing refining capacity in line with expected policy from GoI (National Hydrogen Energy mission)<br>– New Refinery projects will further add to demand. |
| Green Ammonia | - | 0.52 | 0.78 | – Substitution of Ammonia imports |
| CGD Demand | 0.06 | 0.19 | 0.46 | – Green $H_2$ blended with city gas distribution (15% blending expected in line with National Hydrogen Energy mission) |
| Green Fertilizer | 0.26 | 0.67 | 1.51 | – India imports ~10 MT urea. Opportunity to substitute urea imports<br>– GHCO mandates as decided by MNRE |
| Mobility - Methanol | 0.18 | 1.35 | 8.66 | – Green methanol production which can be blended with diesel for lower emissions<br>– Pilots are being conducted for 15% methanol blending with diesel |
| Exports and Shipping fuel | 0.30 | 2.50 | 8.50 | – Forecast in line with MNRE projections, additional demand from green shipping fuel |
| Total | **0.93** | **6.02** | **21.82** | – Huge decarbonisation potential with exponential ability to displace fossil competitor fuels as $H_2$ production climbs the merit curve |

- Hydrogen is crucial in a **net-zero energy system**, enabling decarbonization in hard-to-abate sectors
- Hydrogen can be used as an energy vector (produced, stored, and transported as a means of delivering and/or storing energy) in many hard-to-decarbonise sectors, where other energy vectors (e.g. electricity) are not suitable
- Low carbon hydrogen is either **Blue or Green $H_2$**, with Green $H_2$ being the lowest emissions and hence most suitable. **Cost of Green $H_2$ is determined by cost of green power, and scale of the project**

## Global Hydrogen Market - Grey vs. Blue vs. Green

### Types of Hydrogen

| | GREY | BLUE | GREEN |
|---|---|---|---|
| Process | Reforming or gasification | Reforming or gasification with CC | Electrolysis |
| Energy Source | Fossil Fuels | Fossil Fuels | Renewables |
| Emissions from Production ($CO_2$ / kg) | Reforming 9-11 ! Gasification 18-20 | 0.4-4.5 ! | Nil ✓ |

## What Makes Green Hydrogen Relevant?

### Hydrogen as a Strong Substitute for Traditional Fuels

**Zero Emissions**
*No greenhouse gases or pollutants as a by-product*

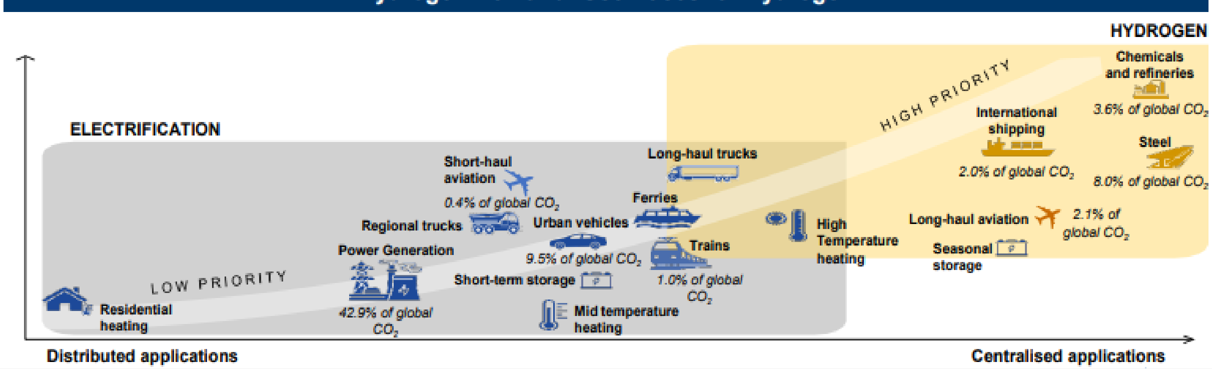
**High Energy Density**
Efficient fuel for long-range and high-power requirements

**Decarbonisation of Hard-to-Abate Sectors**
*Ability to decarbonise sectors like heavy industry (steel/cement) and long-haul transportation*

**Versatility**
*Used in replacing natural gas transportation & power generation*

**Scalability**
*Can be produced at scale through renewable energy*

## Hydrogen Demand: Use Cases for Hydrogen



## Data center – Localization of domestic data

AEL in JV with EdgeConneX (one of the world's largest private data center operators) is building 1 GW of data center capacities in India.

## Data center – Government push and rising data usage are driving the long term growth story

Combining the assets and expertise of two of the world's leading infrastructure providers to deliver new digital infrastructure solutions and premium technology services to the Indian market

**adani**

Largest Private Infrastructure and Energy Provider in India

- Renewable Energy / Sustainability
- Land Banks / Real Estate Assets
- Shared services center
- Local knowledge & relationships

**adaniconnex**

Integrated Digital Infrastructure in India:
Data Centers
Fiber
Land banking
Renewable Power
Sustainability

**edgeconnex®**

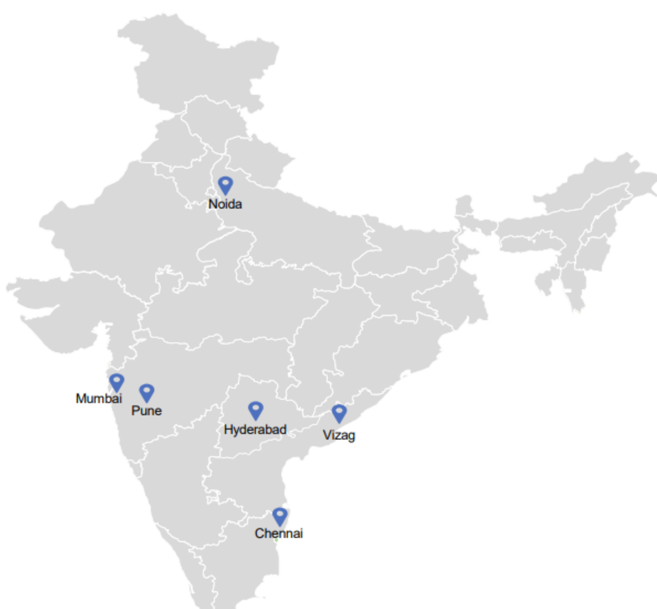
A Large, Global, Private Data Center Operator

- Global Data Center Footprint
- Customer relationships & contracts
- Design & Operations expertise
- Hyperscale to Hyperlocal Expertise

### Key Rationale for Partnership with EdgeConnex

| 70+ Data Centers | EdgeOs - DCM | 50+ Markets | 500+ MW | Customer Profile |
|---|---|---|---|---|
| Core to Edge footprint of hyper local to hyperscale facilities | EdgeOS, next-gen DCIM, remotely manage & operate global data center platform | Unique markets worldwide spread across ~20 Countries | Capacity deployed and/or in development worldwide | 80%+ of revenue is from investment grade customers |

### Empowering Digital India with a platform of Data Center Solutions with Strong Partnership




| Total Growth | Data Centers Status | Operational Capacity |
|---|---|---|
| 33 MW | **Chennai** Phase II – Under Construction | 17 MW |
| 50 MW | **Noida** 40 MW - C&S completed, MEP under progress | 10 MW |
| 48 MW | **Hyderabad** Phase II – 9.6 MW C&S completed, MEP – **~96%** | 9.6 MW |
| 96 MW | **Pune** Phase I 9.6 MW – Pune-I **~97%** & Pune-II **~93%** | |
| 30 MW | **Navi Mumbai** Execution started | |

- 210+ MW Tied up Capacity
- 100% uptime in Chennai, Noida and Hyderabad Data Center
- AdaniConneX has entered into partnership with Google to develop India's largest AI Data Center campus in Visakhapatnam, Andhra Pradesh

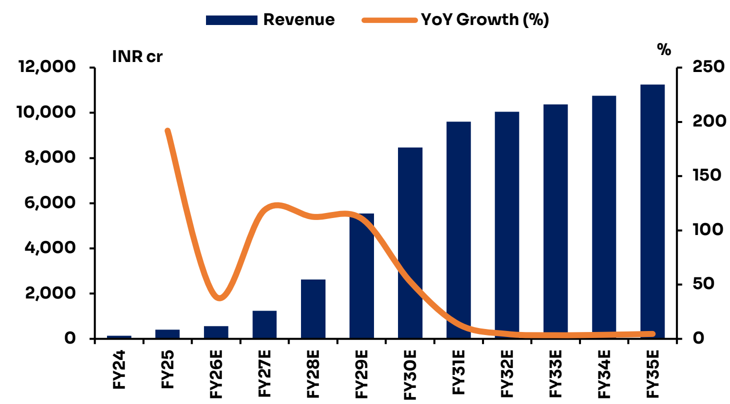
**Target of 1 GW tied-up capacity powered with renewable energy by 2030**

20

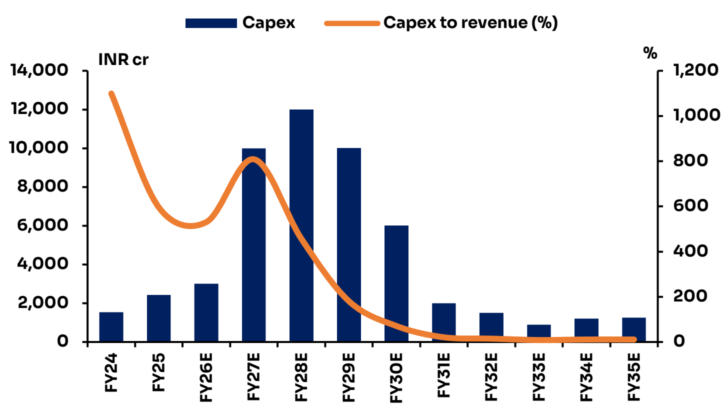
**Government's push towards the localization of data is expected to get health business**

- AEL has an operational capacity of 37 MW and tied-up capacity of +210 MW. The company is targeting 1 GW capacity by 2030.
- Segment revenues are projected to grow at a CAGR of 86.1% to INR 2,628 cr over FY25-28E, driven by strong demand for data localization. India's data center capacities are expected to reach over 17 GW over the next 10 years, out of which 1 GW will be from AEL's data center vertical, around 6% of the total market.
- The revenue growth is expected to improve profitability, with EBITDA anticipated to reach to INR 1,314 cr, while margins are projected to reach to 50%.

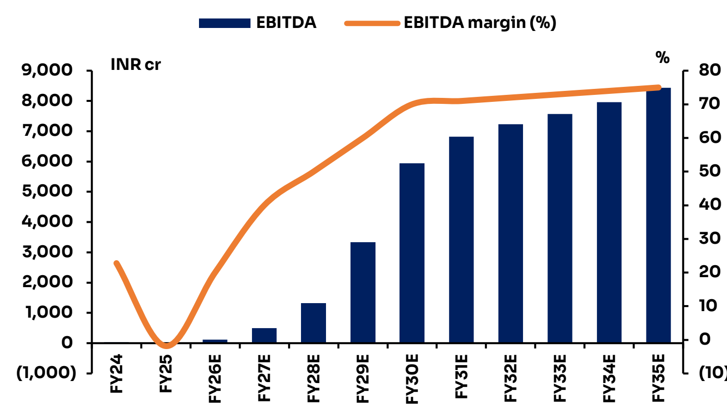
**Data Center revenue performance**




**Data Center annual capex**




**Data Center EBITDA performance**




## Data Center market outlook – Explosive growth In Digital Infra, AI & Data Localization

### Data Localisation Push

- Data relating to payment systems operated by banks & payment service providers **to be stored only in India**
- Data of policies & claim records of insurers to be stored on **systems in India**
- Issued a Framework for Adoption of Cloud Services by regulated entities
- Financial sector organization availing SaaS solutions to store critical **data in India**
- **MCA**: Store books of accounts **in India**
- **MeitY**: Maintain logs and records of financial transactions **within India**

### Energy Efficiency & Sustainability as Key Drivers for Investment

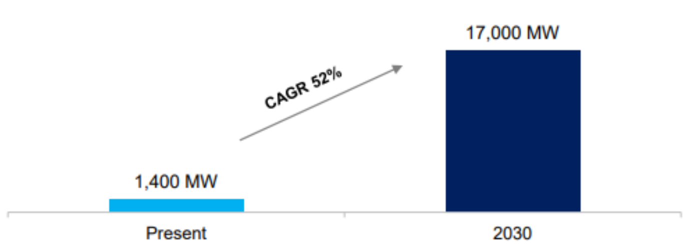
**Energy Efficiency**

- Power cost accounts for **~ 65% of the total operating cost of data centers**
- This has made renewable energy a more appealing source of energy to datacenters

**Sustainable Investment**

- Large companies have committed to having carbon neutrality and are investing heavily in renewable energy projects
- Green Data Centers have emerged as a result of stakeholders' demand for **sustainable business practices & lower carbon footprint**

### Data Center Capacity in India Undergoing Rapid Growth[1]




### Key Growth Drivers and Trends

**Increasing Internet Usage:** India's rising internet user base, **with 895.8 million subscribers**, highlights the need for enhanced data center capacity amid high mobile data consumption

**Technological Advancement:** Data centers are crucial for supporting cloud computing, IoT, AI, and big data, driving advanced infrastructure needs

**5G Roll-Out:** The rise of 5G networks drives increased demand for data centers with enhanced computing, low latency, and cloud-native designs

## Copper – Import substitute and strong industry tailwinds

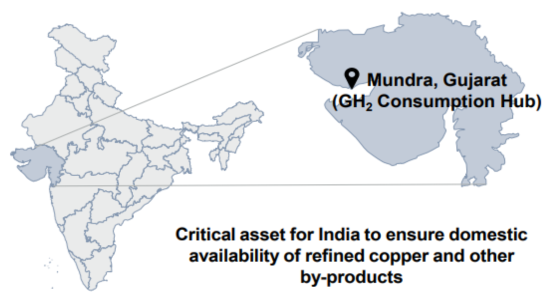
AEL has developed a large-scale copper smelter with an initial capacity of 0.5 MMTPA, scalable to a total capacity of 1 MMTPA. This USD 1.2 bn investment is designed to strengthen India's self-reliance in copper, reduce import dependency.

### Kutch Copper – Strong growth prospects due to rising domestic demand import dependency

**Bridging the supply-demand gap**

- Kutch Copper commissioned the first unit of its greenfield copper refinery project with capacity of **500 KTPA** at Mundra in March 2024
- KCL will enable India to successfully **substitute imports** which accounts for **44% of domestic copper consumption**
- With an ability to grow to a capacity of 1 MTPA, KCL will be the world's largest single-location copper smelter
- Demand driven by "***copper super cycle***" driven by electric vehicle demand, transmission wires, smart meters etc.
- KCL is located in Mundra SEZ, powered by Mundra Utilities, enables lowest cost of producer of copper

**Strategically located close to India's largest Port**




Critical asset for India to ensure domestic availability of refined copper and other by-products

**Key Operating Metrics**

| | |
|---|---|
| 500 KTPA<br>Refined Copper | 25 TPA<br>Gold |
| 250 TPA<br>Silver | 1,500 KTPA<br>Sulphuric Acid |

Note: Design Capacities

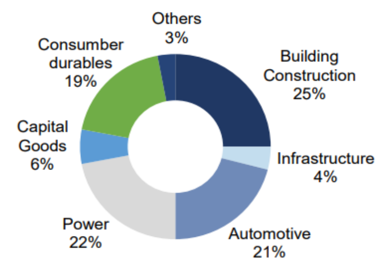
**India's Copper Supply and Demand Balance**

| Primary Copper Consumption | Domestic Production | Import of Copper |
|---|---|---|
| 1,001k tonnes | 573k tonnes | 536k tonnes |

**Key Growth Drivers**

- Strong demand for Metals and Minerals driven by decarbonization, population growth
- High acceptability in the fast-growing EV and ancillary industry
- Indian Govt. plans to electrify all new vehicles sold in the country by 2030

**End-use industry of Copper**

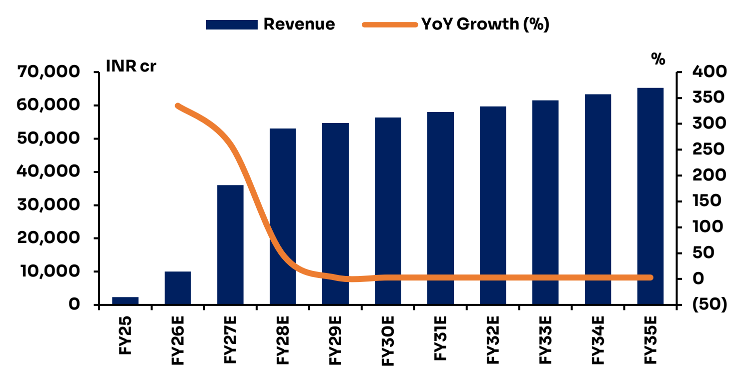



**KCL is well positioned to tap the copper supply gap in India with opportunity of export through Mundra**

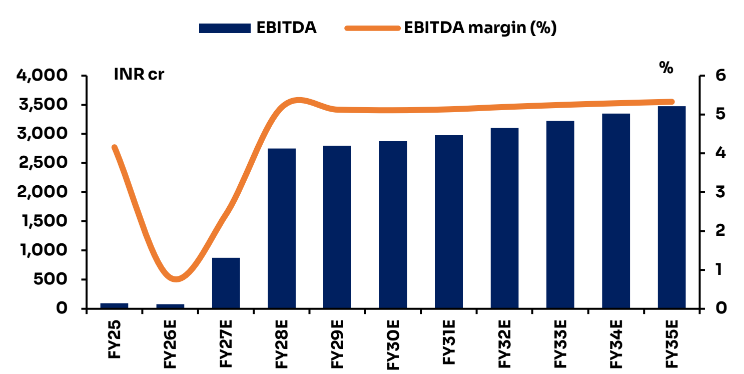
**Rising domestic demand and import substitution to offer double barrel growth to copper business**

- Segment commenced its operations from FY25, and it is expected to contribute a revenue of INR 53,045 cr and an EBITDA of INR 2,750 cr by FY28.
- Rising demand from EVs and power sector along with increasing production of electronic goods are accelerating the demand for copper in India. Forget about future demand, India doesn't have enough capacities to fulfill the current demand. So, India will require large copper production facilities.
- AEL commenced operations with a 500 KTPA capacity in FY25 and plans to scale this to 1 MTPA by FY30. For our forecasts, we have incorporated only the existing 500 KTPA and have not factored in the additional 500 KTPA expansion.
- The future ramp-up from 500 KTPA to 1 MMTPA is expected to create incremental value and would further enhance our target price once detailed capex and financial metrics are available.

**Copper segment revenue performance**

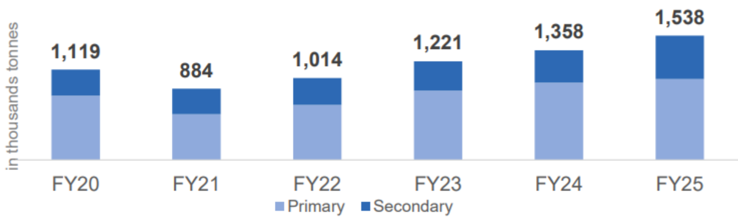



**Copper segment EBITDA performance**



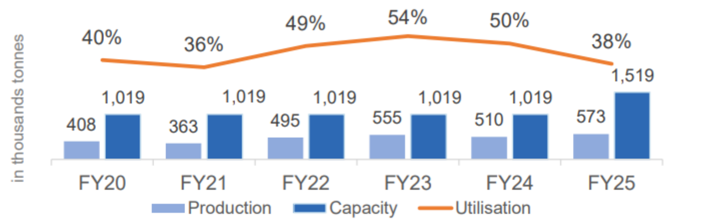
## Market Outlook – Copper as a Critical Metal and its Importance in India

### High Levels of Domestic Refined Copper Consumption



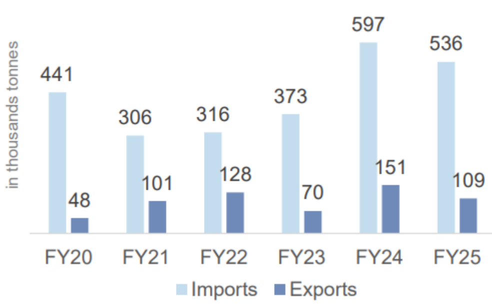

Copper demand grew at a 24.1% CAGR from FY20 to FY25, driven by strong demand in power, consumer durables, and the automobile sectors

### Domestic Production of Refined Copper




Domestic Copper production has remained in the 400KT to 600KT range in the last 5 years, compelling the needs for imports

### High Surge in Copper Imports




- Lower production of refined copper in India has resulted in a deficit situation in the domestic market
- ***Adani's recently operational KCL Project, will aid the deficit situation***

### Impact of India's Ambitious Plans on Copper Market

- **Renewables:** India's ambitious target to achieve 500 GW of renewable energy capacity by 2030, translating into a healthy domestic copper demand
- **Transport:** GoI's plans including investment in the metro rail network and railway electrification are likely to sustain domestic copper demand growth over the next few years
- **Urbanization:** Government focus on housing, smart cities, defense, and EV infrastructure supports a strong copper demand outlook

## AEL's ESG Rating & Performance Highlights

AEL has one of the best ESG scores in the industry due to its commitment towards the maximum usage of green and clean energy. The company has an ESG rating of 64.8 from SES ESG Research as of July 2025 and a Crisil ESG rating of 51.

### AEL has one of the best ESG scores in the industry

| | | | |
|---|---|---|---|
| S&P Dow Jones Indices | DJSI CSA (2025) | 62 | **Ranked among the top 5 companies in** its sector globally and placed in the 97th percentile |
| CDP | CDP - CC (2024) | A- | Denotes **"Leadership Category"** indicating AEL dedication and commitment to lowering GHG emissions and their overall environmental impact |
| CDP | CDP Supply Chain (2024) | A | Denotes **"Leadership Category"** indicating climate action, demonstrating excellence in climate governance |
| | Sustainalytics | 25.9 | **Denotes "Medium Risk"**, Improvement from previous rating of 28 score |
| | In the latest assessment by Sustainalytics, AEL score has further improved to 25.9 "Medium Risk". This reflects our consistent strategic efforts to strengthen governance, enhance transparency, and embed sustainability into our core operations. | | |
| CRISIL | CRISIL | 51 | **Denotes "Adequate"**, Increase from previous score of 50 (a SEBI registered ESG rating agency) |
| Transition Pathway Initiative | TPI | Level 3 | Denotes "Integrating climate change into operational decision making" |
| ESG Risk | ESG Risk Assessment & Insight | 67.5 | **Categorized as 'Strong'** for its ESG performance by ESG Risk.ai (a SEBI registered ESG rating agency) |

**ANIL Ecosystem**
- **19%** renewable energy in electricity mix
- **100%** water withdrawal from non-competing sources

**Data Center**
- **26%** renewable energy in electricity mix
- **3** Operational sites achieved Zero Liquid Discharge (ZLD) status

**Airports**
- **51%** renewable energy in electricity mix
- **26%** reduction1 in scope 1 emission intensity

**Mining Services**
- **27%** reduction in scope 2[3] emission intensity
- **12%** reduction in water consumption[3] intensity

- **99%** of waste managed through reuse, recycle and other recovery operations
- **2,81,678** trees planted in H1-26

## Ventura Business Quality Score

| Key Criteria | Score | Risk | Comments |
|---|---|---|---|
| **Management & Leadership** | | | |
| Management Quality | 8 | Low | The management is of high quality. It has been able to deliver on guidance; investor-friendly with timely updates on developments |
| Promoters Holding Pledge | 6 | Low | The promoter holding stands at 74% and there is a pledge of 0.9% against this holding as of 30th Sep 2025 |
| Board of Directors Profile | 8 | Low | The average experience of directors is >30 years with significant experience in their respective sectors and expert areas |
| **Industry Consideration** | | | |
| Industry Growth | 8 | Low | AEL has a mix of old and new age businesses. Except its coal business, all other businesses such as airports, solar/WTG, copper, roads, others are evolving in India, while data centers & GH2 have significant growth prospects. |
| Regulatory Environment or Risk | 8 | Low | Govt policies are in favour of solar/WTG, GH2, data centers, copper, airports and roads. Import substitution for copper and PVC are expected to be favourable for the overall economy. |
| Entry Barriers / Competition | 8 | Low | Most of the AEL's businesses are B2B, and are long term in nature. Corporates do not change their suppliers frequently due to customization of products and quality checks. This is a strong moat. |
| **Business Prospects** | | | |
| New Business / Client Potential | 8 | Low | The category of products which AEL is offering come under Make in India, China+1 and PLI schemes, which is expected to provide significant scope for new business. |
| Business Diversification | 8 | Low | AEL is either operating or working on around 6 business verticals, which represents a well diversified portfolio |
| Market Share Potential | 8 | Low | AEL's business verticals show significant growth in their respective fields and have gained market share, which is expected to continue in future due to the company's superior execution skills. |
| Margin Expansion Potential | 8 | Low | With new businesses being in the investment phase, profit metrics are in the nascent stage and do not reflect steady state run-rates. However, given its past records, we believe that AEL will manage to expand its margins. |
| Earnings Growth | 8 | Low | AEL's business growth is expected to be strong, due to the recognition revenue from roads & airports, and upcoming businesses such as data centers, GH2, copper & PVC. Existing businesses such as IRM and mining will continue to sustain regular cash flows. |
| **Valuation and Risk** | | | |
| Balance Sheet Strength | 5 | Medium | Debt on AEL's balance sheet is expected to increase significantly due to capital-intensive nature of GH2, Data Center and Airport businesses, which could impact its balance sheet health. |
| Debt Profile | 3 | High | AEL is the fastest growing incubator in India, which has conceived, grown, matured and demerged many successful businesses. This growth has been driven by debt funding. However, the company has been working on various methods of debt financing to reduce burden on P&L. |
| FCF Generation | 3 | High | Higher capex on new businesses has been impacting the overall FCF. |
| Dividend Policy | 3 | High | AEL has been paying a dividend in the range of 10-15% of its net profit, which is very low. The company is using its cash flow in capex and the development of new businesses, that's why its dividend payout is low. |
| **Total Score** | **100** | **Low** | **The overall risk profile of the company is good and we consider it as a LOW risk company for investments** |
| **Ventura Score (%)** | **67** | | |

*Source: Company Reports & Ventura Research*

## Management Team

| Key Person | Designation | Details |
|---|---|---|
| Gautam Adani | Chairman | He has > 33 years of business experience. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. |
| Rajesh Adani | MD | He has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. |
| Pranav Adani | Director | He has been active in the group since 1999. He has spearheaded the JV with the Wilmar Group of Singapore and transformed it from a single refinery edible oil business into a pan India Food Company. |
| Hemant Nerurkar | Director | He has over 35 years of experience in steel industry in various functions. He has rich experience ranging from Project Execution, Manufacturing, Quality Control, Supply Chain & Marketing. |
| Samir Vora | Director, Adani Australia | He has over 20 years of diversified experience in International Trading and the Resources sector, with his main area of expertise in Coal Mining and Infrastructure. |
| Jugeshinder ('Robbie') Singh | Group CFO | He has over 16 years of global investment banking experience in Australia, New Zealand, North America, Europe, and Asia. His experience includes all the aspects of mergers, acquisitions, strategy, finance, and risk, with a particular focus on listed and unlisted infrastructure funds. |
| Vneet S. Jaain | CEO, Adani New Industries | He has been working with the Adani Group for nearly 15 years. He has spearheaded the Group's strategy for its Energy and Infrastructure business and has been instrumental in growing various businesses from conceptualisation to operation - Renewable, Power Generation, Transmission and Distribution. |
| Dr. Vinay Prakash | CEO, Adani Natural Resources | He has nurtured the Natural Resources business of the Group since its inception and oversees its diversification and expansion in India and abroad. |
| Jeyakumar Janakaraj | CEO, AdaniConnex | He has a rich experience of 21 years in the resources industry, building and developing world-class mining projects and resource companies. |
| Jayant Parimal | CEO, Petrochemicals | He worked in various capacities with Government of Gujarat and Government of India till 2006. He joined the Adani Group as a CEO, looking after the Renewables Business and acting as an Advisor to the Chairman. Prior to that, he was President at Reliance Industries Ltd. |
| Arun Bansal | CEO, Airports | He has over 20 years of experience and has worked as President, Europe and Latin America and Group Executive Vice President for Ericsson, was a member of the Ericsson Group Management team for over 12 years. |
| Ashish Rajvanshi | CEO, Adani Defence & Aerospace | He has a Computer Science Engineering degree from the Delhi Institute of Technology (DIT) and an MBA from IIM Ahmedabad. Prior to joining Adani in 2014, Ashish led the Energy and Infrastructure agenda across international markets for the global management consulting firm, Booz Allen Hamilton (later Booz & Co) in London. |

*Source: Company Reports*

**Key Risks & Concerns**

- AEL focuses on large-scale infrastructure projects that will require substantial initial capital investment (~INR 7.0 trillion in capex over the next decade towards green H2, airports, data centers, copper, roads, etc.). Such projects often face risks of delays, cost overruns, or underperformance, which could strain financial resources and erode shareholder value.
- AEL's ambitious capex of ~INR 7.0 trillion is expected to be primarily funded through debt, leading to an increase in net debt-to-equity and net debt-to-EBITDA.
- AEL has a substantial presence in international markets (Australian coal mine, coal sourcing from global mines for IRM, silicon import for solar modules, balsa wood import for windmill blades, etc.). These ventures are exposed to geopolitical and economic uncertainties, including trade disputes, changes in foreign policies, and local opposition, which could adversely affect operations.
- Large-scale, complex projects often face challenges like delays in approvals, workforce issues, supply chain disruptions, or unforeseen technical difficulties. These can lead to increased costs, lower returns, or project cancellations.
- Large-scale, complex projects often face challenges like delays in approvals, workforce issues, supply chain disruptions, or unforeseen technical difficulties. These can lead to increased costs, lower returns, or project cancellations.

## AEL's quarterly and annual performance

| Fig in INR Cr (unless specified) | FY23 | FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | FY25 | Q1FY26 | Q2FY26 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue from operations | 127,540 | 96,421 | 25,472 | 22,608 | 22,848 | 26,966 | 97,895 | 21,961 | 21,249 | 95,413 | 130,136 | 158,540 |
| *YoY Growth (%)* | *83.7* | *(24.4)* | *12.5* | *15.7* | *(8.8)* | *(7.6)* | *1.5* | *(13.8)* | *(6.0)* | *(2.5)* | *36.4* | *21.8* |
| Raw Material Cost | 93,487 | 50,391 | 13,452 | 10,913 | 12,110 | 14,894 | 51,369 | 10,671 | 10,136 | 45,798 | 62,465 | 76,099 |
| *RM Cost to Sales (%)* | *73.3* | *52.3* | *52.8* | *48.3* | *53.0* | *55.2* | *52.5* | *48.6* | *47.7* | *48.0* | *48.0* | *48.0* |
| Employee Cost | 1,877 | 2,331 | 878 | 742 | 741 | 757 | 3,119 | 963 | 898 | 4,294 | 5,856 | 7,134 |
| *Employee Cost to Sales (%)* | *1.5* | *2.4* | *3.4* | *3.3* | *3.2* | *2.8* | *3.2* | *4.4* | *4.2* | *4.5* | *4.5* | *4.5* |
| Other Expenses | 23,358 | 32,322 | 7,436 | 7,187 | 6,926 | 7,605 | 29,155 | 7,017 | 6,909 | 30,723 | 43,306 | 51,473 |
| *Other Expenses to Sales (%)* | *18.3* | *33.5* | *29.2* | *31.8* | *30.3* | *28.2* | *29.8* | *32.0* | *32.5* | *32.2* | *33.3* | *32.5* |
| EBITDA | 8,818 | 11,377 | 3,706 | 3,766 | 3,070 | 3,710 | 14,251 | 3,310 | 3,307 | 14,598 | 18,509 | 23,833 |
| *EBITDA Margin (%)* | *6.9* | *11.8* | *14.5* | *16.7* | *13.4* | *13.8* | *14.6* | *15.1* | *15.6* | *15.3* | *14.2* | *15.0* |
| Depreciation & Amortization | 2,436 | 3,042 | 934 | 1,035 | 1,006 | 1,236 | 4,211 | 1,284 | 1,377 | 5,405 | 7,803 | 10,398 |
| EBIT | 6,382 | 8,334 | 2,772 | 2,731 | 2,065 | 2,474 | 10,040 | 2,026 | 1,930 | 9,192 | 10,705 | 13,435 |
| *EBIT Margin (%)* | *5.0* | *8.6* | *10.9* | *12.1* | *9.0* | *9.2* | *10.3* | *9.2* | *9.1* | *9.6* | *8.2* | *8.5* |
| Other Income | 1,195 | 1,861 | 594 | 588 | 652 | 636 | 2,471 | 475 | 596 | 2,273 | 3,333 | 3,661 |
| Exceptional Income / Expenses | (369) | (715) | 0 | 0 | 0 | 3,946 | 3,946 | 0 | 3,583 | 3,583 | 0 | 0 |
| Interest Cost | 3,969 | 4,555 | 1,130 | 910 | 2,141 | 1,796 | 5,978 | 1,035 | 1,711 | 5,995 | 6,331 | 9,922 |
| PBT | 3,238 | 4,925 | 2,236 | 2,409 | 576 | 5,259 | 10,479 | 1,466 | 4,398 | 9,053 | 7,707 | 7,174 |
| *PBT Margin (%)* | *2.5* | *5.1* | *8.8* | *10.7* | *2.5* | *19.5* | *10.7* | *6.7* | *20.7* | *9.5* | *5.9* | *4.5* |
| Tax | 1,038 | 1,632 | 584 | 512 | 588 | 1,284 | 2,969 | 571 | 1,001 | 2,375 | 1,940 | 1,806 |
| *Tax to PBT (%)* | *32.1* | *33.1* | *26.1* | *21.3* | *102.2* | *24.4* | *28.3* | *39.0* | *22.8* | *26.2* | *25.2* | *25.2* |
| PAT | 2,200 | 3,293 | 1,652 | 1,897 | (13) | 3,975 | 7,510 | 895 | 3,397 | 6,678 | 5,767 | 5,368 |
| *PAT Margin (%)* | *1.7* | *3.4* | *6.5* | *8.4* | *(0.1)* | *14.7* | *7.7* | *4.1* | *16.0* | *7.0* | *4.4* | *3.4* |
| Net Profit | 2,473 | 3,241 | 1,458 | 1,747 | 61 | 3,845 | 7,099 | 734 | 3,199 | 6,277 | 5,220 | 4,702 |
| *Net Margin (%)* | *1.9* | *3.4* | *5.7* | *7.7* | *0.3* | *14.3* | *7.3* | *3.3* | *15.1* | *6.6* | *4.0* | *3.0* |
| | | | | | | | | | | | | |
| Adjusted EPS | 19.1 | 25.1 | | | | | 54.9 | | | 48.6 | 40.4 | 36.4 |
| *P/E (X)* | *125.4* | *95.7* | | | | | *43.7* | | | *49.4* | *59.4* | *66.0* |
| Adjusted BVPS | 255.7 | 282.0 | | | | | 368.9 | | | 581.6 | 621.1 | 656.7 |
| *P/BV (X)* | *9.4* | *8.5* | | | | | *6.5* | | | *4.1* | *3.9* | *3.7* |
| Enterprise Value | 342,900 | 354,344 | | | | | 379,761 | | | 340,264 | 383,921 | 428,543 |
| *EV/EBITDA (X)* | *38.9* | *31.1* | | | | | *26.6* | | | *23.3* | *20.7* | *18.0* |
| | | | | | | | | | | | | |
| Net Worth | 33,051 | 36,452 | | | | | 47,690 | | | 75,182 | 80,292 | 84,895 |
| *Return on Equity (%)* | *7.5* | *8.9* | | | | | *14.9* | | | *8.3* | *6.5* | *5.5* |
| Capital Employed | 71,371 | 89,200 | | | | | 126,550 | | | 128,303 | 166,549 | 217,081 |
| *Return on Capital Employed (%)* | *6.1* | *6.2* | | | | | *5.7* | | | *5.3* | *4.8* | *4.6* |
| Invested Capital | 65,832 | 80,677 | | | | | 117,332 | | | 105,327 | 154,094 | 203,319 |
| *Return on Invested Capital (%)* | *9.7* | *10.3* | | | | | *8.6* | | | *8.7* | *6.9* | *6.6* |
| | | | | | | | | | | | | |
| Cash Flow from Operations | 17,626 | 10,312 | | | | | 4,513 | | | 1,162 | 15,631 | 21,976 |
| Cash Flow from Investing | (16,860) | (19,082) | | | | | (26,259) | | | 16,753 | (53,953) | (57,480) |
| Cash Flow from Financing | (1,198) | 8,879 | | | | | 21,947 | | | (1,086) | 26,695 | 35,907 |
| Net Cash Flow | (431) | 109 | | | | | 202 | | | 16,830 | (11,628) | 403 |
| Free Cash Flow | 5,668 | (8,888) | | | | | (20,010) | | | (19,855) | (30,720) | (25,864) |
| *FCF to Revenue (%)* | *4.4* | *(9.2)* | | | | | *(20.4)* | | | *(20.8)* | *(23.6)* | *(16.3)* |
| *FCF to EBITDA (%)* | *64.3* | *(78.1)* | | | | | *(140.4)* | | | *(136.0)* | *(166.0)* | *(108.5)* |
| *FCF to Net Profit (%)* | *229.2* | *(274.3)* | | | | | *(281.9)* | | | *(316.3)* | *(588.5)* | *(550.0)* |
| *FCF to Net Worth (%)* | *17.2* | *(24.4)* | | | | | *(42.0)* | | | *(26.4)* | *(38.3)* | *(30.5)* |
| | | | | | | | | | | | | |
| Total Debt | 38,320 | 52,748 | | | | | 78,860 | | | 53,122 | 86,258 | 132,187 |
| Net Debt | 32,781 | 44,225 | | | | | 69,642 | | | 30,146 | 73,803 | 118,424 |
| *Net Debt to Equity (X)* | *1.0* | *1.2* | | | | | *1.5* | | | *0.4* | *0.9* | *1.4* |
| *Net Debt to EBITDA (X)* | *3.7* | *3.9* | | | | | *4.9* | | | *2.1* | *4.0* | *5.0* |
| *Interest Coverage Ratio (X)* | *1.6* | *1.8* | | | | | *1.7* | | | *1.5* | *1.7* | *1.4* |
| | | | | | | | | | | | | |
| Fundamental scores | | | | | | | | | | | | |
| Altman Z Score | 1.0 | 0.8 | | | | | 0.7 | | | 0.7 | 0.7 | 0.6 |
| Piotroski F-score | 8.0 | 5.0 | | | | | 4.0 | | | 6.0 | 4.0 | 3.0 |
| Beneish M-score | (2.3) | (3.0) | | | | | (2.3) | | | (2.4) | (2.0) | (2.3) |

*Source: ACE Equity, Company Reports & Ventura Research*

## AEL's consolidated financials & projections

| Fig in INR Cr (unless specified) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Income Statement | | | | | |
| Revenue | 96,421 | 97,895 | 95,413 | 130,136 | 158,540 |
| *YoY Growth (%)* | *(24.4)* | *1.5* | *(2.5)* | *36.4* | *21.8* |
| Raw Material Cost | 50,391 | 51,369 | 45,798 | 62,465 | 76,099 |
| *RM Cost to Sales (%)* | *52.3* | *52.5* | *48.0* | *48.0* | *48.0* |
| Employee Cost | 2,331 | 3,119 | 4,294 | 5,856 | 7,134 |
| *Employee Cost to Sales (%)* | *2.4* | *3.2* | *4.5* | *4.5* | *4.5* |
| Other Expenses | 32,322 | 29,155 | 30,723 | 43,306 | 51,473 |
| *Other Exp to Sales (%)* | *33.5* | *29.8* | *32.2* | *33.3* | *32.5* |
| EBITDA | 11,377 | 14,251 | 14,598 | 18,509 | 23,833 |
| *Margin (%)* | *11.8* | *14.6* | *15.3* | *14.2* | *15.0* |
| *YoY Growth (%)* | *29.0* | *25.3* | *2.4* | *26.8* | *28.8* |
| Depreciation & Amortization | 3,042 | 4,211 | 5,405 | 7,803 | 10,398 |
| EBIT | 8,334 | 10,040 | 9,192 | 10,705 | 13,435 |
| *Margin (%)* | *8.6* | *10.3* | *9.6* | *8.2* | *8.5* |
| *YoY Growth (%)* | *30.6* | *20.5* | *(8.4)* | *16.5* | *25.5* |
| Other Income | 1,861 | 2,471 | 2,273 | 3,333 | 3,661 |
| Finance Cost | 4,555 | 5,978 | 5,995 | 6,331 | 9,922 |
| Interest Coverage (X) | 1.8 | 1.7 | 1.5 | 1.7 | 1.4 |
| Exceptional Item | (715) | 3,946 | 3,583 | 0 | 0 |
| PBT | 4,925 | 10,479 | 9,053 | 7,707 | 7,174 |
| *Margin (%)* | *5.1* | *10.7* | *9.5* | *5.9* | *4.5* |
| *YoY Growth (%)* | *52.1* | *112.8* | *(13.6)* | *(14.9)* | *(6.9)* |
| Tax Expense | 1,632 | 2,969 | 2,375 | 1,940 | 1,806 |
| *Tax Rate (%)* | *33.1* | *28.3* | *26.2* | *25.2* | *25.2* |
| PAT | 3,293 | 7,510 | 6,678 | 5,767 | 5,368 |
| *Margin (%)* | *3.4* | *7.7* | *7.0* | *4.4* | *3.4* |
| *YoY Growth (%)* | *49.7* | *128.0* | *(11.1)* | *(13.6)* | *(6.9)* |
| Min Int/Sh of Assoc | (53) | (411) | (401) | (547) | (666) |
| Net Profit | 3,241 | 7,099 | 6,277 | 5,220 | 4,702 |
| *Margin (%)* | *3.4* | *7.3* | *6.6* | *4.0* | *3.0* |
| *YoY Growth (%)* | *31.0* | *119.1* | *(11.6)* | *(16.8)* | *(9.9)* |
| | | | | | |
| Balance Sheet | | | | | |
| Share Capital | 114 | 115 | 129 | 129 | 129 |
| Total Reserves | 41,448 | 53,731 | 81,209 | 86,319 | 90,922 |
| Shareholders Fund | 41,562 | 53,846 | 81,338 | 86,448 | 91,051 |
| Long Term Borrowings | 46,342 | 67,225 | 50,000 | 82,000 | 127,000 |
| Deferred Tax Assets / Liabilities | 2,788 | 3,070 | 3,070 | 3,070 | 3,070 |
| Other Long Term Liabilities | 24,795 | 25,830 | 25,175 | 34,337 | 41,831 |
| Long Term Trade Payables | 0 | 0 | 0 | 0 | 0 |
| Long Term Provisions | 446 | 489 | 673 | 917 | 1,118 |
| Total Liabilities | 115,935 | 150,460 | 160,256 | 206,772 | 264,069 |
| Net Block | 65,738 | 77,038 | 97,071 | 140,355 | 185,223 |
| Capital Work in Progress | 21,931 | 31,857 | 0 | 0 | 0 |
| Intangible assets under dev | 13,249 | 19,659 | 0 | 0 | 0 |
| Non Current Investments | 7,246 | 7,631 | 7,249 | 9,008 | 10,318 |
| Long Term Loans & Advances | 9,298 | 11,288 | 4,678 | 6,381 | 7,774 |
| Other Non Current Assets | 6,024 | 9,403 | 34,744 | 47,388 | 57,731 |
| Net Current Assets | (7,551) | (6,416) | 16,513 | 3,639 | 3,023 |
| Total Assets | 115,935 | 150,460 | 160,256 | 206,772 | 264,069 |

| Fig in INR Cr (unless specified) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Per share data & Yields | | | | | |
| Adjusted EPS (INR) | 25.1 | 54.9 | 48.6 | 40.4 | 36.4 |
| Adjusted Cash EPS (INR) | 48.6 | 87.5 | 90.4 | 100.7 | 116.8 |
| Adjusted BVPS (INR) | 321.5 | 416.5 | 629.2 | 668.7 | 704.3 |
| Adjusted CFO per share (INR) | 79.8 | 34.9 | 9.0 | 120.9 | 170.0 |
| CFO Yield (%) | 3.3 | 1.5 | 0.4 | 5.0 | 7.1 |
| Adjusted FCF per share (INR) | (68.8) | (154.8) | (153.6) | (237.6) | (200.1) |
| FCF Yield (%) | (2.9) | (6.5) | (6.4) | (9.9) | (8.3) |
| | | | | | |
| Solvency Ratio (X) | | | | | |
| Total Debt to Equity | 1.3 | 1.5 | 0.7 | 1.0 | 1.5 |
| Net Debt to Equity | 1.1 | 1.3 | 0.4 | 0.9 | 1.3 |
| Net Debt to EBITDA | 3.9 | 4.9 | 2.1 | 4.0 | 5.0 |
| | | | | | |
| Return Ratios (%) | | | | | |
| Return on Equity | 8.9 | 14.9 | 8.3 | 6.5 | 5.5 |
| Return on Capital Employed | 6.2 | 5.7 | 5.3 | 4.8 | 4.6 |
| Return on Invested Capital | 10.3 | 8.6 | 8.7 | 6.9 | 6.6 |
| | | | | | |
| Working Capital Ratios | | | | | |
| Payable Days (Nos) | 93 | 78 | 71 | 71 | 71 |
| Inventory Days (Nos) | 36 | 38 | 52 | 52 | 52 |
| Receivable Days (Nos) | 37 | 36 | 30 | 30 | 30 |
| Net Working Capital Days (Nos) | (20) | (4) | 12 | 12 | 12 |
| Net Working Capital to Sales (%) | (5.5) | (1.0) | 3.3 | 3.3 | 3.3 |
| | | | | | |
| Valuation (X) | | | | | |
| P/E | 95.7 | 43.7 | 49.4 | 59.4 | 66.0 |
| P/BV | 7.5 | 5.8 | 3.8 | 3.6 | 3.4 |
| EV/EBITDA | 31.1 | 26.6 | 23.3 | 20.7 | 18.0 |
| EV/Sales | 3.7 | 3.9 | 3.6 | 3.0 | 2.7 |
| | | | | | |
| Cash Flow Statement | | | | | |
| PBT | 4,925 | 10,479 | 9,053 | 7,707 | 7,174 |
| Adjustments | 10,804 | 1,330 | (1,431) | 11,000 | 17,537 |
| Change in Working Capital | (3,785) | (4,327) | (4,085) | (1,136) | (929) |
| Less: Tax Paid | (1,632) | (2,969) | (2,375) | (1,940) | (1,806) |
| Cash Flow from Operations | 10,312 | 4,513 | 1,162 | 15,631 | 21,976 |
| Net Capital Expenditure | (22,246) | (28,807) | (25,439) | (51,088) | (55,265) |
| Change in Investments | 3,164 | 2,549 | 42,192 | (2,865) | (2,216) |
| Cash Flow from Investing | (19,082) | (26,259) | 16,753 | (53,953) | (57,480) |
| Change in Borrowings | 13,570 | 23,905 | (19,888) | 33,136 | 45,929 |
| Less: Finance Cost | (4,555) | (5,978) | (5,995) | (6,331) | (9,922) |
| Proceeds from Equity | 0 | 4,168 | 24,930 | 0 | 0 |
| Buyback of Shares | 0 | 0 | 0 | 0 | 0 |
| Dividend Paid | (137) | (148) | (133) | (110) | (99) |
| Cash flow from Financing | 8,879 | 21,947 | (1,086) | 26,695 | 35,907 |
| Net Cash Flow | 109 | 202 | 16,830 | (11,628) | 403 |
| Forex Effect | 364 | 549 | 0 | 0 | 0 |
| Opening Balance of Cash | 1,882 | 2,307 | 3,106 | 19,936 | 8,308 |
| Closing Balance of Cash | 2,355 | 3,058 | 19,936 | 8,308 | 8,711 |

*Source: Company Reports & Ventura Research*

## Rating Methodology

### We rate stocks on the 2 years absolute return basis.

| Rating | Criteria | Definition |
|---|---|---|
| BUY | >= 20% | Target price is equal to or more than 20% of CMP |
| HOLD | >= 0% to < 20% | Target price is more than CMP but less than 20% of CMP |
| SELL | <= 0% (negative return) | Target price is less than CMP |
| NOT RATED | No recommendation | No target |



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