

BUY

TP: Rs 1,960 | ▲ 28%

ADANI PORTS

| Logistics

| 04 February 2026

## Marine and Logistics drove growth; guidance raised

- Q2 revenue/EBITDA was 4%/5% above estimates; revenue grew 22% YoY. Led by a strong scale in the non-domestic port businesses
- Domestic ports revenue grew ~15% YoY on ~6% volume growth and higher realisations, aided by cargo mix and take-or pay charges
- Revise estimates, ascribe 16x Dec-27E EBITDA multiple to arrive at Dec'26 TP of Rs 1,960

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**Beats estimates; growth momentum sustains:** ADSEZ reported a strong Q3FY26, with consolidated revenue/EBITDA/PAT at Rs 97.1bn/ Rs 58.7bn/ Rs 31.5 bn (+22%/23%/20% YoY). Consolidated EBITDA margins stayed at 60.5% (flat YoY).

**Domestic volume grew 6% YoY (ex- Viz/Gopalpur was flat YoY); realisations up 9% YoY on cargo mix and take-or-pay charges:** Cargo volumes increased to ~113 MMT (+6% YoY), led by containers at ~3.1 mn TEUs (+11% YoY). Excluding new ports (Vizhinjam and Gopalpur), volumes were flat YoY. The decline in volumes at Mundra (-1.2 MMT) and Karaikal (-0.6 MMT) offset by strong growth at Krishnapatnam (+2.1 MMT) and Gangavaram (+2.3 MMT). Cargo market share stood at 26.4% (-60 bps YoY), while container market share improved to 45.8% (+40 bps YoY).

**International ports: margin expansion led by Colombo scale-up; guidance revised upward on acquisition of new port (NQXT):** International ports revenue/EBITDA stood at Rs 10.7 bn / Rs 2.4 bn (+20% / +104% YoY), with EBITDA margin expanding to ~22.1%, driven primarily by the ramp-up of higher-margin Colombo operations. FY26 EBITDA (Ports + non ports) guidance upgraded by ~Rs 8 bn as NQXT contributes Rs 3bn in Q4FY26.

**Logistics & Marine-drove overall performance:** Logistics revenue rose to Rs 11.2 bn (+62% YoY) as asset-light offerings scaled (trucking business). Consolidated logistics margin moderated to ~18.1% (vs 23.2%) due to mix. Marine delivered revenue/EBITDA of Rs 7.7 bn / Rs 4.3 bn with ~55% margin, supported by fleet expansion to 129 vessels.

**Revise estimates, maintain BUY:** We have revised our FY26–28E estimates to factor in NQXT volumes, while lowering ex-NQXT core volume assumptions. We factor in the strong growth from non-ports segments (logistics and marine), albeit with lower profitability vs core portfolio. We value the business at 16x Dec-27E EBITDA, arriving at a Dec-26 TP of Rs 1,960.

## Key changes

	Target	Rating
	▲	◀ ▶

Ticker/Price	ADSEZ IN/Rs 1,531
Market cap	US\$ 39.1bn
Free float	34%
3M ADV	US\$ 33.9mn
52wk high/low	Rs 1,549/Rs 1,037
Promoter/FPI/DII	66%/14%/14%

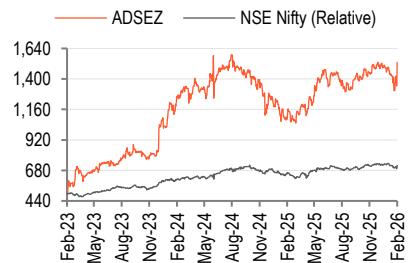
Source: NSE | Price as of 3 Feb 2026

## Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	3,10,786	3,75,022	4,66,617
EBITDA (Rs mn)	1,87,438	2,25,638	2,72,676
Adj. net profit (Rs mn)	1,19,437	1,32,056	1,65,476
Adj. EPS (Rs)	51.8	57.3	71.8
Adj. ROAE (%)	20.7	18.6	21.0
Adj. P/E (x)	29.5	26.7	21.3
EV/EBITDA (x)	16.5	13.9	11.9
Adj. EPS growth (%)	26.3	10.6	25.3

Source: Company, Bloomberg, BOBCAPS Research

## Stock performance



Source: NSE



**Fig 1 – Quarterly & 9MFY26 performance**

Particulars (Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)	Q3FY26E	Var (%)
Revenue	97,046	79,636	22	91,675	6	2,79,982	2,19,869	27	92,964	4
Domestic Port Revenue	67,010	58,260	15	63,510	6	1,91,890	1,66,780	15	64,755	3
Volume (mnt)	112.6	106.5	6	114	(1)	339	319	7	114	(1)
Realisation (Rs/t)	595	547	9	558	7	565	523	8	568	5
International Ports revenue	10,666	8,850	21	10,770	(1)	31,170	24,780	26	10,884	(2)
Volume (mnt)	10.5	6.0	75	9.7	8	27.9	13.6	105	9.8	7
Realisation (Rs/t)	1,016	1,475	(31)	1,111	(9)	1,117	1,822		1,111	
Others	19,369	12,530	55	17,392	11	1,34,320	1,08,010	24	17,325	12
Logistics	11,210	6,930	62	10,554	6	33,453	18,517	81	10,395	8
Marine services	7,730	4,060	90	6,408	21	19,546	7,840	149	6,500	19
SEZ and Port Development	430	1,540	(72)	430	0	3,290	1,950	69	430	0
<b>EBITDA</b>	<b>58,676</b>	<b>47,777</b>	<b>23</b>	<b>53,381</b>	<b>10</b>	<b>1,70,248</b>	<b>1,32,277</b>	<b>29</b>	<b>55,637</b>	<b>5</b>
EBITDA Margin (%)	60.5	60.0	47bps	58.2	220bps	60.8	60.2	65bps	59.8	60bps
Depreciation	13,843	11,058		12,635		39,027	31,942		13,500	
Other Income	2,341	2,234		8,366		13,667	10,233		4,500	
EBIT	47,174	38,952	21	49,112	(3.9)	1,31,221	1,10,568	19	46,637	1
Finance Costs	8,356	7,587		8,379		24,562	21,026		7,400	
PBT	35,100	29,685	18	39,005	(10)	1,11,008	95,250	17	39,237	(11)
Tax	5,678	5,015		5,701		16,749	14,595		6,670	
Adjusted PAT	31,542	26,236	20	35,569	(11)	98,267	75,877	30	32,567	(3)
Adj. PAT Margin (%)	32.5	32.9	(44bps)	38.8	(630bps)	35.1	34.5	59bps	35.0	(7bps)
EPS (Rs)	14.6	12.1	20	16.5	(11)	45.5	35.1	30	15.1	

Source: Company, BOBCAPS Research

**Fig 2 – ADSEZ Volume & mix snapshot**

mn tonnes	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)	Q3FY26E	Var (%)
<b>India Port Volume (mnt)</b>	<b>112.6</b>	<b>106.5</b>	<b>6</b>	<b>113.9</b>	<b>(1)</b>	<b>339.4</b>	<b>318.7</b>	<b>7</b>	<b>113.9</b>	<b>(1)</b>
Port volume (excluding Viz & Gopalpur)	106.8	106.5	0	108.1	(1)	321.7	318.7	1	107.9	(1)
Mundra	47.6	48.8	(2)	49.4	(4)	144.9	149.9	(3)	52.2	(9)
Hazira	7.7	7.1	8	7.6	2	22.2	20.8	7	7.5	2
Dahej	2.7	2.5	8	2.7	(1)	7.8	7.8	1	2.8	(4)
Dhamra	12.1	11.4	6	11.2	8	35.4	34.8	2	11.9	2
Krishnapatnam	14.7	12.6	17	15.0	(2)	46.2	42.0	10	12.7	16
Kattupalli	3.0	3.1	(3)	3.5	(13)	9.7	10.4	(7)	3.6	(17)
Gangavaram	9.6	7.3	32	10.0	(4)	27.7	18.8	48	8.0	20
Karaikal	2.6	3.2	(19)	2.8	(9)	9.4	9.2	2	3.3	(21)
Gopalpur	1.0	NA	NA	1.2	(16)	3.5	1.3	NA	1.3	(23)
Vizinjham	4.8	NA	NA	4.7	3	14.2	3.2	NA	4.7	2
Others	6.8	10.5	(35)	5.8	17	18.4	20.4	(10)	5.9	15
<b>India Port Volume Mix (%)</b>										
Mundra	42	46	(355bps)	43	(110bps)	43	47	(435bps)	46	(8bps)
Hazira	7	7	17bps	7	20bps	7	7	0bps	7	3 bps
Dahej	2	2	5bps	2	0bps	2	2	(14bps)	2	(2 bps)
Dhamra	11	11	4bps	10	90bps	10	11	(50bps)	10	3 bps
Krishnapatnam	13	12	122bps	13	(10bps)	14	13	43bps	11	17 bps
Kattupalli	3	3	(25bps)	3	(40bps)	3	3	(42bps)	3	(16 bps)
Gangavaram	9	7	167bps	9	(30bps)	8	6	228bps	7	21 bps
Others	2	3	(70bps)	2	(20bps)	3	3	(12bps)	3	(20 bps)

Source: Company, BOBCAPS Research

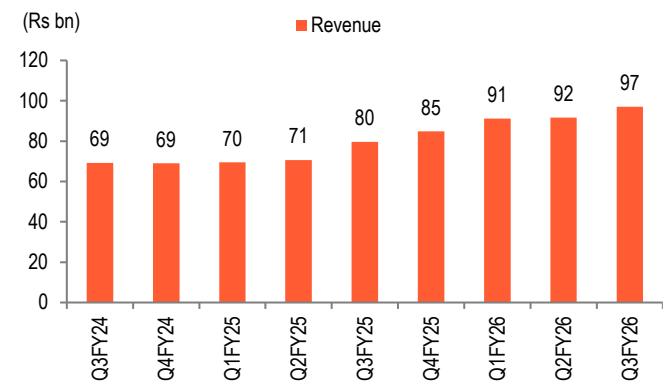
**Fig 3 – Segmental performance**

Particulars (Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
<b>Revenue</b>	97,046	79,636	22	91,675	6
Domestic ports	67,010	58,260	15	63,510	6
International ports	10,666	8,850	21	10,770	(1)
Logistics	11,210	6,930	62	10,554	6
Marine services	7,730	4,060	90	6,408	21
Sez, port and infra dev	430	1,540	(72)	430	0
<b>% of Revenue</b>					
Domestic ports	69	73	(411bps)	69	(20bps)
International ports	11	11	(12bps)	12	(80bps)
Logistics	12	9	285bps	12	0bps
Marine services	8	5	NA	7	100bps
Sez, port and infra dev	0	2	(149bps)	0	0bps
<b>EBITDA</b>					
Total EBITDA (excl forex)	57,860	48,021	20	55,503	4
Domestic ports	48,765	43,560	12	46,890	4
International ports	2,358	1,980	19	2,610	(10)
Logistics	2,032	1,610	26	2,200	(8)
Marine services	4,276	1,820	135	3,380	26
Sez, port and infra dev	430	870	(51)	430	0
<b>EBITDA margin</b>					
Domestic ports	72.8	74.8	(200bps)	73.8	(110bps)
International ports	22.1	22.4	(26bps)	24.2	(210bps)
Logistics	18.1	23.2	(511bps)	20.8	(270bps)
Marine services	55.3	44.8	1049bps	52.7	260bps
Sez, port and infra dev	100.0	56.5	4351bps	100.0	0bps

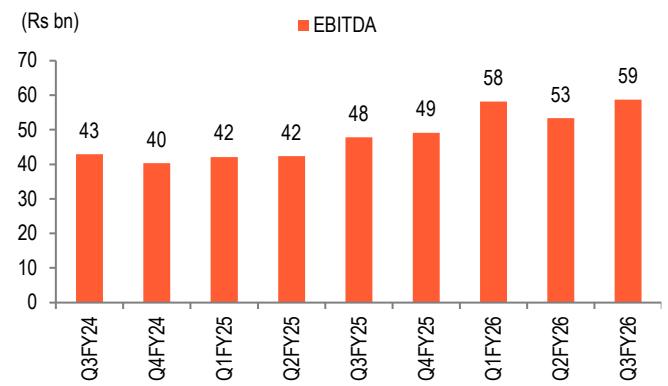
Source: Company, BOBCAPS Research

## Earnings Call Highlights.

- Vizhinjam phase-II capex announced at ~Rs 160 bn, ramping up capacity from ~1.6 mn TEUs to ~5.7 mn TEUs. Capex phasing for Vizhinjam expected to run through FY29, with cash outflows extending into FY30; management cautioned that phasing could evolve given the long project horizon.
- MoU with BPCL and indicating potential for ship-to-ship LNG bunkering in Vizhinjam given its proximity to international shipping lanes.
- Management noted Colombo faces capacity constraints over the next 3-4 years, while Vizhinjam offers capacity headroom, with competitiveness expected to be driven by service quality rather than pricing pressure.
- FY30 throughput ambition reiterated at ~1 bn MT, with ~150 mn MT contribution from international assets and the balance from domestic expansion.

**Fig 4 – Revenue trend**

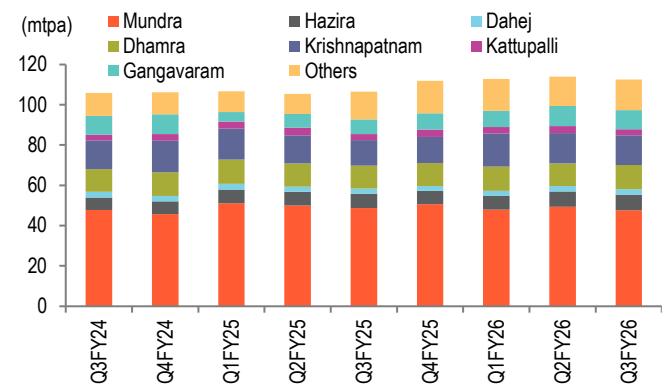
Source: Company, BOBCAPS Research

**Fig 5 – EBITDA trend**

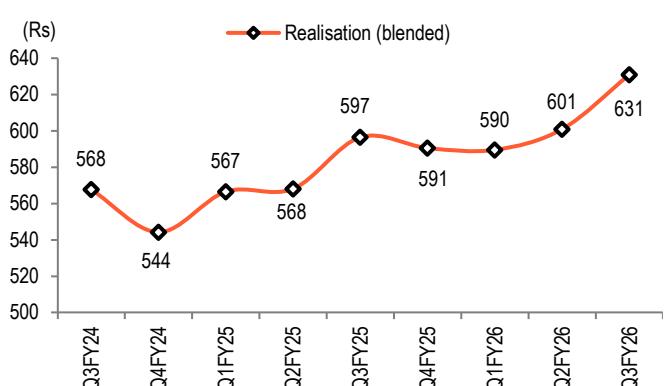
Source: Company, BOBCAPS Research

**Fig 6 – Profit trend**

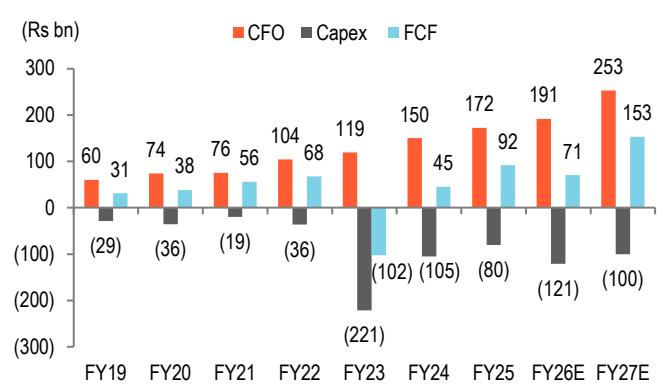
Source: Company, BOBCAPS Research

**Fig 7 – Port-wise volumes**

Source: Company, BOBCAPS Research

**Fig 8 – Realisation (blended)**

Source: Company, BOBCAPS Research

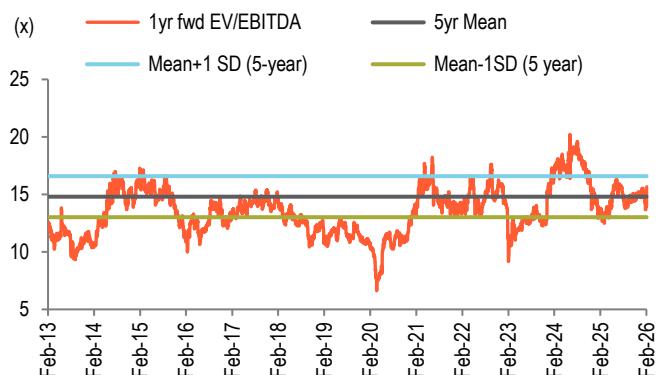
**Fig 9 – Cash flow trends**

Source: Company, BOBCAPS Research

## Valuation Methodology

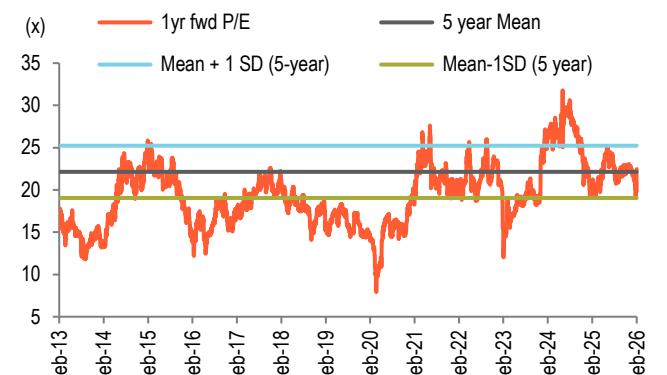
We have revised our FY26–28E estimates to factor in NQXT volumes, while lowering ex-NQXT core volume assumptions. We factor in strong growth from the Non-ports segments (Logistics and Marine), albeit with lower profitability vs core portfolio. We value the business at 16x Dec-27E EBITDA, arriving at a Dec-26 target price of Rs 1,960.

**Fig 10 – ADSEZ 1YF EV/EBITDA**



Source: Company, BOBCAPS Research

**Fig 11 – ADSEZ 1YF P/E**



Source: Company, BOBCAPS Research

**Fig 12 – Revised estimates**

(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Volume	501	577	618	500	548	586	0	5	6
Revenue	3,75,022	4,66,617	5,16,497	3,64,683	4,17,374	4,65,377	3	12	11
EBITDA	2,25,638	2,72,676	3,04,005	2,13,570	2,42,499	2,76,860	6	12	10
EBITDA margin (%)	60.2	58.4	58.9	58.6	58.1	59.5	160bps	34bps	(63bps)
PAT	1,32,056	1,65,476	1,91,347	1,21,779	1,40,429	1,68,816.3	8	18	13

Source: BOBCAPS Research

## Financials

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>2,67,106</b>	<b>3,10,786</b>	<b>3,75,022</b>	<b>4,66,617</b>	<b>5,16,497</b>
EBITDA	1,57,511	1,87,438	2,25,638	2,72,676	3,04,005
Depreciation	38,885	43,789	52,547	58,853	64,738
EBIT	1,18,626	1,43,649	1,73,091	2,13,823	2,39,267
Net interest inc./exp.)	(27,844)	(27,780)	(29,725)	(31,508)	(28,357)
Other inc./exp.)	14,994	19,078	20,604	22,252	20,027
Exceptional items	(515)	(2,462)	7,858	0	0
EBT	1,06,291	1,37,408	1,56,112	2,04,567	2,30,937
Income taxes	15,346	19,684	26,291	34,776	39,259
Extraordinary items	8,289	0	0	0	0
Min. int./Inc. from assoc.	0	0	300	315	331
<b>Reported net profit</b>	<b>81,040</b>	<b>1,19,140</b>	<b>1,25,521</b>	<b>1,65,476</b>	<b>1,91,347</b>
Adjustments	(7,617)	(297)	(6,534)	0	0
<b>Adjusted net profit</b>	<b>88,657</b>	<b>1,19,437</b>	<b>1,32,056</b>	<b>1,65,476</b>	<b>1,91,347</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	21,674	27,205	30,824	38,352	35,376
Other current liabilities	5	6	7	8	9
Provisions	48,723	59,637	66,785	83,096	91,979
Debt funds	4,62,792	4,58,100	3,98,100	3,08,100	2,38,100
Other liabilities	68,861	1,12,114	1,20,414	1,26,585	1,32,914
Equity capital	4,320	4,320	4,608	4,608	4,608
Reserves & surplus	5,41,110	6,45,413	7,43,587	8,76,282	10,29,690
Shareholders' fund	5,45,430	6,49,733	7,48,195	8,80,890	10,34,298
<b>Total liab. and equities</b>	<b>11,47,485</b>	<b>13,06,796</b>	<b>13,64,324</b>	<b>14,37,032</b>	<b>15,32,677</b>
Cash and cash eq.	76,319	82,395	68,205	88,915	1,26,857
Accounts receivables	36,669	44,324	56,510	70,312	77,828
Inventories	4,375	5,218	6,297	7,834	8,672
Other current assets	1,48,903	1,61,567	1,57,477	1,59,170	1,57,494
Investments	56,340	61,186	61,667	63,667	63,667
Net fixed assets	7,38,025	8,81,572	10,26,880	10,68,027	11,23,289
CWIP	1,09,361	1,17,061	40,000	40,000	45,000
Intangible assets	5	6	7	8	9
Deferred tax assets, net	(22,512)	(46,533)	(52,719)	(60,901)	(70,139)
Other assets	0	0	0	0	0
<b>Total assets</b>	<b>11,47,485</b>	<b>13,06,796</b>	<b>13,64,324</b>	<b>14,37,032</b>	<b>15,32,677</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>1,50,176</b>	<b>1,72,263</b>	<b>1,91,409</b>	<b>2,52,890</b>	<b>2,73,212</b>
Capital expenditures	(1,04,913)	(80,489)	(1,20,794)	(1,00,000)	(1,25,000)
Change in investments	35,448	(17,384)	(481)	(2,000)	0
Other investing cash flows	11	12	13	14	15
<b>Cash flow from investing</b>	<b>(69,466)</b>	<b>(97,873)</b>	<b>(1,00,672)</b>	<b>(79,748)</b>	<b>(1,04,973)</b>
Equities issued/Others	10,130	0	288	0	0
Debt raised/repaid	(41,290)	(24,741)	(60,000)	(90,000)	(70,000)
Interest expenses	11	12	13	14	15
Dividends paid	(10,797)	(13,363)	(27,648)	(33,095)	(38,269)
Other financing cash flows	11	12	13	14	15
<b>Cash flow from financing</b>	<b>(78,001)</b>	<b>(69,155)</b>	<b>(1,17,085)</b>	<b>(1,54,603)</b>	<b>(1,36,627)</b>
Chg in cash & cash eq.	2,709	5,235	(26,348)	18,539	31,613
<b>Closing cash &amp; cash eq.</b>	<b>15,757</b>	<b>20,992</b>	<b>56,047</b>	<b>86,744</b>	<b>1,20,528</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	37.5	51.7	54.5	71.8	83.0
Adjusted EPS	41.0	51.8	57.3	71.8	83.0
Dividend per share	8.0	10.0	12.0	14.4	16.6
Book value per share	245.1	289.0	313.6	371.0	437.5

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	11.5	9.9	8.4	7.0	6.5
EV/EBITDA	19.4	16.5	13.9	11.9	11.0
Adjusted P/E	37.3	29.5	26.7	21.3	18.4
P/BV	6.2	5.3	4.9	4.1	3.5

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	82.7	86.7	80.4	80.9	82.9
Interest burden (PBT/EBIT)	82.6	95.7	90.2	95.7	96.5
EBIT margin (EBIT/Revenue)	44.4	46.2	46.2	45.8	46.3
Asset turnover (Rev./Avg TA)	25.3	27.1	30.2	36.1	38.0
Leverage (Avg TA/Avg Equity)	2.2	2.1	1.9	1.7	1.5
Adjusted ROAE	16.5	20.7	18.6	21.0	20.5

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	28.1	16.4	20.7	24.4	10.7
EBITDA	43.9	19.0	20.4	20.8	11.5
Adjusted EPS	27.7	26.3	10.6	25.3	15.6
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	59.4	61.2	60.2	58.4	58.9
EBIT margin	44.4	46.2	46.2	45.8	46.3
Adjusted profit margin	33.2	38.4	35.2	35.5	37.0
Adjusted ROAE	16.5	20.7	18.6	21.0	20.5
ROCE	11.6	13.4	14.6	17.2	17.9
<b>Working capital days (days)</b>					
Receivables	50	52	55	55	55
Inventory	6	6	6	6	6
Payables	30	32	30	30	25
<b>Ratios (x)</b>					
Gross asset turnover	0.3	0.3	0.3	0.3	0.3
Current ratio	3.8	3.4	3.0	2.7	2.9
Net interest coverage ratio	5.7	6.7	7.6	8.7	10.7
Adjusted debt/equity	0.8	0.7	0.5	0.3	0.2

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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## Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: 1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051

SEBI Research Analyst Registration No: INH000000040 valid till 03 February 2025

Brand Name: **BOBCAPS**

Trade Name: [www.barodaetrade.com](http://www.barodaetrade.com)

CIN: U65999MH1996GOI098009



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### Recommendation scale: Recommendations and Absolute returns (%) over 12 months

**BUY** – Expected return >+15%

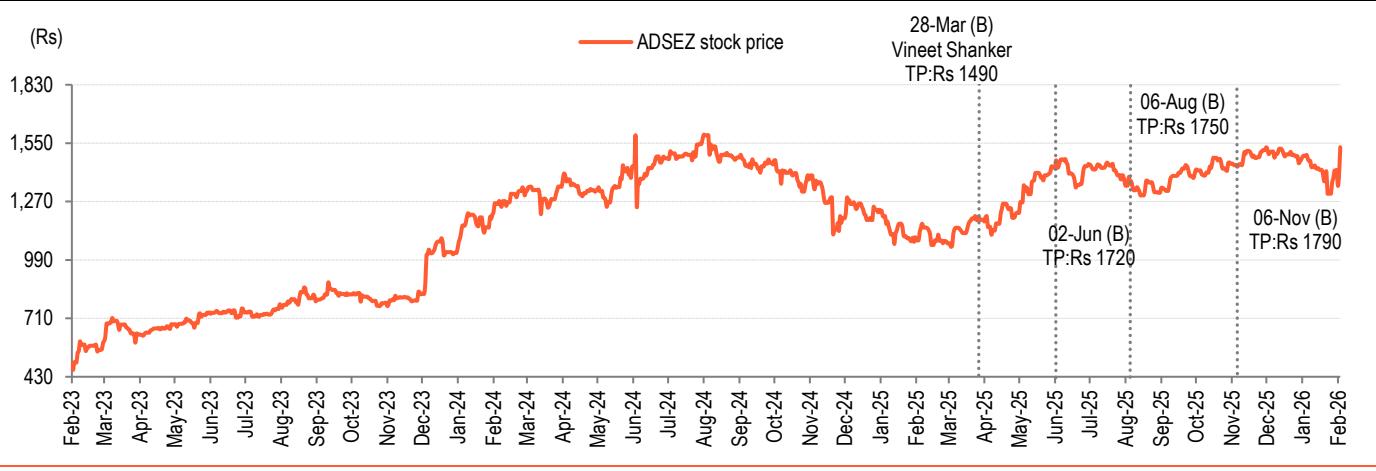
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

### Ratings and Target Price (3-year history): ADANI PORTS (ADSEZ IN)



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