

Adani Port and SEZ (ADSEZ) - BUY

Result Update

Current Market Price (CMP) Rs. 1183	Fair Value (FV) Rs. 1570
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Rationale:

- ADSEZ reported in-line 10% domestic port EBITDA growth.
- Guides for an improved print in Q4, defying seasonality.
- We expect EPS to grow by 19.2% in FY26E & by 10.9% in FY27E.
- Stock is currently trading at 18.0x P/E FY27E earnings.
- We arrive at Sum of the Parts (SoTP) based Fair Value of Rs 1570/share.

Q3FY25 Result update:

Positives:

- ADSEZ has maintained the volume guidance of 460-480 mn tons.
- Boost from shift toward total transport solutions company would increase.
- Container cargo mix improves to higher share of 41%.
- Sharp uptick in international volumes (2X yoy) and in SEZ income.
- Adani Ports is well positioned to grow its logistics business over time.

Negatives:

- Weak domestic port volume decline of 2% yoy reflective of broader pain in Indian ports.

[Click here](#)

For detailed report dated 31st Jan 2025. Note: CMP & valuation may differ due to difference in dates.



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