

May 4, 2026

Growth outlook intact, despite global headwinds...

About the stock: Adani Ports & SEZ Ltd (APSEZ) is the largest commercial port operator in the country, handling more than 27% of the total cargo volume as on FY25. It owns more than 15 Ports & Terminals, with a combined capacity of 653 MTPA, across seven states. Its other businesses include logistics and marine.

Q4FY26 / FY26 performance: Adani Ports reported strong consolidated revenue growth of 26%/ 25% YoY at ₹ 10738/ ₹ 38736 crore for Q4FY26/ FY26 aided by strong revenue growth across verticals in FY26 viz. Ports/Logistics/Marine – Up 13%/55%/134% YoY at ₹ 25755 / ₹ 4478 / ₹ 2681 crore respectively. Ports revenues were driven by overall cargo volume growth of 11% YoY (+8%/+80% YoY growth in Domestic/International volumes). In FY26 company gained 10 bps market share on a YoY basis of All-India cargo share to 27.1%. Consolidated EBITDA was up 20% YoY at ₹ 6020/ ₹ 22851 crore (EBITDA margins declined by 222 bps YoY to 59%). Notable, ports EBITDA margins improved 60 bps YoY to 73.2%. Overall, its consolidated PAT grew by 16% YoY to ₹ 12782 crore. The company ₹ 15320 crore in capital expenditure during the year.

Investment Rationale

- FY27 and FY31 strong growth outlook intact:** Having achieved FY26 guidance, APSEZ has guided for revenues of ₹ 43000-45000 crore (+11-16% YoY), EBITDA of ₹ 25000-26000 crore (+9-14% YoY) and capex of ₹ 12000-14000 crore (organic capex to comprise 60-70%, balance earmarked for strategic M&A) for FY27. It has pegged its longer term volume growth guidance at 1.5x of India's GDP growth and targets to increase RoCEs by 100 bps p.a. over the next five years. It reiterated its FY31 vision to achieve 1 billion metric tonne (FY26 – 500 MMT) while scaling up its network across Marine (136 to 200+ vessels), Trains & Tracks (132 to 200 rakes), Multi-Modal Logistics Parks (12 to 16 MMLPs), Warehouses (3.1 msf to 12 msf) and Trucks (937 to 2000 owned trucks).
- Planning ₹ 90,000-1,00,000 crore capex over FY27-FY31:** APSEZ targets to grow its revenues/EBITDA/Net CFO at a CAGR of 19%/18%/18% over FY26-FY31 led by strong growth envisaged across Ports (17%/18% CAGR in revenue/EBITDA), Logistics (34%/27%) and Marine (17%/19%). It would be incurring capex of ₹ 90,000-1,00,000 lakh crore over FY27-FY31 across Domestic ports (₹ 60,000-63,000 crore), International Ports (₹ 6000-7000 crore), Logistics (₹ 7000-9000 crore), Marine (₹ 11000-13000 crore) and Others (₹ 6000-8000 crore). As of FY26, (including NQXT proforma TTM figures), its Net Debt/ TTM EBITDA stood at 1.8x (below its policy of upto 2.5x), FFO/Gross Debt at 36% and FFO interest coverage at 6.7x.

Rating and Target Price

- We retain our BUY rating with revised Target Price of ₹ 2050/- i.e. 17x EV/EBITDA on FY28E (increasing EV/EBITDA multiple).

Key Financial Summary

Key Financials (Rs. in Crore)	FY23	FY24	FY25	FY26	3-Year CAGR (FY23-26)	FY27E	FY28E	2 year CAGR (FY26-28E)
Revenues	20,852	26,711	31,078	38,736	23%	45,083	51,521	15%
EBIDTA	12,833	15,864	19,024	22,851	21%	26,337	29,712	14%
EBIDTA Margins(%)	61.5	59.4	61.2	59.0%		58.4%	57.7%	
Adjusted PAT	5,391	8,111	11,058	12,805	33%	15,606	18,475	20%
EPS (Rs.)	24.6	37.5	48.0	55.5		67.6	80.1	
EV to EBIDTA (x)	30.2	24.0	20.0	16.8		14.6	12.8	
RoNW (%)	11.6	15.3	17.7	13.4		14.2	14.7	
RoCE (%)	11.0	12.8	13.8	12.3		13.1	13.5	

Source: Company, ICICI Direct Research



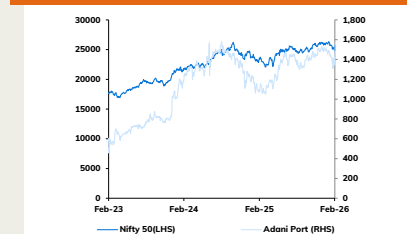
Particulars

Particular	Rs. in crore
Market Capitalisation	396281
Gross Debt (FY26)	47969
Cash (FY26)	12151
EV (Rs crore)	432099
52 week H/L	1749/1203
Equity capital	461
Face value	₹ 2

Shareholding pattern

Particular	Jun-25	Sep-25	Dec-25	Mar-26
Promoters	65.9	65.9	68.0	69.0
FIIIs	13.5	13.6	13.1	13.3
DIIIs	15.2	15.0	13.9	13.9
Others	5.5	5.5	5.0	4.9

Price Chart



Key risks

- (i) Lower than anticipated Cargo volume growth & slower economy growth
- (ii) Inability to scale up its logistics & marine businesses

Research Analyst

Ronald Siyoni
ronald.siyoni@icicisecurities.com

Samarth Khandelwal
samarh.khandelwal@icicisecurities.com

Recent earnings call highlights:

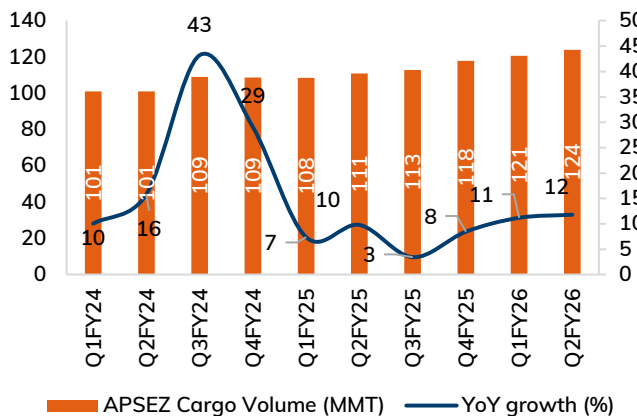
- **Guidance:** The company has guided Revenue and EBITDA of ₹ 43000 - ₹ 45000 crore and ₹ 25000 - ₹ 26000 crore for FY27. Company plans to undertake capital expenditure of ₹ 12000 - ₹ 14000 crore.
- **Long-Term Vision:** Company remains confident to achieve 1000 MMT (domestic 850 MMT and International 150 MMT) by of Cargo volume by FY31.
 - Company has guided for long term revenue guidance of ₹ 91500 crore from ₹ 38736 crore implying CAGR 19% over FY26-31E, EBITDA and PAT of ₹ 52000 and ₹ 46800 crore with implied CAGR of 18% over FY26-31E.
 - On a segmental basis Ports, Logistics and Marine to deliver revenue of ₹65500, ₹ 19500 and ₹ 6000 crore growing at CAGR of 17%, 34% and 17% respectively in FY31E.
- **Financial & Operational Performance (Port Segment):**
 - Domestic Ports revenue for Q4FY26 / FY26 increased by 8% / 13% YoY to ₹ 6566/ ₹ 25755 crore led by 45.5 % container market share. Domestic ports EBITDA margin stood at 73.2% for FY26 (vs. 72.6% in FY25). Domestic ports capacity at 663 MMT.
 - International Ports revenue for Q4FY26 / FY26 increased 58%/ 34% YoY to ₹ 1422 / ₹ 4539 crore driven by NQXT acquisition and Colombo operations ramp up. International volumes were up 75% YoY. International EBITDA for Q4FY26 jumped 5x to ₹ 597 crore and EBITDA margins at 42%, for FY26 EBITDA Margins at 28.6%
 - Handled 133.4/ 500.8 MMT (+13% and 11% YoY) cargo volume in Q4FY26/ FY26 vs (117.9/ 450 MMT in Q4FY25/ FY25).
 - All-India cargo market share increased to 27.1% from 27% in FY26. All India Container market share remained stable at 45.5% versus 45.8% in Q3FY26.
- **Marine Segment:**
 - Revenue reported strong 134% YoY growth in revenues to ₹ 2681 crore, driven by vessel acquisitions.
 - Total vessel counts stands at 136 in FY26 vs 115 in FY25.
 - EBITDA grew 125% YoY to ₹ 1357 crore, EBITDA margins at 50.6% in FY26.
- **Logistics Segment:**
 - Revenue for Q4FY26/FY26 increased 10% / 56% YoY to ₹ 1133/ ₹ 4478 crore driven by the ramp-up of asset-light trucking and international freight network services (comprising 52% of logistics revenues versus 17% in Q3FY25). EBITDA grew 34% YoY to ₹ 863 crore
 - Handled 166,646 TEUs of container rail volume (-1% YoY) and 5.6 MMT GPWIS volume (-5% YoY)
 - Lower container volume growth was affected by conflicts in West Asia.
- **Capex:** Company has five-year Capex plan of ~1 trillion for FY27-FY31, which includes Domestic ports capex of ₹ 60000-63000 crore, international ports capex of ₹ 6000-7000 crore, Logistics ₹7000-9000 crore, Marine fleet expansion capex of ₹ 11000 - 13000 crore and Technology and Decarbonization ₹ 6000-8000 crore.

Exhibit 1: Quarterly Analysis

Particulars	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	Comments
Revenue from Operations	10,738	8,488	26%	9,705	10.6%	Strong revenue growth across segments
Operating Expenses	3,332	2,308	44%	2,880	15.7%	
Employee Expenses	636	530	20%	563	12.9%	
Other Expenditure	750	644	16%	475	57.9%	
Total Expense	4,718	3,482	35%	3,919	20.4%	
EBITDA	6,020	5,006	20%	5,786	4.0%	
EBITDA Margin (%)	56.1%	59.0%	-291bps	59.6%	-356bps	EBITDA margins impacted due to higher revenue mix from low margin businesses
Foreign Exchange (Gain)/Loss	202	93	117%	(82)	-347.7%	
Depreciation	1,615	1,185	36%	1,384	16.6%	
Interest	1,605	715	125%	980	63.8%	
Other Income	751	281	167%	234	220.9%	
Less: Exceptional Items	(62)	(24)	-	(146)	-	
PBT	3,699	3,532	5%	3,611	2.4%	
Total Tax	392	509	-23%	568	-31.0%	
Reported PAT	3,328	3,023	10%	3,043	9.4%	

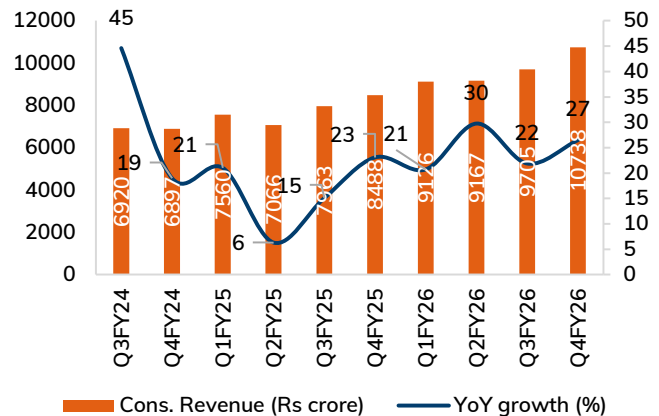
Source: Company, ICICI Direct Research

Exhibit 2: APSEZ Cargo Volume trend



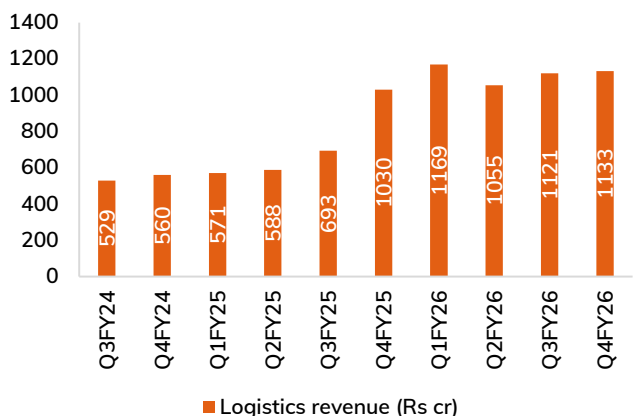
Source: Company, ICICI Direct Research

Exhibit 3: Consolidated revenues trend



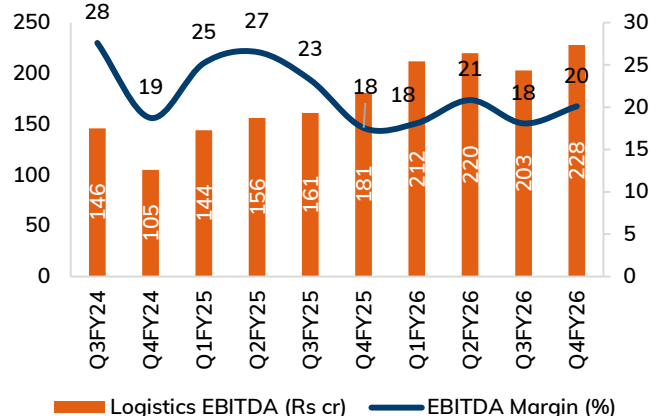
Source: Company, ICICI Direct Research

Exhibit 4: Logistics revenue trend



Source: Company, ICICI Direct Research

Exhibit 5: Logistics EBITDA trend



Source: Company, ICICI Direct Research

Financial Summary

Exhibit 6: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Total Operating Income	31077.8	38735.8	45083.3	51520.7
Growth (%)	16.4%	24.6%	16.4%	14.3%
Operating Expenses	8069.8	11234.3	12172.5	13910.6
Gross Profit	23008.1	27501.4	32910.8	37610.1
Gross Profit Margins (%)	74.2%	73.0%	73.0%	73.0%
Total Operating Expenditure	12054.0	15884.4	18746.1	21808.5
EBITDA	19023.9	22851.4	26337.2	29712.2
Growth (%)	19.9%	20.1%	15.3%	12.8%
Foreign Exchange Gain/(Loss)	280.9	9.0	0.0	0.0
Interest	2778.0	3832.7	3719.9	3409.7
Depreciation	4378.9	5517.4	5972.9	6428.5
Other Income	1304.5	2117.8	1892.4	2162.6
PBT before Exceptional item	13278.3	15055.5	18794.4	22294.2
Total tax	1968.4	2066.5	3420.4	4050.3
PAT before minority interest	11060.5	12781.2	15581.7	18451.5
Minority interest	-28.0	-23.8	-23.8	-23.8
Profit from associates	141.6	257.6	257.6	257.6
PAT	11058.0	12805.1	15605.5	18475.4
Growth (%)	36.3%	15.8%	21.9%	18.4%
EPS (Adjusted)	48.0	55.5	67.6	80.1

Source: Company, ICICI Direct Research

Exhibit 7: Cash Flow Statement

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit/loss after taxation	11565	13334	15606	18475
Add: Depreciation & Amortization	4379	5517	5973	6428
Add: Interest Paid	2778	3833	3720	3410
Net Increase in current assets	-1343	-2654	-1414	-1443
Net Increase in current Liabilities	972	-348	771	784
Others	-1125	674	0	0
CF from operating activities	17226	20356	24655	27654
(Purchase)/Sale of Fixed Assets	-7998	-15245	-12000	-12000
Long term Loans & Advances	72	-209	233	0
Investments	-71	-467	0	0
Others	-3339	2926	0	0
CF from Investing activities	-11337	-12995	-11647	-11878
Inc/(Dec) in Loan	-2861	381	-8285	-3514
Dividend & Dividend tax	-1336	-1535	-2119	-2509
Less: Interest Paid	-2579	-3139	-3720	-3410
Others	-527	-1235	0	0
CF from Financing activities	-7302	-5527	-14124	-9433
Net Cash Flow	-1026	1878	-1115	6343
Cash and Cash Equivalent	7632	6606	8484	7368
Cash	6606	8484	7368	13711

Source: Company, ICICI Direct Research

Exhibit 8: Balance sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	432	461	461	461
Reserve and Surplus	62003	95665	109151	125117
Total Shareholders funds	62435	96125	109612	125578
Minority Interest	2538	2856	2880	2904
Total Debt	45810	55103	46818	43305
Deferred Tax Liability	4653	7564	7564	7564
Long-Term Provisions	1149	1454	1483	1513
Other Non Current Liabilities	2350	3345	3412	3480
Total Liabilities	118936	166447	171768	184342
Gross Block - Fixed Assets	100428	145340	157340	169340
Accumulated Depreciation	17906	23423	29396	35824
Net Block	82523	121917	127944	133515
Capital WIP	11706	12689	12689	12689
Fixed Assets	94229	134606	140633	146204
Goodwill & Other intangible asset	7094	9736	9736	9736
Investments	4659	5449	5449	5449
Other non-Current Assets	11158	14804	14571	14571
Inventory	522	685	797	911
Debtors	4432	6383	7428	8489
Other Current Assets	6272	5079	5333	5599
Loans & Advances	360	90	92	94
Cash	6606	8484	7368	13711
Total Current Assets	18192	20720	21019	28805
Creditors	2721	2736	3185	3639
Provisions	237	139	141	144
Other Current Liabilities	13439	15993	16313	16639
Total Current Liabilities	16396	18868	19639	20423
Net Current Assets	1796	1852	1380	8382
Application of Funds	118936	166447	171768	184342

Source: Company, ICICI Direct Research

Exhibit 9: Key ratios

(Year-end March)	FY25	FY26	FY27E	FY28E
Per share data (₹)	48.0	55.5	67.6	80.1
Adjusted EPS	48.0	55.6	67.7	80.2
Cash EPS	41.5	48.1	58.5	69.3
BV per share	271.0	415.2	475.8	545.1
Cash per Share	28.7	36.8	32.0	59.5
Dividend per share	6.5	7.5	9.2	10.9
Operating Ratios (%)				
Gross Profit Margins	74.0	71.0	73.0	73.0
Operating EBITDA margins (%)	61.2	59.0	58.4	57.7
(Adjusted) PAT Margins	35.6	33.1	34.6	35.9
Cash Conversion Cycle	6	6	6	6
Fixed asset turnover (x)	0.27	0.25	0.27	0.27
Return Ratios (%)				
RoE	17.7	13.4	14.2	14.7
RoCE	13.8	12.3	13.1	13.5
RoIC	15.3	12.9	13.8	14.6
Valuation Ratios (x)				
P/E	33.1	28.7	23.5	19.9
EV / EBITDA	20.0	16.8	14.6	12.8
EV / Net Sales	12.3	9.9	8.5	7.4
Market Cap / Sales	11.1	8.9	7.6	6.7
Price to Book Value	5.9	3.8	3.3	2.9
Solvency Ratios				
Debt / EBITDA	2.4	2.3	1.9	1.8
Debt / Equity	0.7	0.5	0.5	0.4

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according -to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Ronald Siyoni PGDBM, Samarth Khandelwal, Chartered Accountant, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report