

" Overall growth....."

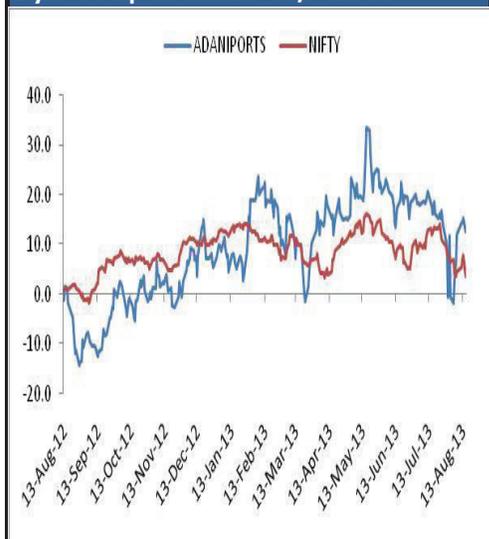
Result update	Buy
CMP	142
Target Price	180
Previous Target Price	180
Upside	27%
Change from Previous	0%

Market Data	
BSE Code	532921
NSE Symbol	ADANIPTS
52wk Range H/L	105/175
Mkt Capital (Rs Crores)	29,394
Average Daily Volume	733,861
Nifty	5,508

Stock Performance-%			
	1M	1yr	YTD
Absolute	(4.8)	12.6	2.3
Rel. to Nifty	3.9	9.1	5.4

Share Holding Pattern-%			
	1QFY14	4QFY13	3QFY13
Promoters	75.0	75.0	77.5
FII	15.1	13.6	10.2
DII	5.1	5.2	5.1
Others	4.8	6.2	7.2

1 yr Stock performance V/s NIFTY



Adani Port first-quarter profit rose 51% as its flagship Mundra port in Gujarat became the number one commercial harbour in the country. Net profit rose to Rs. 417.50 crore in the three months ended 30 June from Rs. 276 crore in the year earlier. The consolidated cargo handled by the company rose 39% to 26.67 million tonnes (mt) in the first quarter. Mundra port had surpassed Kandla port in terms of cargo handled during the quarter to emerge as India's largest harbour, Mint had reported on 22 July. Total income rose 73% to Rs. 1,568 crore. The company's port at Dahej handled a cargo of 2.22 mt in the June quarter, a rise of 24%. The Hazira port started operations recently and has handled a cargo of 0.87 mt. Like Mundra, Dahej and Hazira are also on the Gujarat coast. We maintain our 'Buy' rating in this particular scrip with a target price of Rs 180 for medium to long term investment.

Growth story :

Adani Port container volume was also up 11 per cent and the growth in cargo and container traffic was achieved when all other major ports achieved a de-growth of 1 per cent in cargo and 4 per cent in container volume.

The low cost operating model of the company helped it in posting good performance during the quarter as its expenditure and finance cost increased significantly. While expenditure, at Rs 773.36 crore, amounted to 53.46 per cent of the net sales, finance costs shot up by over 142 per cent to Rs 350.59 crore.

The growth in cargo was 9% in Adani Ports while there was de-growth of 6% in all other major ports put together. The company also increased its market share to over 11%, up by 1%. The company also outperformed other container ports by registering a 25% growth compared to no-growth at other container terminals. Adani Ports' market share has risen to 18%, up by 3%.

During the quarter, the company also raised Rs 1,000 crore via institutional placement programme and met regulatory norms of having 25 per cent minimum public shareholding.

Valuations :

At the CMP of Rs.142, the stock P/E ratio is at 14.3. EPS of the company for the earnings for FY14E is seen at Rs.20.8 respectively. On the basis of Interest coverage ratio, the stock trades at 6.2x for FY14E. Price to Book Value of the stock is expected to be at 3.5x for FY14E. We expect that the company surplus scenario is likely to continue for the next three years, will keep its growth story in the coming quarters also. **We maintain our 'Buy' rating in this particular scrip with a target price of Rs 180 for medium to long term investment.**

Financials	Rs, Crore				
	1QFY14	4QFY13	(Var)-%	1QFY13	(YoY)-%
Revenue	1478.4	1035.5	-42.8%	1033.4	0.2%
EBITDA	853.1	651.9	-30.9%	762.3	-14.5%
PAT	417.5	378.4	-10.3%	276.3	37.0%
EBITDA Margin	57.7%	63.0%	(530) bps	73.8%	(1610 bps)
PAT Margin	26.6%	35.0%	(840) bps	26.1%	50 bps

(Source: Company/ Eastwind Research)

(Consolidated)