

## ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD BUY-BACK 06/06/2019

INDUSTRY - Marine Port & Services  
BSE Code - 532921  
NSE Code - ADANIPTS  
NIFTY - 12,021.65

### Company Data

CMP(Rs.) 425

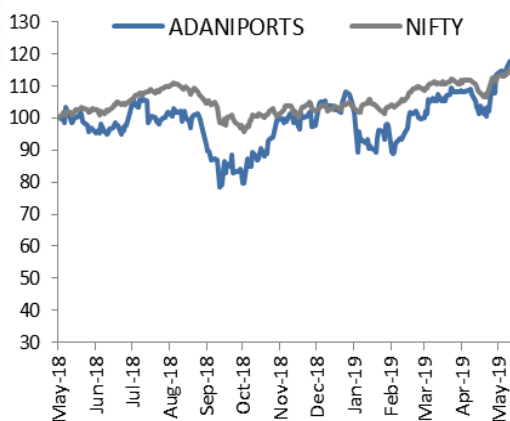
52wk Range H/L 430/294  
Mkt Capital (Rs Cr) 88,471.06  
Av. Volume (,000) 287.68

### Shareholding pattern %

	2QFY19	3QFY19	4QFY19
Promoters	62.3	62.3	62.3
Public	37.7	37.7	37.7
Total	100.0	100.0	100.0

### Stock Performance %

	1Mn	3Mn	1Yr
Absolute	14.2	9.9	13.9
Rel.to Nifty	6.5	3.0	13.1



### BUYBACK DETAILS

Board Meeting Date	04-Jun-19
Buy Back Size	3,92,00,000 Equity Shares (1.89% of total outstanding share capital)
Buy Back Size (Amount in Rs.)	1,960 crs
Buy Back Price/Share in Rs.	500
Buy Back Route	Tender Route

Reservation for Retail Shareholders	15%
No of shares reserved for Retail Shareholders	5880000
Retail Share Holders	36849596

### View & Valuation

- In our base case scenario, we assume that 35% of the retail shareholders may tender their shares in buyback and the acceptance ratio is expected to be 46%. This will generate 7% returns for the investors, assuming post buyback target price of Rs 425.
- We don't have fundamental coverage on the stock. However, considering the premium of 17% offered from current levels of Rs 425, the stock is attractive for the purpose of the buyback. Hence, we recommend investors to participate in Buyback offer.

### Target Case Scenario

No. of shares tendered (35% of total retail shares)	12897359	Reserved for Retail	5880000
CMP ( Rs)	425	Acceptance Ratio	46.00%
Buy-Back Price (Rs)	500	Potential Upside	7.0%

TABLE SHOWING EXPECTED RETURN POTENTIAL IN DIFFERENT SCENARIOS

Scenario	Shares tendered as a % to total retail shareholders	Calculated Acceptance Ratio	Expected Market Price post Buy-Back	Expected Return to Investors (Tax Adjusted)
1	25%	64%	467	13%
2	30%	53%	467	12%
3	35%	46%	467	11%
4	45%	35%	467	11%
5	25%	64%	425	10%
6	30%	53%	425	8%
7	35%	46%	425	7%
8	45%	35%	425	5%
9	25%	64%	328	3%
10	30%	53%	328	-1%
11	35%	46%	328	-4%
12	45%	35%	328	-8%

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**Disclosure of Interest Statement-**

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