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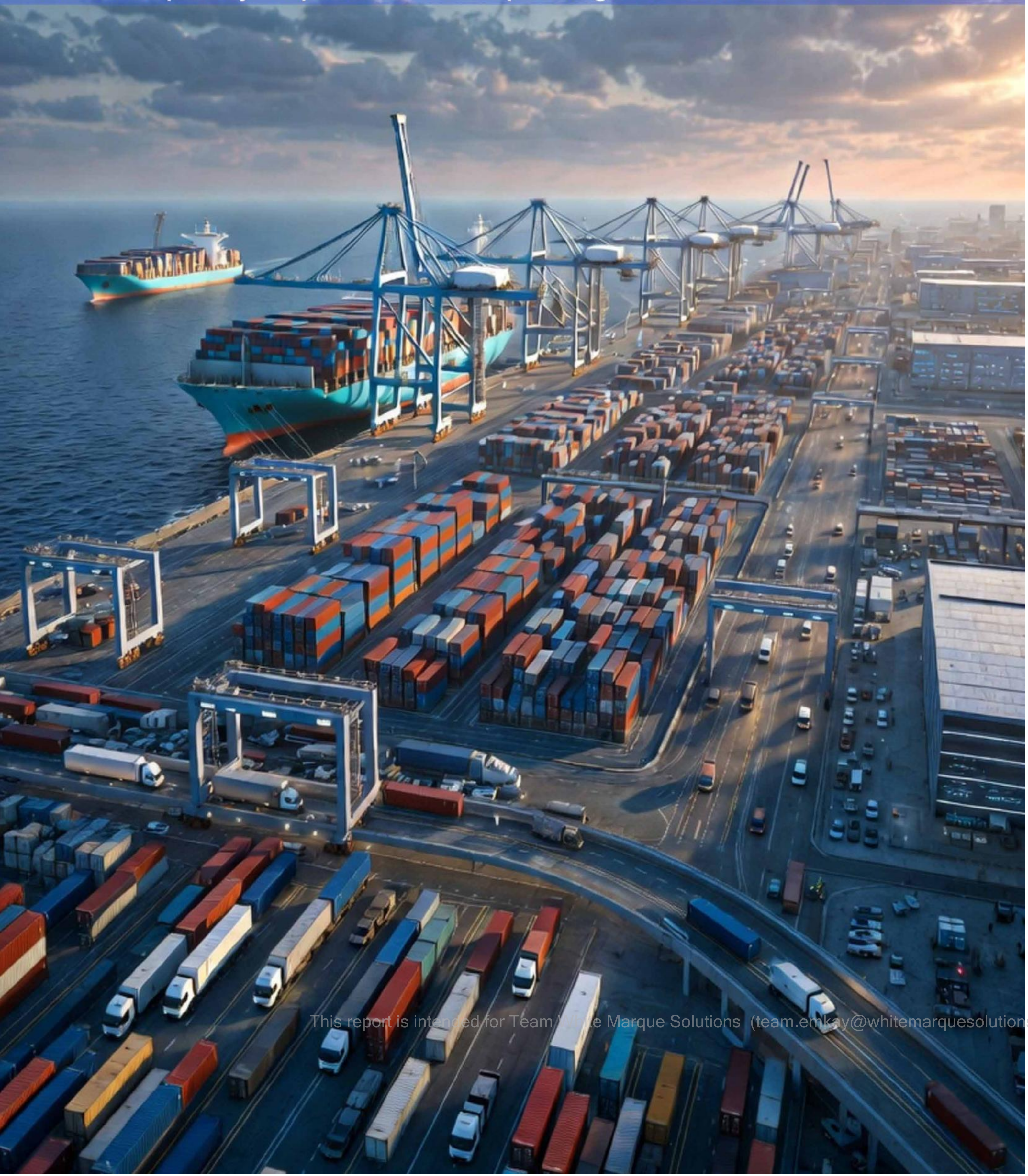
THE NEW ERA OF INDIAN PORTS

From capacity expansion to capturing the entire value chain



Logistics

From capacity expansion to capturing the entire value chain

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Logistics ▸ Sector Report ▸ **December 15, 2025**

NIFTY 50: 26,047

We initiate coverage on the Indian Ports sector with BUY on Adani Ports (APSEZ; 25% upside) and ADD on JSW Infrastructure (JSW Infra; 9% upside). The Indian ports sector is entering a structurally strong decade, supported by accelerating capacity additions, rapid privatization, and a decisive regulatory push to strengthen multimodal connectivity and position India as a global maritime hub. Capitalizing on their strategic port footprint and strong cash flows, private operators are scaling up from pure-play port entities to integrated logistics platforms, thus deepening presence across the supply chain. Backed by capacity expansion and shift toward integrated logistics offerings, we expect the growth trajectory for our coverage companies to stay elevated, granting a compelling multi-year opportunity as operational benchmarks converge with global peers'. Predictable cash flows, improving earnings visibility, and manageable leverage ratios should support multiple expansions in our Ports coverage companies.

Ports remain the bedrock of India's trade and development

Ports handle 95% of India's EXIM trade by volume and are hence at the core of its ambitious target of becoming a USD10trn economy. To transform India into a global maritime hub, the GoI targets doubling container capacity by CY30 and expanding overall cargo handling capacity to ~10,000mntpa by CY47 from ~2,700mntpa now. India's ports sector is at an inflection point, given 1) rapid privatization (enables higher automation and digitalization); 2) regulatory reform (positions it as a transshipment hub); 3) improved multimodal connectivity (lowers logistics cost to strengthen global competitiveness).

Port privatization – An opportunity for private incumbents

To replicate the superior efficiencies at non-major ports, the GoI aims to increase privatization at major ports (to 85% of cargo handled by CY30) in a bid to enhance cargo throughput by reducing turnaround time. The GoI targets capturing container transshipment share by actively pivoting toward privatization. The strategic success of Vizhinjam port serves as a powerful proof of concept, signaling a robust pipeline of investment opportunities in the high-potential maritime infrastructure.

Advantage incumbents – Scaling up capacity; extending the logistics moat

With regulatory support and private sector investments, Indian ports are upgrading infrastructure to improve throughput and deliver seamless multi-modal solutions. Established private operators continue to lead operational improvements, adding capacity at pace while expanding across the logistics value chain through rail networks, MMLPs, warehousing, and CFS/ICDs. Such complementary capabilities reinforce customer retention, broaden wallet share, and enhance profitability, creating a virtuous cycle for incumbents with an expansion+execution track record. Robust financials and strong cash conversion support future expansion without straining the balance sheet, in our view.

We initiate coverage on the Indian ports sector; APSEZ (BUY), JSW Infra (ADD)

We view the Indian ports sector as a key beneficiary of the Indian growth story and prefer incumbents with scalable platforms, history of superior execution, clear growth roadmap, and integrated logistics offerings gradually diversifying the earnings base. We initiate coverage on APSEZ (BUY; TP: Rs1,900) and expect the industry leader to transition into an integrated logistics platform, structurally reducing the cyclicality linked to trade volumes. Brownfield expansions and global port ramp up should keep the growth trajectory elevated without compromising on profitability. As regards JSW Infra (ADD; TP: Rs300), the expansion in group businesses—amply supporting the rapid capacity scale-up and minimizing execution risks—are captured in our current valuations.

Key risks: Slowdown in global trade owing to regulatory uncertainties/geopolitical risks, delays in capacity additions, increase in competitive intensity in the logistics segment.

Anshul Agrawal
anshul.agrawal@emkayglobal.com
+91-22-66121228

Vivek Sethia
vivek.sethia@emkayglobal.com
+91-22 -66121306

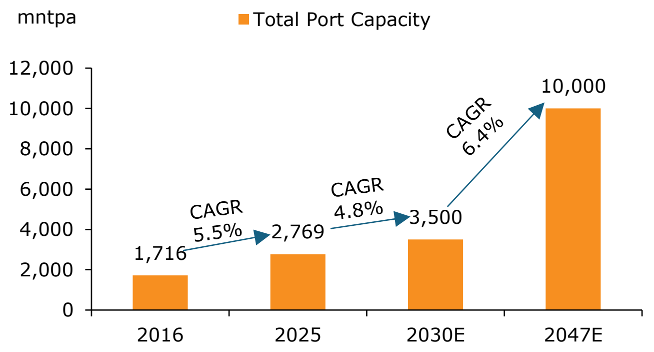
Rating, Target Price and Valuation

	Rating	CMP (Rs)	TP (Rs)	Upside (%)	EV/EBITDA (x) FY27	EV/EBITDA (x) FY28	P/E (x) FY27	P/E (x) FY28	RoE (%) FY27	RoE (%) FY28
Adani Ports	BUY	1,523	1,900	25	14.2	12.3	21.1	18.8	19.5	18.6
JSW Infrastructure	ADD	274	300	9	21.4	14.7	40.3	28.9	10.2	10.6

Source: Company, Emkay Research

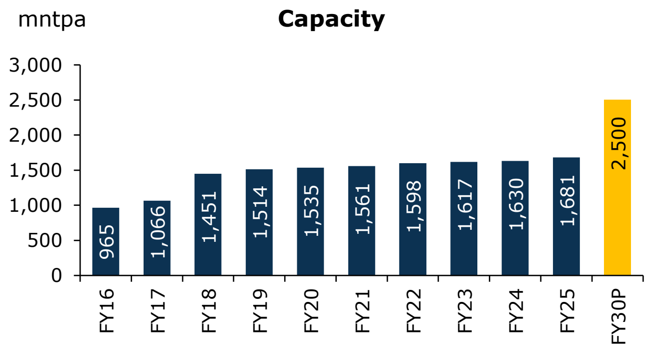
Story in charts

Exhibit 1: Indian maritime capacity to more than triple by CY47, enabling India's trade and development…



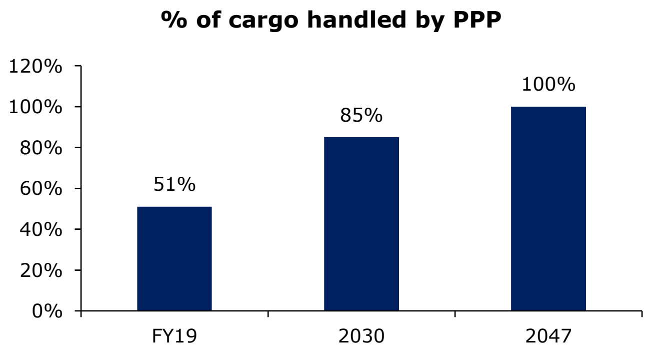
Source: Basic Port Statistics, MIV 2030, Emkay Research

Exhibit 2: …with MIV 2030 target of achieving major ports' capacity of 2.5bntpa



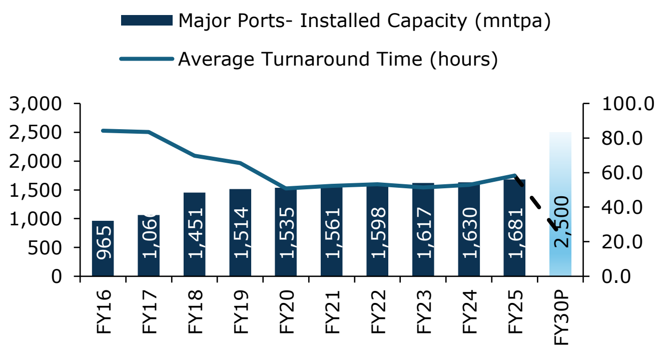
Source: Basic Port Statistics, MIV 2030, Emkay Research

Exhibit 3: The GoI aims to increase privatization at major ports…



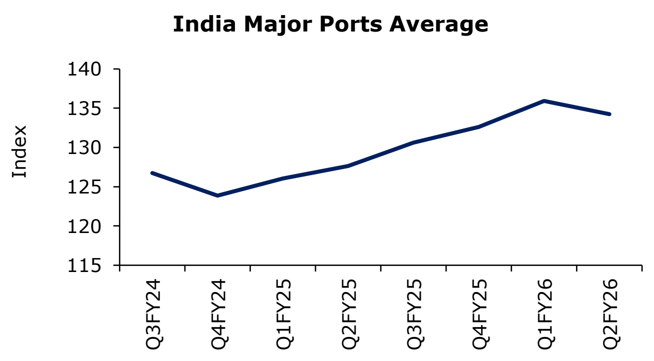
Source: MIV 2030, Emkay Research

Exhibit 4: …in a bid to reduce TAT and enhance cargo throughput



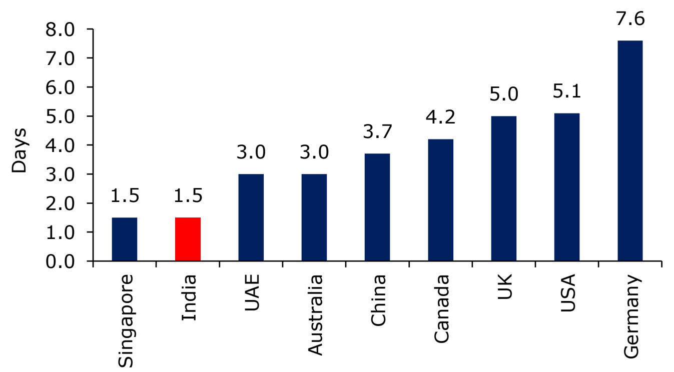
Source: Basic Port Statistics, MIV 2030, Emkay Research

Exhibit 5: Indian major ports currently lag in connectivity…



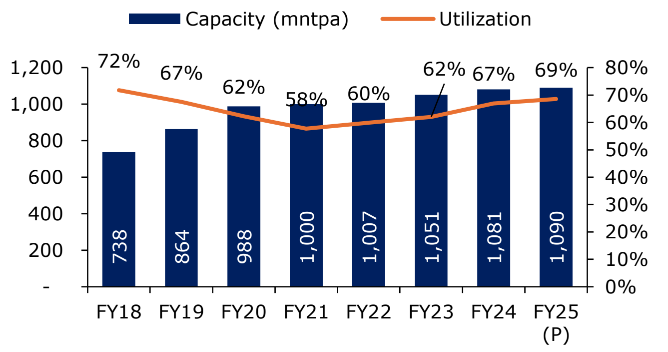
Source: UNCTAD, Emkay Research

Exhibit 6: …but are faring well in productivity on the back of efficient non-major ports



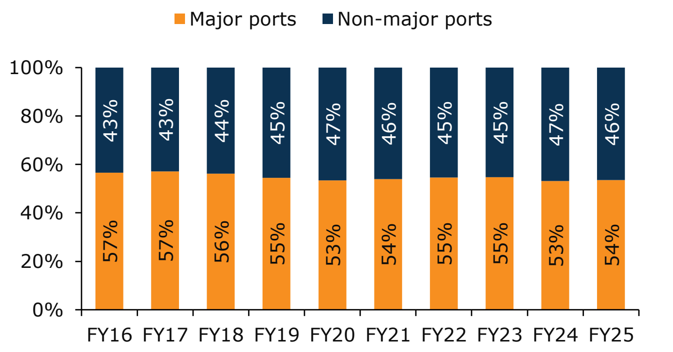
Source: Basic Port Statistics, World Bank, Emkay Research

Exhibit 7: Despite higher utilization owing to efficiencies and modern infrastructure…



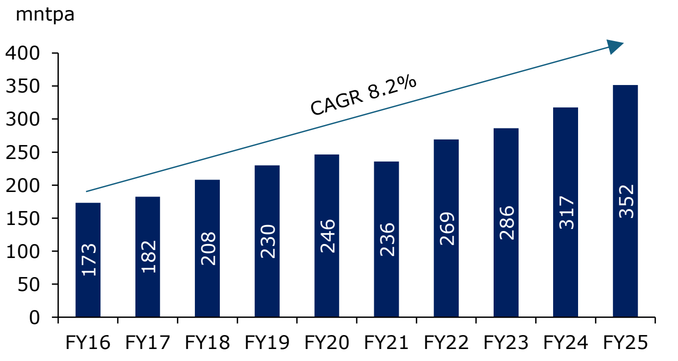
Source: Basic Port Statistics, Emkay Research

Exhibit 8: …the next leg of cargo growth is likely to be driven by non-major ports (private operators)



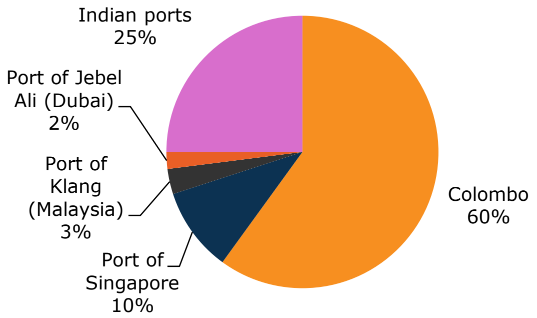
Source: Basic Port Statistics, Emkay Research

Exhibit 9: Containerization of cargo to continue maintaining the previous decade momentum…



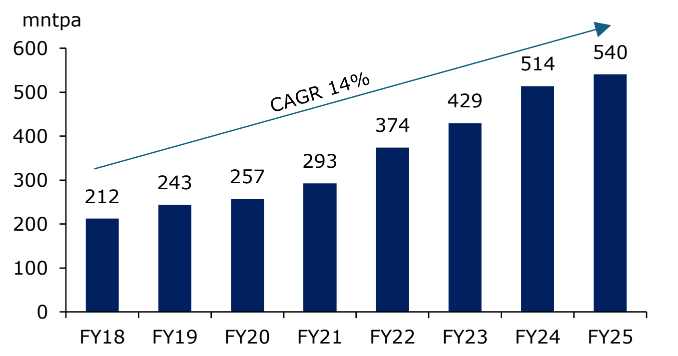
Source: Basic Port Statistics, Emkay Research

Exhibit 10: …with the GoI focusing on recouping India's transshipment volume from foreign ports (currently, foreign ports' share stands at 75%)



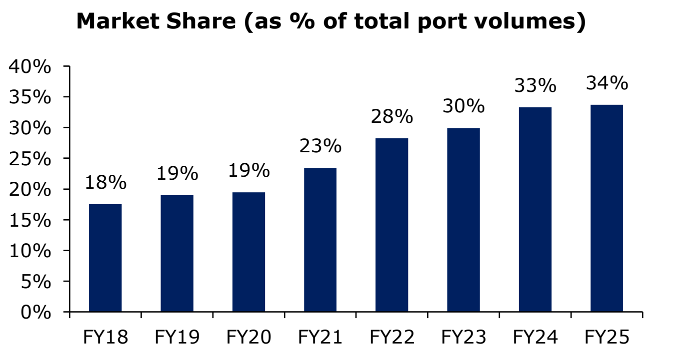
Source: MIV 2030, Emkay Research

Exhibit 11: Incumbents to fortify market share on the back of aggressive capacity expansion…



Source: Company, Emkay Research; Note: Incumbents include APSEZ and JSW Infra

Exhibit 12: …and strong barriers to entry



Source: Company, Basic Port Statistics, Emkay Research

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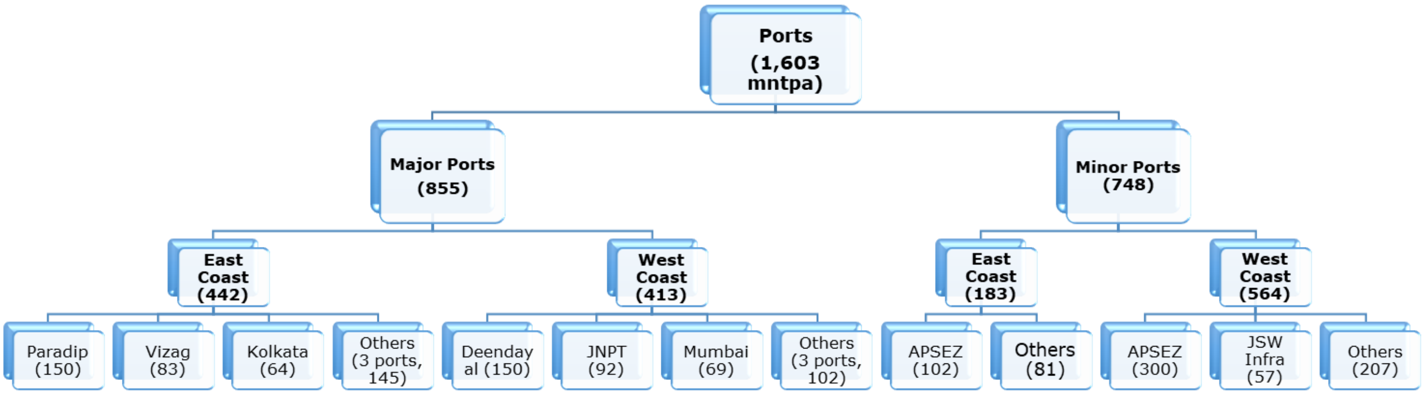
Overview of the Indian Ports sector

The Indian ports sector presents a gateway to participate in the Indian growth story with well-established industry leaders like APSEZ and JSW Infra, providing 1) long-term revenue visibility and adequate cargo diversification; 2) strong barriers to entry (capital and technical) limiting competitive intensity and improving profitability; 3) foray into peripheral segments like logistics, enhancing value proposition and ensuring customer stickiness; and 4) robust financials and cash conversion supporting future expansions without straining balance sheets. GoI focus on enhancement and modernization of port infrastructure to promote efficiency and lower the cost of logistics is expected to result in port capacities more than tripling from the current 2,700mntpa in FY25 to 10,000mntpa by CY47. Buoyed by investments and privatization, Indian ports are now competing on scale and efficiencies (turn-around time; TAT) with global ports, to open future revenue avenues like transshipment cargo and capture the entire value chain by offering integrated logistics solutions.

Exhibit 13: Snapshot of cargo handled at India's ports in FY25



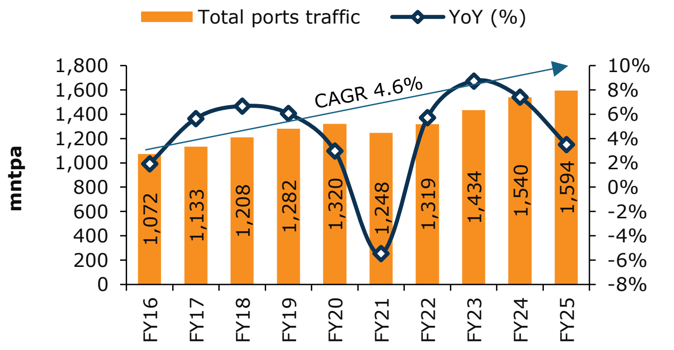
Source: Basic Port Statistics, Emkay Research; Note: APSEZ and JSW Infra – Volumes are only for minor ports (major ports accounted for 27.5mntpa of FY25 domestic volumes for APSEZ, while accounting for 52.2mntpa of FY25 domestic volumes for JSW Infra)

Exhibit 14: Major ports vs non-major ports – A brief overview

Aspect	Major ports	Non-major ports (Minor/Intermediate)
Governance	Central Government (Ministry of Ports, Shipping)	State Governments/State Maritime Boards
Legal Framework	Major Port Authorities Act, 2021	Indian Ports Act, 1908; state-level regulations
Count (FY25)	12	216 (68 active for cargo)
Business Model	Landlord port model: port authority owns land, PPP for berths/terminals. Operations through concession agreements, assets revert to port after term	Often full private ports or state-private joint ventures, with states allowing full port operations on a PPP/BOO basis; more flexibility in land and operations
PPP Participation	Allowed for specific berths/terminals; strict bidding, revenue-share model; major port keeps land/sea assets	PPP/privatization for entire ports or terminals, revenue-share or royalty per ton, sometimes direct nomination basis
Tariff Regulation	Historically regulated by TAMP, now gradually market-based with new guidelines	Market-determined, no central tariff regulator; more flexible pricing
Concession Period	Typically 30 years	Can be up to 40 years, often longer than major ports
Development Focus	Existing terminals, capacity upgrades, efficiency	Greenfield projects, new/private ports, rapid cargo growth
Revenue Model	Revenue share with authorities or fixed royalty, fixed period, central government receives revenue	Revenue share/royalty to state governments; often higher operational freedom

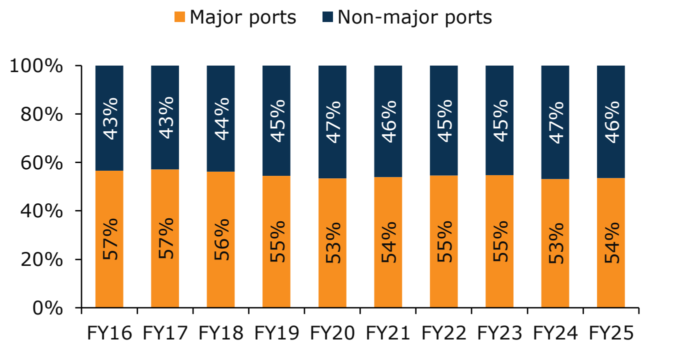
Source: Emkay Research

Exhibit 15: Total traffic (major + non-major ports) CAGR has been steady at 4.6% over the last decade…



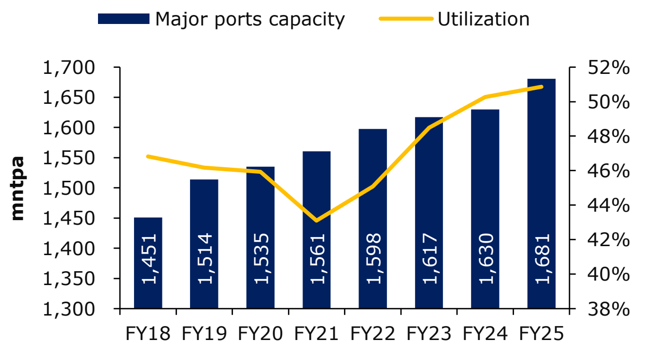
Source: MoPSW, Emkay Research

Exhibit 16: …with non-major ports logging a higher CAGR, of 5.4%



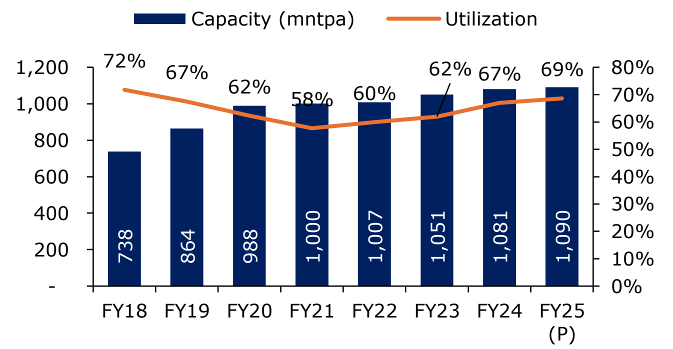
Source: MoPSW, Emkay Research

Exhibit 17: Utilizations continue to inch up at major ports owing to higher demand …



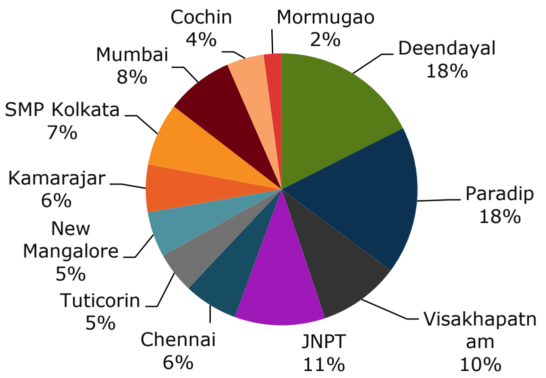
Source: MoPSW, Emkay Research

Exhibit 18: … while non-major ports continue to operate far more efficiently, at ~69% utilization



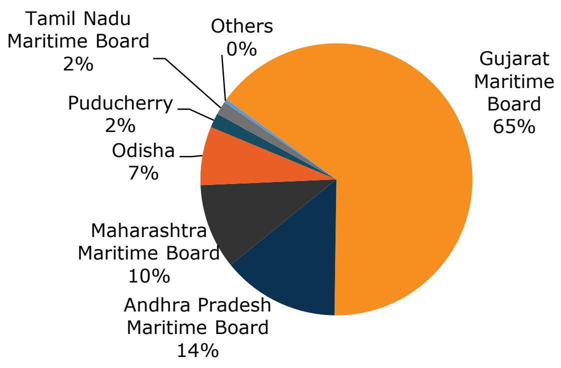
Source: MoPSW, Emkay Research

Exhibit 19: The Deendayal and Paradip ports accounted for 36% of the cargo handled at major ports in FY25



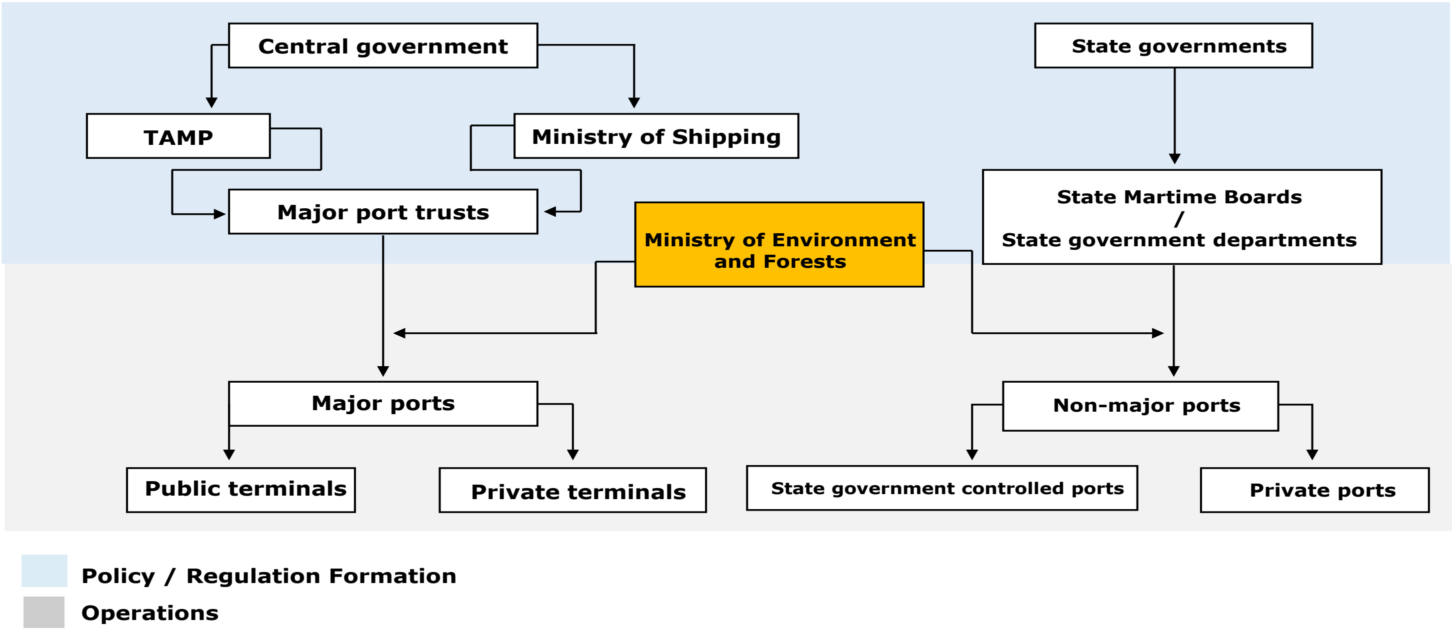
Source: MoPSW, Emkay Research

Exhibit 20: For non-major ports, the Gujarat Maritime Board handled majority of the volume in FY25, followed by Andhra Pradesh and Maharashtra



Source: MoPSW, Emkay Research.

Exhibit 21: Regulatory framework



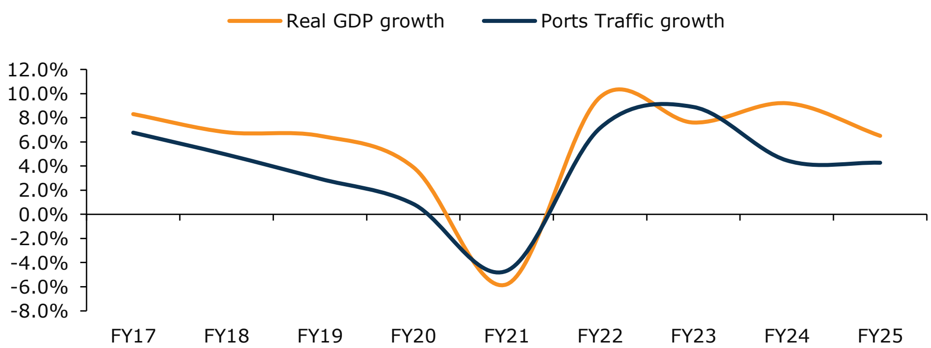
Source: Industry, Emkay Research

Ports: Strategic gateway to trade growth

Ports' infrastructure serves as a cornerstone of commerce, driving both trade efficiency and national economic growth. The sector is presently at an inflection point, uniquely positioned to fulfill the nation's aspiration of becoming a USD10trn economy by CY30. Expansion in capacity, rising operational excellence, and integrated supply chain development are further reinforced by forward-looking regulatory reforms, a surge in private investment, and sweeping advances in digitalization and green technology. Together, these dynamics are creating a particularly strong investment climate, grounded in the consistent growth of domestic and cross-border trade flows.

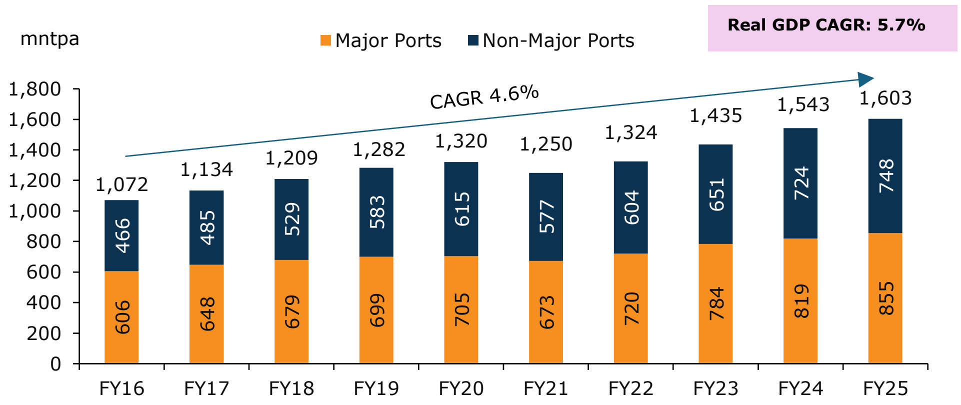
India is the 16th largest maritime country in the world with a coastline of 11,099 km. The country's national waterways extend ~20,275km across 24 states with 111 waterways, serving as vital routes for the import of crude petroleum, iron ore, coal, and other essential goods. Ports in India handle nearly 95% of India's external trade volume (70% by value). Hence, the country's GDP growth is highly correlated with that of the Indian ports traffic.

Exhibit 22: Ports growth linked to India's GDP growth



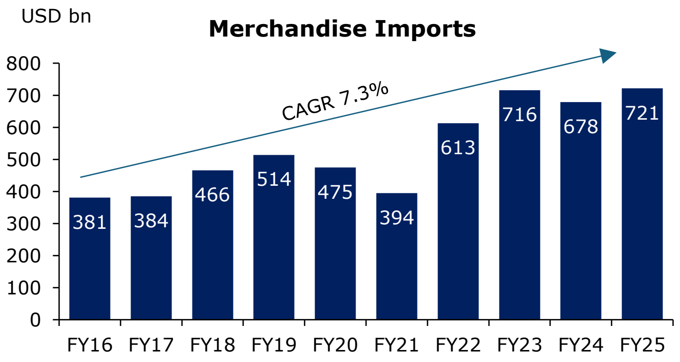
Source: CMIE, MoPSW, Emkay Research

Exhibit 23: Port cargo growth has closely tracked real GDP growth over the last decade



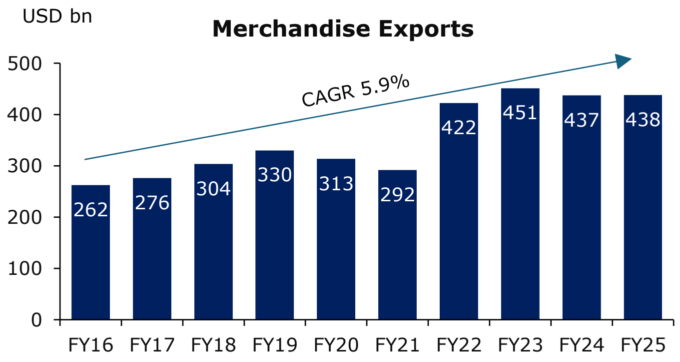
Source: MoPSW, Emkay Research

Exhibit 24: India remains import heavy – imports clocked 7.3% CAGR over FY16-25 period……



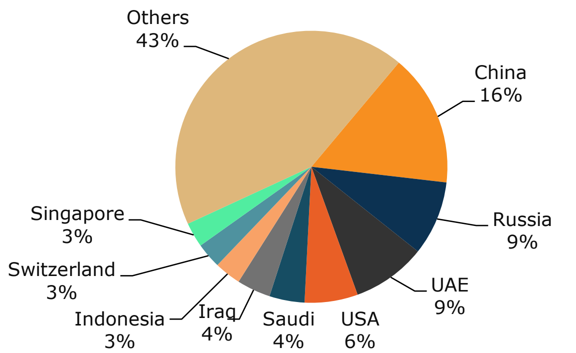
Source: Industry, Emkay Research

Exhibit 25: …while exports CAGR was 5.9% over the same period



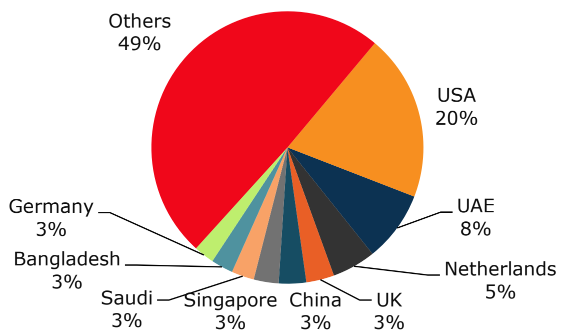
Source: Industry, Emkay Research.

Exhibit 26: FY25 merchandise imports in India predominantly led by China, Russia, Middle East, and USA



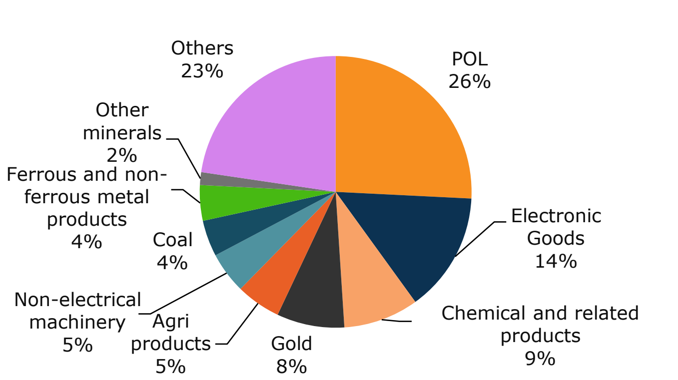
Source: Industry, Emkay Research

Exhibit 27: USA is the major contributor of FY25 merchandise exports from India (value terms)



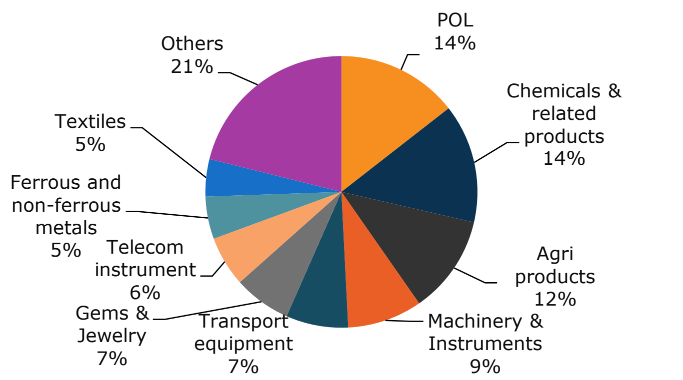
Source: Industry, Emkay Research.

Exhibit 28: Crude, Electrical goods, and Chemicals are key contributors to the FY25 merchandise imports in India



Source: Industry, Emkay Research

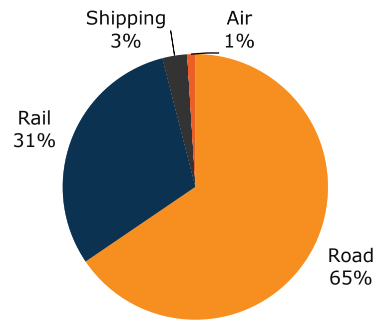
Exhibit 29: POL, Chemicals, and agri products are key contributors to the FY25 merchandise exports from India



Source: Industry, Emkay Research

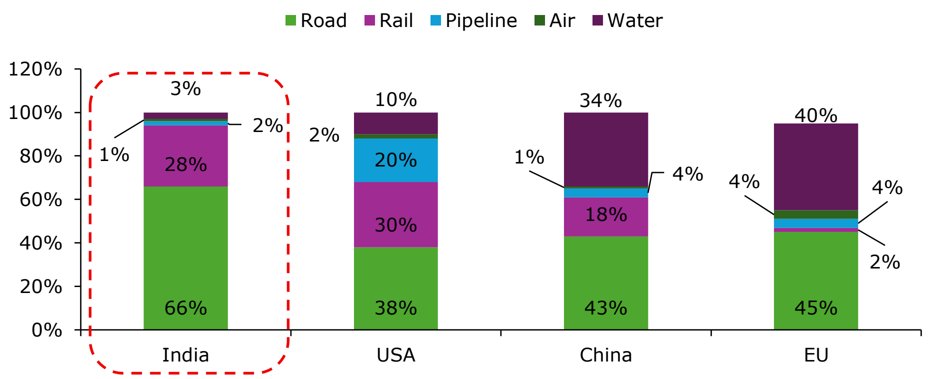
India's logistics sector is currently dominated by **road transport**, **which handles around 65-70% of total freight movement** across the country. This dominance stems from its flexibility, last-mile connectivity, and extensive 6.2mn-km road network that reaches both urban and remote regions. However, it also adds to higher logistics costs and carbon emissions. The government **aims to reduce this imbalance** through multimodal integration, **strengthening railways, inland waterways, and coastal shipping under the National Logistics Policy and PM Gati Shakti framework.**

Exhibit 30: Modal split – Freight movement in India, in CY22



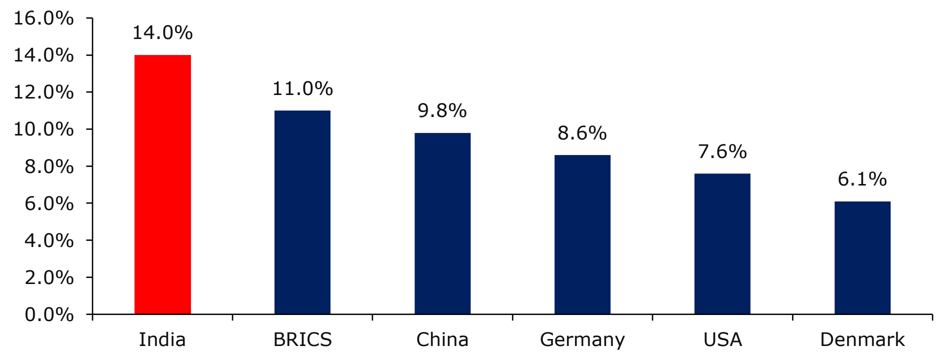
Source: Industry, Emkay Research

Exhibit 31: Share of coastal/inland transport at the lower end for India vs other developed economies, highlighting significant headroom for growth in the waterways segment



Source: National Rail Policy, Niti Aayog, MOR, Industry, Emkay Research

Exhibit 32: India's logistics costs (as a % to GDP) remain one of the highest globally, owing to inefficiencies and heavy reliance on expensive modes of transportation

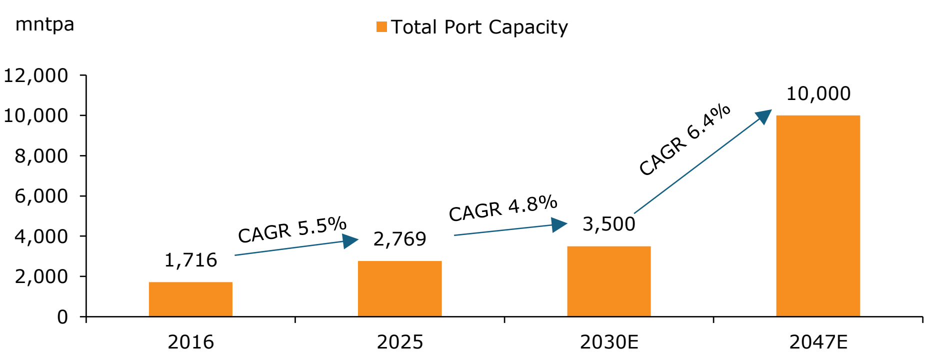


Source: Company, Emkay Research

India's port expansion drive: Accelerating toward 10,000mntpa maritime capacity by CY47

India currently operates **12 major ports** managed by the Central Government and **>200 non-major ports** overseen by state governments, with an aggregate port handling **capacity of ~2,700mntpa** as of FY25. Positioned as a key driver of India's growing trade ambitions, the GoI's rollout of the Sagarmala 2.0 Programme, combined with increasing adoption of public-private partnership (PPP) models, is set to accelerate port capacity expansion significantly. These strategic initiatives aim to **elevate India's total port handling capacity to ~10,000mntpa by CY47**, unlocking tremendous investment opportunities and supporting India's emergence as a global maritime hub. With ongoing modernization, connectivity enhancement, and industrial cluster development, investors can expect robust returns driven by strong government backing, regulatory support, and rapidly increasing cargo volumes in this sector.

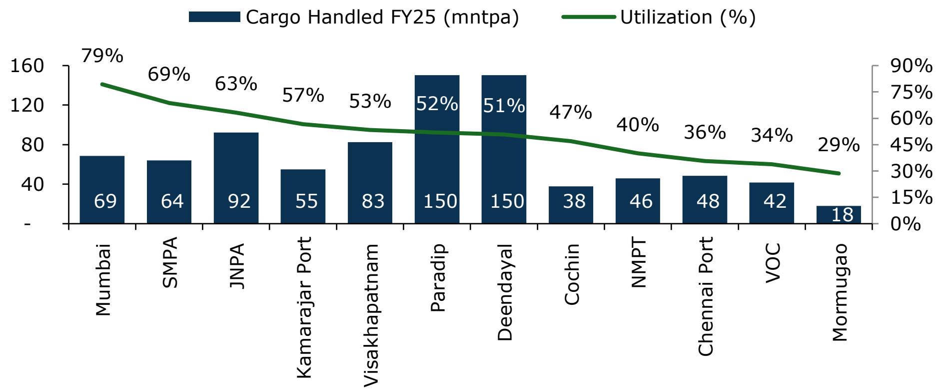
Exhibit 33: Total port capacity expected to grow ~3x to 10bntpa by CY47



Source: Amrit Kaal 2047, Emkay Research

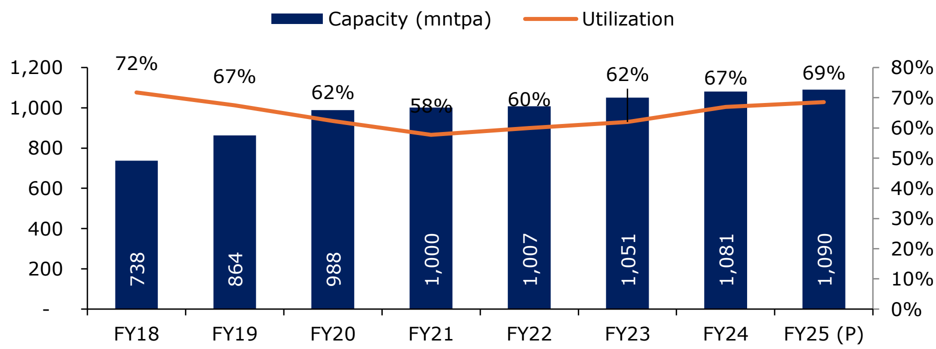
Minor ports have gained strategic importance and now **handle 46% of the total cargo (FY16: 43%)**, mitigating major port congestion and spurring regional trade development. Regulatory tailwinds, including the Indian Ports Act, 2025, have established a modern, transparent governance framework fostering private participation, digitalization, safety, and sustainability best practices. The **rise of e-commerce and digital platforms further amplifies logistics demand**, pushing the sector toward automation, AI, and green technologies. Together, such factors position India's logistics and port sectors as crucial drivers of export growth, job creation, and the country's vision to become a global maritime and trade leader by CY47.

Exhibit 34: Lower throughput % at high traffic ports highlight stretched utilization and prevailing inefficiencies



Source: Basic Port Statistics, Emkay Research

Exhibit 35: Owing to private operators managing non-major ports, the next leg of growth is likely to be driven by these ports despite optimal utilization



Source: Basic Port Statistics, Emkay Research

Major ports earn most of their revenue from port-related activities, including services and royalties from terminal operators, with cargo volumes largely influenced by hinterland consumption and industrial patterns. Ports near industrial hubs in Maharashtra, Goa, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, and mineral-rich states like Chhattisgarh, Jharkhand, and Odisha handle significant cargo traffic. Ports—such as Cochin, Kandla, Mumbai, and Mangalore, in close vicinity to refineries, manage high volume of petroleum, oil, and lubricants (POL), while those near mining regions like Paradip and Mormugao primarily handle coal and iron ore.

Exhibit 36: Key revenue sources for major and non-major ports

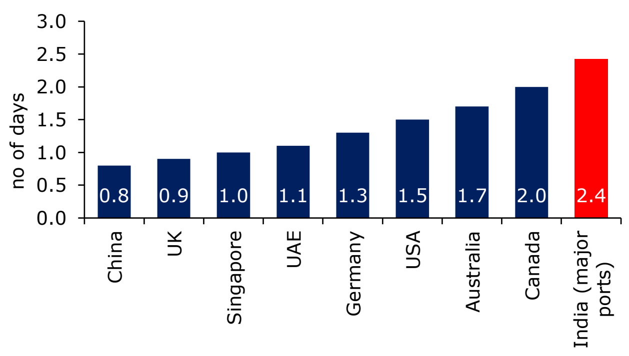
Revenue source	Major ports	Non-major ports
Cargo Handling	Largest share (container, bulk, POL, coal)	Significant but less than major ports
Port/ Vessel Dues	Significant portion due to large vessel traffic	Lower, less emphasis
Land Lease	Important and growing, linked to industrial land	Smaller share
User Fees / Port Charges	Moderate share	Higher share than major ports

Source: Emkay Research

Major ports in India face several challenges, such as:

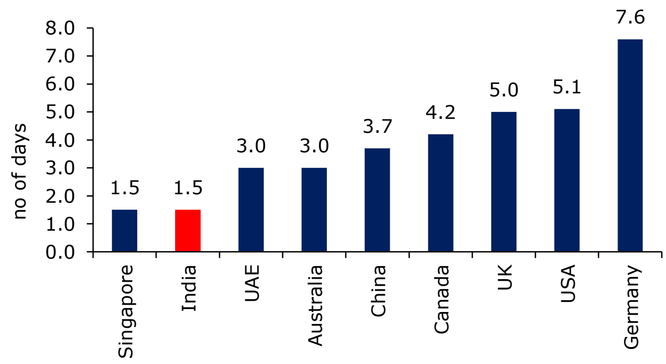
- **Inadequate infrastructure**: Several ports struggle with insufficient modern facilities, congestion, and a lack of sufficient equipment to handle large volumes of cargo efficiently.
- **Poor Hinterland linkages**: Indian ports lack strong connections to their vast hinterlands via rail, road, and inland waterways, thus limiting evacuation capabilities and causing delays and increased costs for moving cargo.
- **Operational Inefficiencies**: Major ports have longer ship turnaround time compared to global benchmarks, leading to a longer wait-time, especially during peak seasons.

Exhibit 37: While India's major ports lag those of global peers in overall TAT…



*Source: Industry, Emkay Research. *Note: India TAT is for major ports*

Exhibit 38: …their dwell time is one of the lowest in the world, implying lesser bottlenecks



Source: Industry, Emkay Research

Sagarmala Programme: Transforming India's ports and maritime sector

The Indian government launched the Sagarmala Program in CY15, to drive port-led development and strengthen the maritime sector with a comprehensive framework laid out in the National Perspective Plan (NPP). The program's vision is to reduce logistics costs for both, international (EXIM) and domestic trade, while ensuring minimal infrastructure investment. Its key focus areas include optimizing transport modes for domestic cargo, lowering bulk commodity logistics costs by developing coastal industrial capacities, boosting export competitiveness through port-based manufacturing clusters, and improving efficiency in EXIM container movement. **Under the Sagarmala initiative, 839 projects worth Rs5.8trn have been identified, of which 272 projects are completed at an investment of Rs1.4trn**. As such, availability of a long coastline with over ~200 minor ports, incumbents like APSEZ and JSW Infra seem well-placed to capture this burgeoning opportunity in the largely unorganized logistics industry in India

Exhibit 39: Projects under the Sagarmala Programme (Mar-25)

Sagarmala - Pillars	Completed		Under Implementation		Under Development		Total	
	No of Projects	Project Costs (Rs bn)	No of Projects	Project Cost (Rs bn)	No of Projects	Project Cost (Rs bn)	No of Projects	Project Cost (Rs bn)
Port Modernization	103	326	56	747	75	1,839	234	2,913
Port Connectivity	92	580	56	680	131	804	279	2,064
Port-led Industrialization	9	459	3	92	2	6.25	14	557
Coastal Community Development	23	20	32	59	26	37	81	116
Coastal Shipping and IWT	45	30	67	48	119	68	231	146
Total	**272**	**1,415**	**214**	**1,627**	**353**	**2,754**	**839**	**5,796**

Source: MoPSW FY25 Annual Report, Emkay Research

Ten Indian ports now feature among the world's top-100, a leap from just three in CY20. Vast investments in connectivity infrastructure, including highways, rail corridors, and logistics parks (along with government incentives), are melding the coastline to the hinterland, accelerating goods movement and boosting trade volumes that have grown at around 4.2% annually in recent years.

Exhibit 40: Infrastructure efficiency – Indian ports demonstrate world-class TAT, ahead of volume growth

Rank	Port Name	Country	CY24 volume (MTEUs)	CY21-24 CAGR
1	Port of Shanghai	China	51.5	3%
2	Port of Singapore	Singapore	41.1	3%
3	Ningbo-Zhoushan Port	China	39.3	8%
4	Port of Shenzhen	China	33.4	5%
5	Qingdao Port	China	30.9	9%
6	Guangzhou Port	China	26.1	3%
7	Busan Port	South Korea	24.4	2%
8	Tianjin Port	China	23.3	5%
9	Jebel Ali Port	UAE	15.5	4%
10	Port Klang	Malaysia	14.7	2%
19	Vishakhapatnam	India	0.6	6%
25	Mundra Port	India	8.2	8%
41	Pipavav	India	0.7	3%
47	Kamarajar	India	0.7	12%
57	Kattupalli	India	0.8	24%
63	Cochin	India	0.8	4%
68	Hazira	India	0.8	7%
71	Krishnapatnam	India	0.0	NM
80	Chennai	India	1.8	4%
96	JNPA	India	7.3	9%

Source: World Bank CPPI 2023, Emkay Research; Note: For Indian ports (except Mundra), volume is for FY25

The growth outlook for India's port sector is positive, with volumes projected to grow 3-6% annually over the next five years, supported by rising imports, declining freight costs, and normalization of global supply chains. **Capacity expansions of 500-550mntpa** are expected to keep pace with traffic growth. Container traffic is expected to grow by double digits, and **transshipment remains a crucial segment**. Both major and non-major ports will play important roles, with non-major ports gaining efficiency through state- and private-sector involvement. This robust blend of rapid capacity growth and smart efficiency measures positions Indian ports as vibrant engines of global trade, strategic manufacturing hubs, and crucial pillars supporting the nation's aspirations to become a USD10trn economy.

Exhibit 41: Maritime India Vision 2030 – Capacity target for Indian ports

Category	KPI metric	Current	Target (2030)
World class Mega ports	No. of Major ports with 300 MTPA+ cargo handling capacity	–	3 ports[1]
	No. of ports with 18m+ draft availability to handle main line calls	5	9 ports[1]
Transshipment hub	% of Indian cargo transshipment handled by Indian ports	25%	>75%
Infrastructure modernization	% of Cargo handled by PPP/Captive/ O&M parties across Major Ports	51%[2]	>85%

1. Vadhavan-JNPT cluster, Paradip, Deendayal (Tuna Tekra) identified as per current estimates
2. Basis all berths data from major ports and IPA's Major ports statistics report 2018-19

Source: MIV 2030, Emkay Research

Exhibit 42: Maritime India Vision 2030 – Operational efficiency targets for Indian ports

Category	Key performance indicators	Unit	FY30 targets
Vessel turnaround	Avg. Panamax turnaround time (TRT)	Hours	36[1]
	Avg. Capesize turnaround time (TRT)	Hours	45[2]
Equipment productivity	Berth productivity – Conv.	Gross MT/day	~25,000
	Coal berth productivity – Panamax (for imports) – Mech.	Gross MT/day	~50,000[3]
	Coal berth productivity – Capesize (for imports) – Mech.	Gross MT/day	~120,000[3]
	Iron ore berth productivity (for exports) –Mech.	Gross MT/day	~44,000[4]
Yard management	Avg. cargo wait time for rake	Hours	Less than 5 hours
Evacuation	Avg. Truck TAT (w.r.t point X-10km out of port)[6]	Hours	Less than 3 hours
	Avg. Rake TAT	Hours	4 to 5

Equipment productivity metrics to be finalized for each port keeping port context in consideration

1. Panamax capable berth handling parcel size of ~55,000 MT. At panamax parcel size, loading time would be ~30 hours. Additional PBD + other non working time = ~6 hours
2. Capesize capable berth handling parcel size of ~66,000 MT. At panamax parcel size, loading time would be ~36 hours. Additional PBD + other non working time = ~9 hours
3. Basis coal berth productivity for best-in-class bulk handling ports such as Port of Houston, Port of Detroit, Richard's Bay, Mundra, etc.
4. Basis iron ore berth productivity for best-in-class bulk handling ports such as Saldanha Bay, Port Elizabeth, and Richards Bay, etc.
5. Truck TAT to be measured from and to Point X (defined as a fixed point 10 Kms outside of port

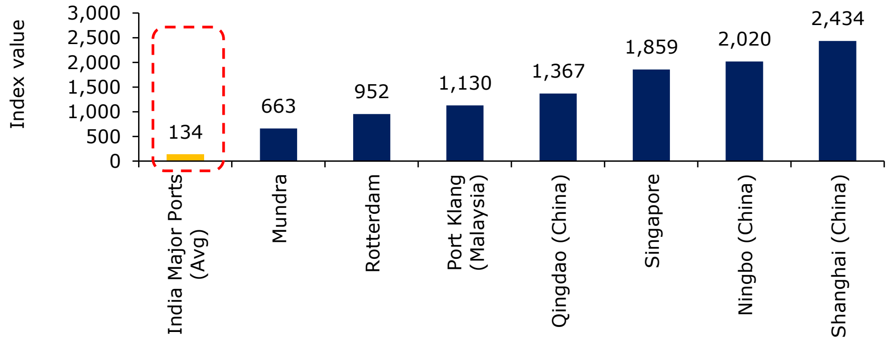
Source: Discussions with Major ports, Expert discussions

Source: MIV 2030, Emkay Research

Exhibit 43: Focus on developing Inland Waterways under MIV 2030

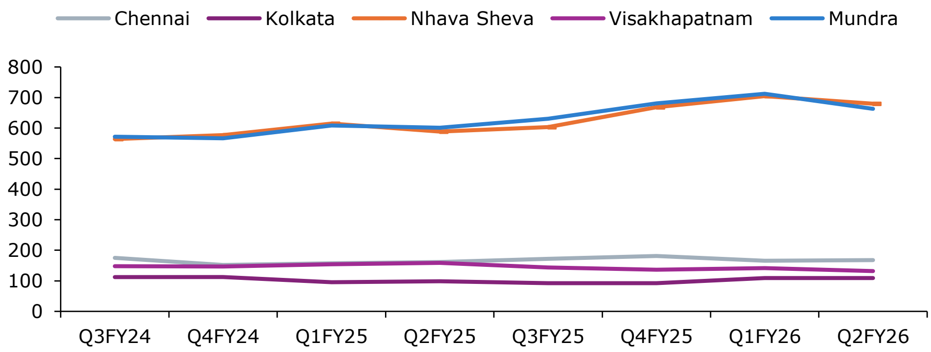
Source: MIV 2030, IWAI, Emkay Research

Exhibit 44: India lies at the bottom tier of the port connectivity index, highlighting the need for better connectivity at major ports in India



Source: UNCTAD, Emkay Research

Exhibit 45: Big ports on the West Coast have better connectivity with global shipping lines compared to other ports in India

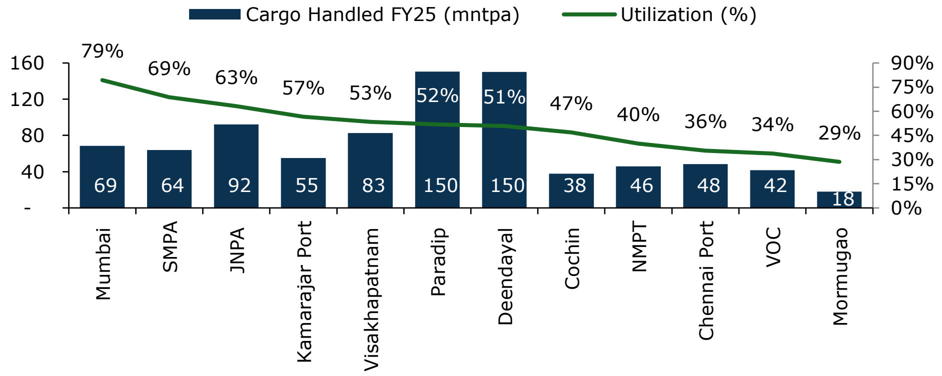


Source: UNCTAD, Emkay Research

Port privatization – An opportunity for private incumbents

Port privatization is vital for India, not only for attracting capital but also bridging the growing efficiency gap between major and minor ports. Major ports—though modernizing rapidly under the Sagarmala and Maritime India Vision 2030 initiatives—still operate under legacy frameworks, leading to slower decision-making, bureaucratic delays, and lower operational agility. Private and state-managed minor ports like Mundra, Krishnapatnam, and Pipavav operate at higher capacity utilization levels (~65%) and achieve turnaround times as low as 10-12 hours, while older major ports often take 20–25 hours for similar operations. This differential performance highlights how privatization fosters agile management, mechanization, and investments in multi-modal connectivity that public systems often lack.

Exhibit 46: Utilization stretched at key major ports, highlighting the need for more efficiently-run non-major ports



Source: Basic Port Statistics, Emkay Research

The government also launched **Sagarmala 2.0**, an upgraded version of the program with Rs400bn investment focusing on shipbuilding, repair, breaking, and recycling, with plans to attract investments of Rs12trn over the next 10 years. It is aligned with the Maritime Amrit Kaal Vision (MAKV 2047), aimed to position India among the top-five shipbuilding nations globally. In FY25, 962acres of land were allocated for port-led industrialization, which is expected to generate ~Rs76bn and attract future investments of Rs688bn. Under the NPP for Sagarmala, six new mega ports are planned to be developed in the country.

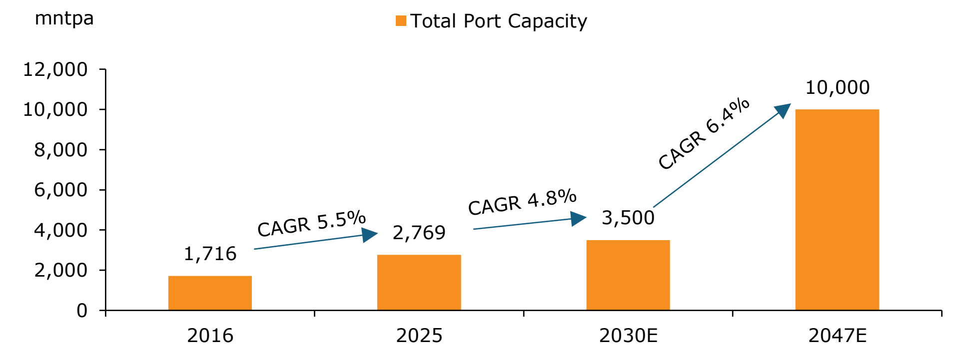
Of the six planned ports under the Sagarmala program, the government has approved two major ports at Vadhavan in Maharashtra and International Container Transshipment Port (ICTP) at Galathea Bay (Andaman and Nicobar Islands). Vadhavan will be the country's first offshore deep-water port capable of handling large container ships and bulky cargo. ICTP is strategically located near the East-West international maritime trade route and close to major transshipment hubs like Singapore, Klang, and Colombo. This positioning elevates its significance in global trade networks and potentially reduces India's reliance on foreign ports for transshipment. Under MIV 2030, **overall cargo capacity at major ports is targeted to increase to 2,500mntpa by CY30.**

Non-major ports are expected to add 100-130mntpa of cargo handling capacity over FY24-28. This growth will be led by key ports, including Vizhinjam, Mundra, Krishnapatnam, Dhamra, Dahej, Gangavaram, and Hazira. Within this expansion, the container segment is projected to dominate tonnage growth, largely driven by terminals at Vizhinjam, Mundra, and Dhamra. This reflects the increasing shift toward containerized cargo and the strategic importance of these non-major ports in supporting India's maritime trade growth and capacity enhancement.

To enable privatization, the GoI has allowed up to **100% FDI** (under the automatic route) for port and harbor construction as well as maintenance projects. It has also facilitated a **10-year tax holiday** to enterprises that develop, maintain, and operate ports, inland waterways, and inland ports.

With the confluence of above-mentioned factors, incumbents like APSEZ and JSW Infra are well-positioned to benefit from privatization and rising integrated logistics demand.

Exhibit 47: Port capacity in India estimated to see 6.4% CAGR till CY47



Source: Amrit Kaal 2047, Emkay Research

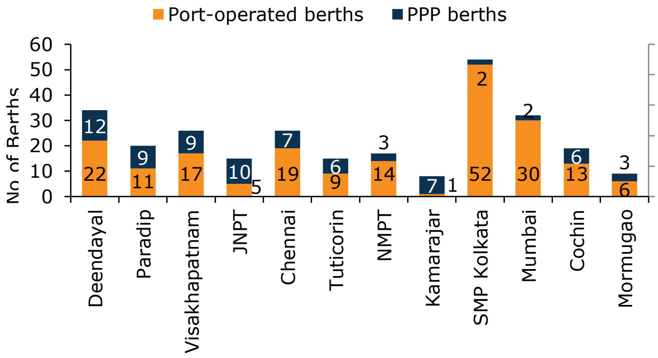
The Ministry of Ports, Shipping, and Waterways (MoPSW) in India has identified PPP as a core strategy for modernizing port facilities, with the GoI's USD82bn investment plan to expand port capacity by CY35, highlighting strong momentum in PPP-led port infrastructure development. Privatization of Indian ports is considered the need of the hour for several crucial reasons:

- **Privatization brings in much-needed investment** and expertise, leading to modern infrastructure development, advanced technology adoption, and improved operational efficiency, which reduces cargo handling times and logistics costs.
- Private sector participation through PPPs **enhances capacity utilization and introduces market-driven transparent tariff policies**, creating a more competitive and business-friendly environment.
- Privatization aligns with recent reforms like the Indian Ports Act, 2025, which **promotes ease of doing business**, digitalization, sustainability, and environmental safeguards in port operations.

The Sagarmala Programme has identified 116 initiatives aimed at **unlocking over 100mntpa** capacity across 12 major ports. These projects include strategic developments like the new Dry Dock at Cochin Shipyard and the Vizhinjam International Deepwater Seaport, India's first dedicated container transshipment port, designed to reduce reliance on foreign ports and boost domestic maritime capabilities.

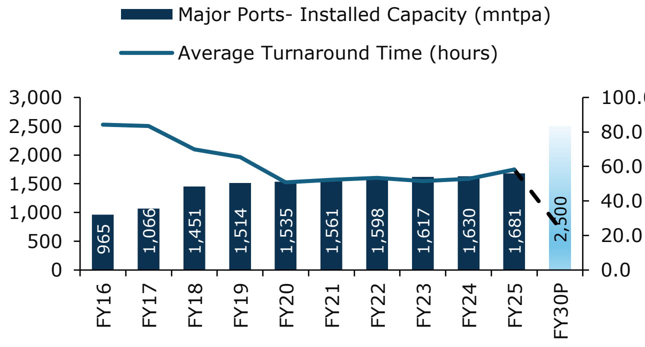
- 46 PPP projects identified for implementation at major ports, worth ~USD7.2bn
- 39 projects operational at a cost of ~USD2.2bn and capacity of ~241mntpa, 32 projects with estimated cost of USD3.9bn, and capacity of ~265mntpa have been awarded and are under implementation
- Private sector involvement has been vital, with investments in public-private partnership (PPP) projects tripling from Rs13.3bn (USD156mn) in FY23 to Rs39.9bn (USD468mn) in FY25

Exhibit 48: Cargo handled at PPP berths at major ports to increase to 85% by CY30 from 51% in FY19…



Source: MIV 2030, Emkay Research

Exhibit 49: …thereby aiding the GoI in bringing efficiencies in ports and reducing TAT to < 1 day within the next 5 years



Source: MoPSW, Emkay Research

Currently, 51% of the cargo handling capacity of major ports is being handled by PPP operators; the **GoI plans to expand this to 85% by CY30**. Privatization of terminals in major ports should aid in building a robust infrastructure, linking major ports to other freight corridors (rail, road, IWDs), and providing operational efficiencies in the form of high output per ship-berth-day and reduced turnaround time. The **GoI targets a TAT of <1 day** by CY30 **for major ports**, bringing it in line with the global TAT standard.

Exhibit 50: Investment-ready Public Private Partnership (PPP) projects

Project Name	Port Name	Project Size (Rs mn)
Development of Concrete Jetty and other facilities for Liquid Cargo handling at Budge Budge, SMP Kolkata on DBFOT basis	Syama Prasad Mookerjee Port Authority	1,740
Development of South Container Berth (SCB) on BOT basis	Paradip Port Authority	4,770
Integrated development of Outer Container Terminal and Berths No.1–5 NSD at KDS, SMP Kolkata on DBFOT basis through PPP mode	Syama Prasad Mookerjee Port Authority	8,458
Development of Container and Coal Berths on DBFOT basis through PPP mode at Balagarh, West Bengal by SMP Kolkata	Syama Prasad Mookerjee Port Authority	4,072
Development of North Dock Complex-3 (NDC-3) Berth for handling Dry Bulk Cargo on Captive Basis	Paradip Port Authority	6,830
Mechanization of South Quay Berth (SQB) on BOT basis	Paradip Port Authority	4,990
Mechanization of Multipurpose Berth (MPB) on BOT basis	Paradip Port Authority	6,310

Source: MoPSW, Emkay Research

Exhibit 51: Future PPP investment pipeline (FY26-31)

Project Name	Port Name	Sector	Proposed Year of Award	Capacity (mntpa or equivalent)	Estimated Project Cost (Rs mn)	Cost per mntpa (Rs mn)
Integrated development of berth no 1-5 NSD and Outer Container Terminal at KDS on DBFOT mode	Syama Prasad Mookerjee Port (SMPA)	Berth	FY26	12	8,322.5	694
Concessioning of berth no 9 through PPP	New Mangalore Port Authority (NMPA)	Berth	FY26	—	4,382.9 (tentative)	NA
Concessioning of berth no 13 through PPP/captive basis	New Mangalore Port Authority (NMPA)	Berth	FY26	2.8	719.8 (tentative)	257
Development of South Container Berth (SCB) on BOT mode	Paradip Port Authority (PPA)	Berth	FY26	200k TEU/year	477.0	NA
Development of New Dock Complex-3 (NDC-3) Berth on Captive Basis	Paradip Port Authority (PPA)	Berth	FY26	12 (Dry Bulk)	6,834.0	570
Outer Harbour Container Terminal Project, including dredging and breakwater at VOC Port (DBFOT)	VO Chidambaranar Port Authority (VoCPA)	Berth	FY26	80	70,559.5	882
Mechanization of CQ-I to SQB and Multipurpose Berths (BOT/Captive)	Paradip Port Authority (PPA)	Berth/ Terminal facilities	FY26	10–18	4,510–9,820	512
Reconstruction of Berth 8 & Mechanization of Berths 7–8 at NSD	SMPA	Berth	FY26	6.1	6,990	1,146
O&M of EQ1–EQ10 & West Quay Berths (PPP)	VPA	Terminal/ Berth	FY26	1–1.84	—	NA
Bulk Terminal on DBFOT mode	Kamarajar Port (KPL)	Berth	FY27	9	5,000	556
Modification of Iron Ore Terminal on DBFOT	KPL	Berth	FY27	12	3,000	250
Container & Coal Berths at Balagarh, WB	SMPA	Berth	FY27	2.7	4,072	1,508
KPD-II Multimodal Terminal at Kolkata Dock System	SMPA	Berth	FY27	DPR stage	3,000	NA
Berths 9 & 10 on DBFOT	SMPA	Berth	FY27	8	6,154.5	769
Outer Container Terminal	SMPA	Berth	FY27	6	9,312.9	1,552
New Dock Complex-4 (NDC-4) Captive	PPA	Berth	FY27	12 (Dry Bulk)	6,834	570
Concession of NSICT post-expiry (UOMT)	JNPA	Container Terminal	FY27	20.5	Pre-DPR	NA
General Cargo Berth-1	KPL	General Cargo Berth	FY27	3	2,210	737
Multipurpose Berth Off Tuna Tekra (BOT)	Deendayal Port Authority (DPA)	Berth	FY28	18.33	15,525.7	847
Development of Berth No 7 Multicargo	VoCPA	Berth	FY28	NA	Pre-DPR	NA
Berth No 9 Development	Mormugao Port Authority (MgPA)	Berth	FY29	—	2,000	NA
SMPA: Integrated Outer Terminal & Mechanization (Berths 1, 3, 14)	SMPA	Berths	FY30	10.4	7,200 / DPR stage	692
Berths 15 & 16 (Multipurpose Cargo)	DPA	Berth	FY30	NA	Pre-DPR	NA
Reconstruction & Liquid Bulk Terminal (Q2–Q3, Mattancherry Wharf)	CoPA	Berth	FY30	—	Pre-DPR	NA
Coastal Cargo Berth at Vasco Bay (DBFOT)	MgPA	Berth	FY31	2	2,000	1,000
Concession of NSIGT post-expiry (UOMT)	JNPA	Container Terminal	FY31	0.8 (10.3)	Pre-DPR	NA

Source: MoPSW, Emkay Research

Commodity outlook

India's demand for key commodities like coking coal, thermal coal, crude oil, and iron ore is strong and growing, driven by **rapid industrialization, urbanization, and infrastructure development**. The growing demand for these bulk commodities **supports increased port throughput for imports and exports**, making ports crucial logistics hubs. Overall, the consistent growth in demand and imports for these commodities will intensify port activity, **necessitating capacity expansion and modernization** to handle increased volume efficiently for sustained industrial growth and supply chain security in India through CY30.

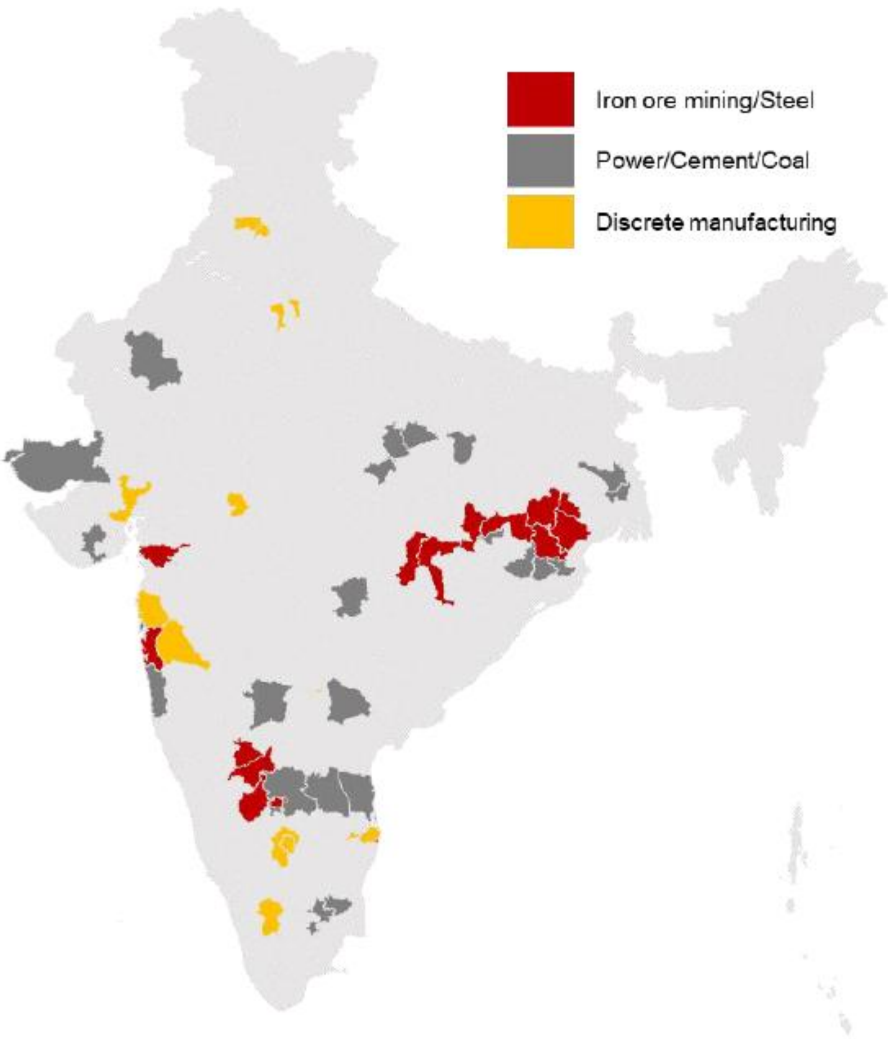
Exhibit 52: Outlook for key commodities

Key Commodities	Current Demand (FY25)	Future Demand (FY30)	CAGR (FY25-30)	Current Scenario	Impact of Port traffic over the last decade	Impact on Port Traffic going forward
Coking Coal Demand (mntpa)	87	135	9.2%	Current demand driven by the expanding steel sector- catered predominantly by imports	Growth led by strong coastal coal demand	Coastal traffic likely to be boosted with domestic consumption- Paradip, Jaigarh, Gopalpur ports key beneficiaries
Thermal Coal Demand (mntpa)	1,128	1,327	3.3%	64% consumed by the power sector. Expected to decline gradually with usage of renewable energy sources.	Imports have witnessed a decline due to GoI push for self-sufficiency	Volume growth will be primarily on the back of RSR adoption
Crude Oil Demand (mbpd)	5.6	6.6	2.8%	85% of demand met via imports. Robust growth expected on the back of rising energy demand	Growth led by imports	Continued imports with rising energy demand
Refined crude capacity (mntpa)	250	310	4.4%	Net exporter of refined crude (~15% of total exports)	Refining capacity expansion has been the primary driver of liquid cargo growth at Indian ports over the last 10 years	With >100% utilization, new capacity (like the HPCL Rajasthan unit) is explicitly designed to enhance export potential. This will increase outbound product tanker traffic
Steel Capacity (mntpa)	200	300	8.4%	Robust steel demand, with government-led infrastructure spending	Steel industry primary driver of port volume for sourcing raw-material requirements, giving a 4x multiplier to port volume	Given the location of mines and plants around coastal lines, coastal shipping is likely to benefit with the growing demand for steel
Iron Ore Production (mntpa)	285	385	5.9%	Iron ore demand driven primarily by growing demand for steel	Iron ore traffic at Indian ports has been highly fluctuating over the last decade, influenced heavily by regulatory changes (mining bans, export duties) and global price trends	To feed steel plants on the west coast (e.g., JSW Steel in Karnataka/Maharashtra) with ore from the iron-rich east coast (Odisha), ports will see increased coastal cargo traffic.

Source: Industry, Emkay Research

While the sector's international cargo segment remains exposed to the cyclicality of global trade, a robust and expanding coastal shipping market offers a natural hedge. This domestic trade is reinforced by favorable government policies such as the Sagarmala Programme, which are designed to enhance coastal logistics. Consequently, this growing domestic component is progressively insulating the overall Indian port volume from the volatility inherent in global trade dynamics, thus creating a more stable and predictable growth trajectory for the sector.

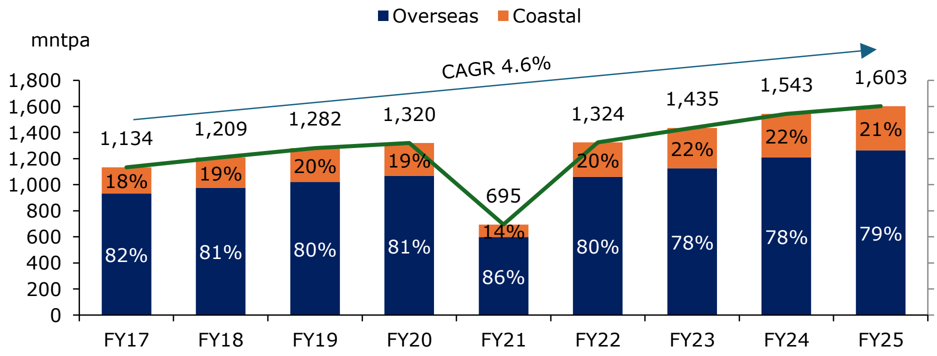
Exhibit 53: Presence of mines and production plants near coastal areas- likely to aid coastal port volumes



Source: JSW Infra RHP, Emkay Research

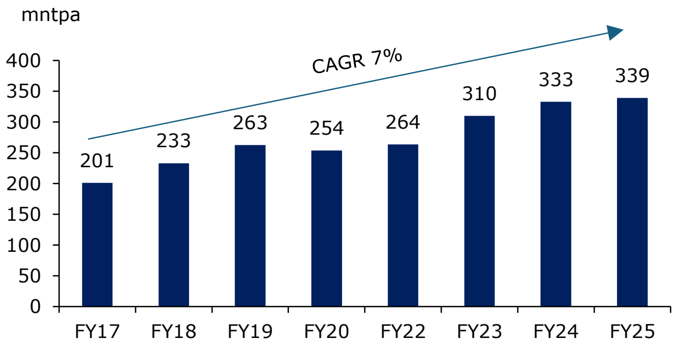
Coastal shipping is being strategically promoted as a cornerstone of India's national logistics plan, leveraging its inherent cost efficiencies and environmental benefits over terrestrial transport. The impetus for this policy is substantially driven by the nation's ambitious coal production targets and sustained domestic demand. For such bulk commodities, maritime transit offers a demonstrably more cost-effective logistics solution compared to road and rail alternatives.

Exhibit 54: Increasing share of coastal volumes from FY22



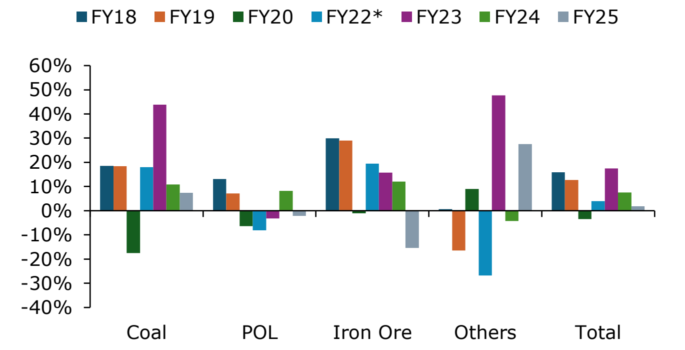
Source: Basic Port Statistics, Emkay Research

Exhibit 55: Coastal port volumes have logged ~7% CAGR over FY17-25, outpacing overall port volume growth...



Source: Basic Port Statistics, Emkay Research

Exhibit 56: ...mainly driven by high growth in coal volumes

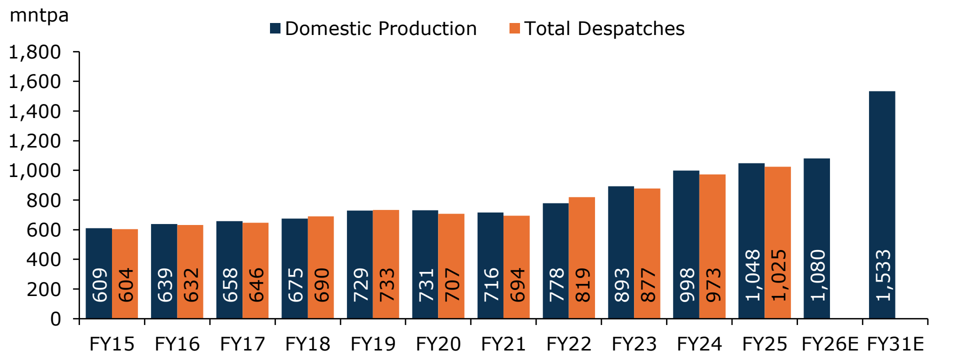


*Source: Basic Port Statistics, Emkay Research; *Note: FY21 impacted majorly due to Covid*

Coal traffic to remain range-bound; coastal coal to drive volumes

The projected rapid growth in overall coal demand in India— rising to ~1.5bnt by FY30, coupled with persistent reliance on crucial coal imports, particularly for specialized non-power sectors— mandates a sustained, high-volume throughput for Indian ports. While domestic supply expansion is significant and much of this coal moves via rail/road, the ports will act as essential infrastructure hubs for handling crucial imported volumes and supporting subsequent domestic coastal movements, ensuring that the tracking of coal demand and energy performance necessitates optimized port operations to meet national energy and industrial requirements.

Exhibit 57: Domestic coal production to grow ~50% to >1.5bnt by FY31, leading to growing dispatches and increasing use of ports



Source: CMIE, Industry, Emkay Research

Historically, dispatches of coal have mirrored the production volumes- and going forward with increasing production of coal we expect the trend for dispatches to continue and provide a fillip to the coastal port volumes.

RSR route as a crucial volume driver for ports and logistics

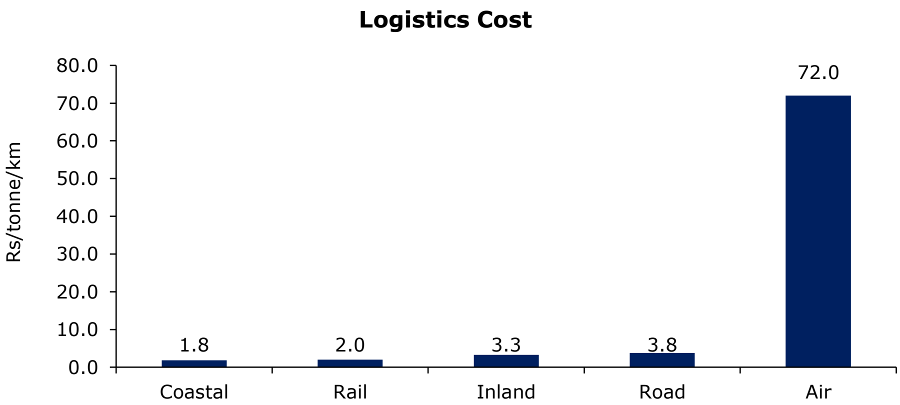
The GoI's push for coastal shipping of domestic coal, specifically the "Rail-Sea-Rail" (RSR) initiative, presents a structural opportunity for JSW Infra, which is positioned to capture this value chain through a "source-to-sink" port network, effectively connecting the coal-rich eastern coast (Odisha) to the demand-heavy southern and western coasts; this would thereby double its volume (loading domestic coal at Paradip and unloading it at Ennore for external clients or at Keni/Jaigarh for its own group's steel and power plants).

Coal India uses the RSR route instead of direct rail transport for several strategic and economic reasons. With ~75% of domestic coal coming from major producing states like Odisha, Chhattisgarh, and Jharkhand, railway infrastructure becomes heavily burdened in the attempt to transport all coal directly by rail. RSR provides an alternative evacuation mode that reduces pressure on congested railway corridors. Along with decongestion, RSR also offers substantial cost-savings per ton for end-users in South India compared to direct rail transport. Coal movement through RSR has surged, from 28mntpa in FY22 to 54mntpa in FY24 (almost doubling in two years). The government has set an ambitious target of

112mntpa by FY30. This growth demonstrates RSR's effectiveness as an alternative to direct rail transport for specific routes, where it provides logistical and economic advantages.

The coastal coal opportunity operates through a well-defined logistics chain where thermal coal from Mahanadi Coalfields in Odisha and other eastern mines is shipped via coastal routes to power generation companies in Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Rajasthan, and Maharashtra. Paradip Port has emerged as India's largest coastal shipping hub, handling 46.1mntpa of coastal thermal coal in FY25, registering strong growth over FY22 levels of 28mntpa

Exhibit 58: Cost for coastal mode: the lowest vs all other modes of cargo transport

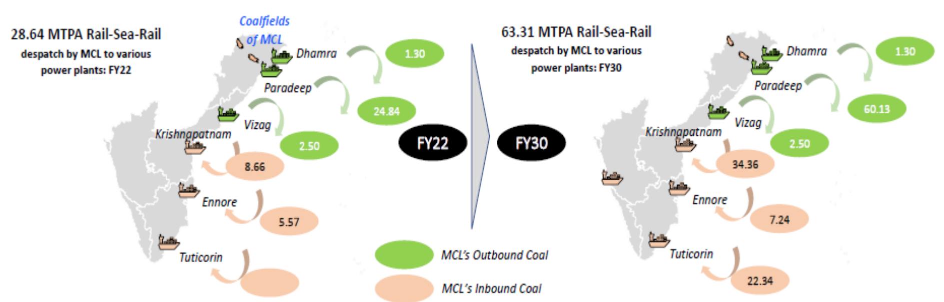


Source: DPIIT, Emkay Research

Existing congested rail networks may not be sufficient to cater to smooth transportation, especially as coal production is expected to grow at ~50% in six years (7% CAGR over FY25-31). RSR is explicitly needed to enjoy the following benefits:

- **Lower Carbon Footprint**: Coastal shipping is significantly more energy-efficient and emits less carbon per tonne-km compared to road or rail transport. Shifting bulk cargo to the sea route directly contributes to India's climate goals.
- **Reducing Rail Congestion**: The traditional All-Rail Route (ARR) faces severe congestion and wagon shortage. RSR bypasses these bottlenecks, ensuring a steady supply of energy resources while freeing up railway capacity for other goods.
- **Cost Efficiency**: While historically expensive due to multiple handling points, the recent policy interventions (like telescopic freight rates) aim to make RSR economically viable, aligning economic logistics with "green" objectives.

Exhibit 59: Coastal shipping traffic from Mahanadi Coal (MCL) to grow 2.2x from FY22 to FY30



Source: Ministry of Coal, Emkay Research

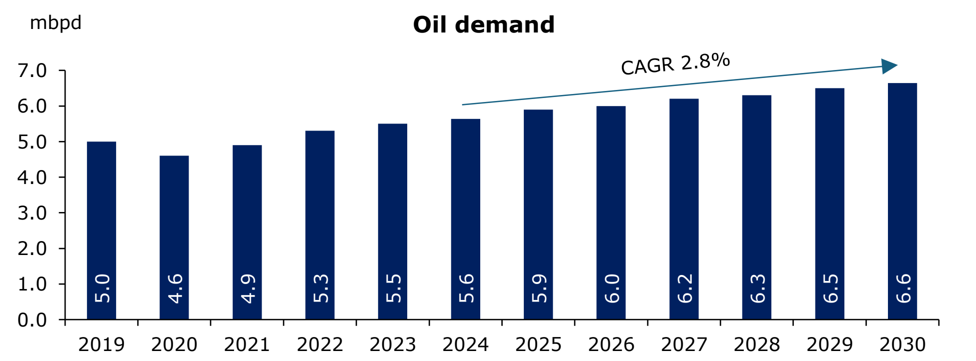
Promotion of the RSR route by the Ministry of Coal is specifically aimed at leveraging ports for efficient and cost-effective logistics. This integrated logistics plan translates directly into guaranteed high-volume coal traffic for coastal ports with an additional lever of growth for their logistics business as well.

- **RSR growth and target**: RSR transportation has already shown significant growth, tripling from 18mntpa in FY20 to 54mntpa in FY24. The projected demand for coal evacuation via the RSR route is 112mntpa by FY30 (FY24-30 CAGR at 13%).
- **RSR demand breakdown (direct port volume)**: This 112mntpa projected volume will be distributed as below:
  - **Southern power plants**: 81-82mntpa is intended for southern power plants. These plants, particularly those in Andhra Pradesh and Tamil Nadu, already transport coal via the Rail-Sea/Rail-Sea-Rail mode, with coal loading primarily at Paradip Port.
  - **Exports**: Around 20mntpa is projected for export to Bangladesh and Sri Lanka by FY30 via the sea route. This coal would be sourced from MCL or non-CIL blocks and transported via Indian ports such as Paradip, Dhamra, or Haldia.

India's robust crude demand to drive future port volume

The sustained growth in India's demand for petroleum, crude, and related products, coupled with strategic investment in refining and logistics infrastructure, establishes a comprehensive story for the significant expansion of liquid bulk volume handled by Indian ports. IEA estimates India consumption to grow to 6.7mbpd by 2030 from 5.6mbpd in 2024- an increase of 1.1mbpd vs the global increase of 3.2mbpd, highlighting India's contribution to the global crude oil demand. This expansion is driven by India's emergence as the primary global engine for oil demand growth and its efforts to leverage port capacity for energy security and industrial output.

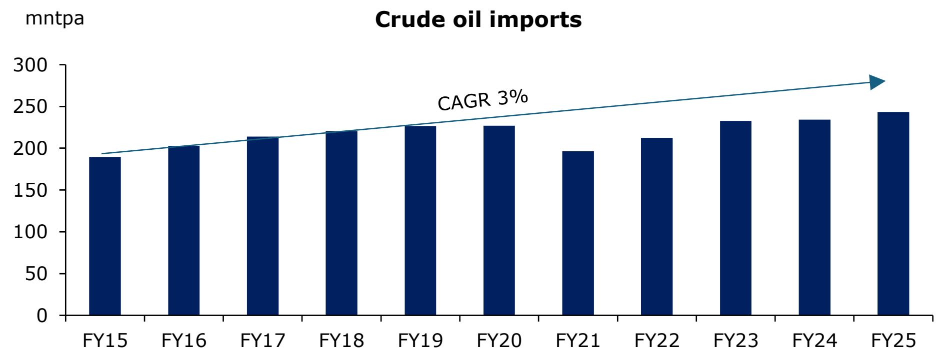
Exhibit 60: Crude oil demand to remain robust over 2024-2030



Source: IEA, Emkay Research

India remains the world's third-largest oil consumer and importer. The disparity between domestic production and consumption has widened, pushing import dependency to record highs. In Dec-24, crude oil imports were reported at 4.8mbpd, while domestic consumption stood at 5.6mbpd. IEA projects that India will add 1.1mbpd to global oil demand by CY30, the largest contribution by any single country. To meet such demand, crude oil imports are expected to rise, from ~4.6mbpd in CY23 to 5.8mbpd by CY30.

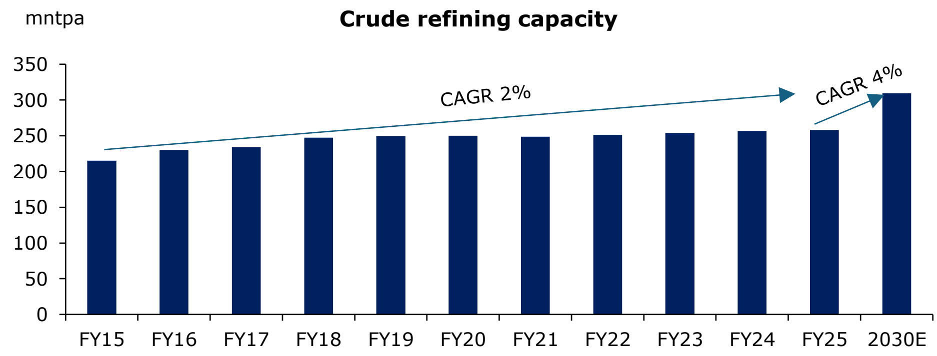
Exhibit 61: Crude oil imports have grown at a consistent rate over the last decade



Source: CMIE, Emkay Research

India has significantly expanded its nameplate refining capacity, from 3.1mbpd in CY06 to 5.8mbpd by CY23, pegging the country as the fourth-largest refiner in the world. Between CY23 and CY30, 1mbpd of new distillation capacity is expected to come online. Net capacity will therefore increase from 5.8mbpd to 6.8mbpd by CY30, with majority of such additions starting by CY26.

Exhibit 62: Given the increasing demand, Indian refiners look to add more capacity going forward

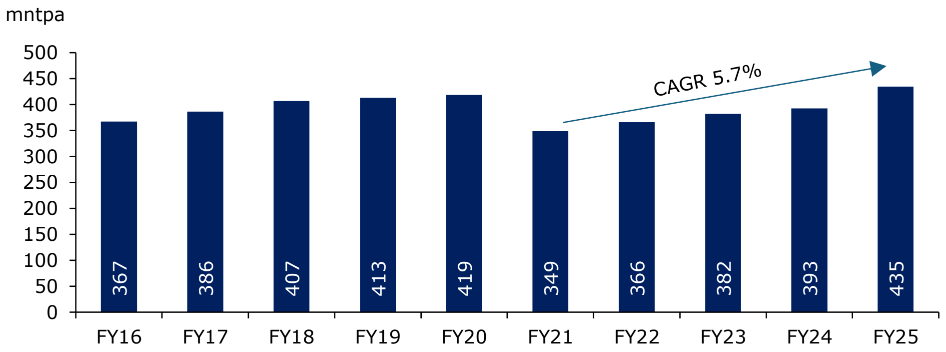


Source: CMIE, Industry, Emkay Research

The fundamental driver for liquid cargo volume at Indian ports is the country's high dependence on imported crude oil, amplified by strong domestic demand growth.

- **Largest source of global oil demand growth**: India is forecast to be the single largest source of global oil demand growth from CY23 to CY30, accounting for more than one-third of global gains, with total oil demand reaching 6.6million barrels per day (mbpd) by CY30.
- **Surging import requirement**: To meet this robust demand, India, already the world's second-largest crude oil net importer, must continuously increase its crude imports. Crude oil imports are projected to rise substantially; this necessity to import a high proportion of the required crude to feed refineries directly translates into guaranteed liquid bulk throughput at coastal ports.
- **Liquid bulk dominance**: Petroleum, oil, and lubricants (POL) constitute the largest share of liquid traffic, accounting for 27% of total cargo handled at Indian ports during FY25.

Exhibit 63: POL cargo volume has seen a steady CAGR of ~6% during FY21-25

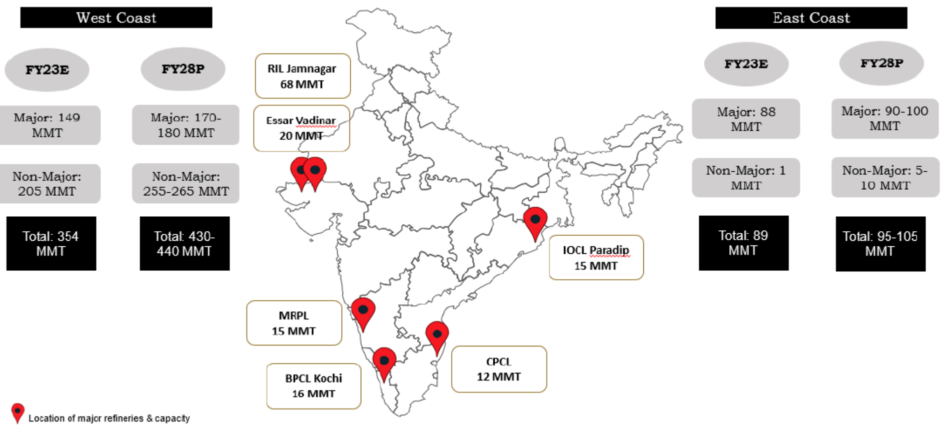


Source: Basic Port Statistics, Emkay Research

POL traffic mainly handled by western ports

For POL, western ports dominate the traffic, with more than 80% of total POL traffic at Indian ports. Western ports' high dependence on POL is mainly owing to connectivity of these ports with 78% of the refining capacity in the country. Moreover, significant exports of petroleum products from these refineries compared to that of eastern ports also contribute to their domination in traffic.

Exhibit 64: POL traffic mainly handled by west coast ports

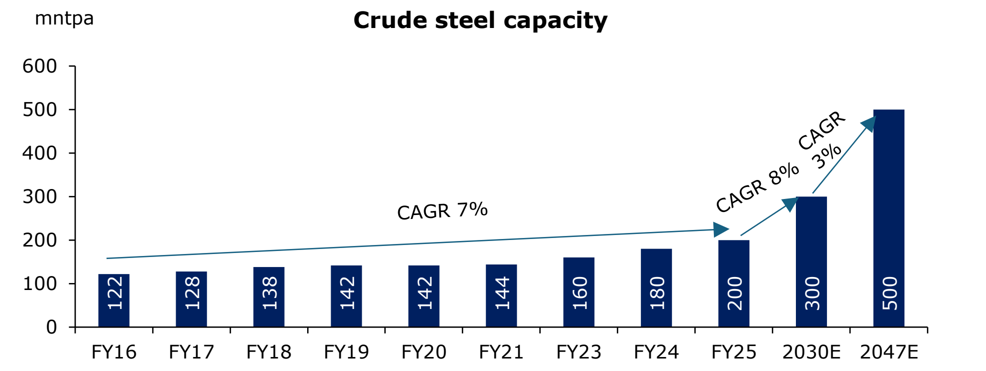


Source: Industry, Emkay Research

Steel demand and usage: The engine of domestic volume

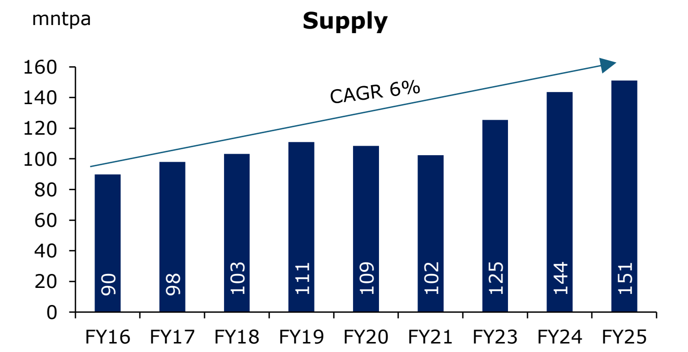
The volume growth for Indian ports is fundamentally driven by the ambitious acceleration of the steel sector toward achieving a 500mntpa capacity target by CY47 which mandates a corresponding surge in cargo throughput. This throughput is generated by three crucial factors: 1) monumental domestic demand for steel, primarily from government-led infrastructure projects; 2) persistent structural reliance on importing key raw materials (coking coal, high-grade iron ore); and 3) the strategic implementation of sophisticated logistics corridors, such as those under the PM GatiShakti National Master Plan (PMGS NMP), which enhance multimodal efficiency and connectivity, thereby maximizing the movement of steel-related freight to and from the maritime gateways.

Exhibit 65: Steel capacity to expand by 8% till CY30, and further to 500mntpa capacity by CY47



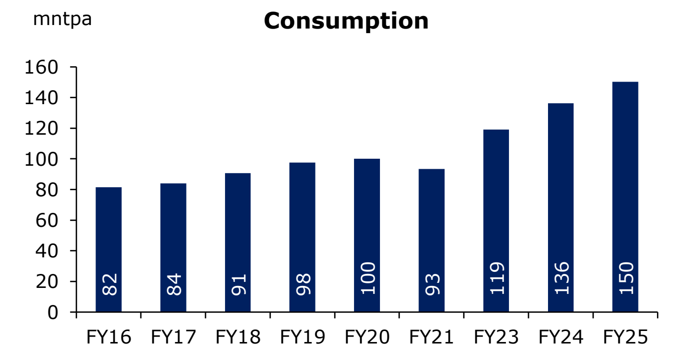
Source: IBEF, Emkay Research

Exhibit 66: Steel supply has grown by 6% over FY16-25…



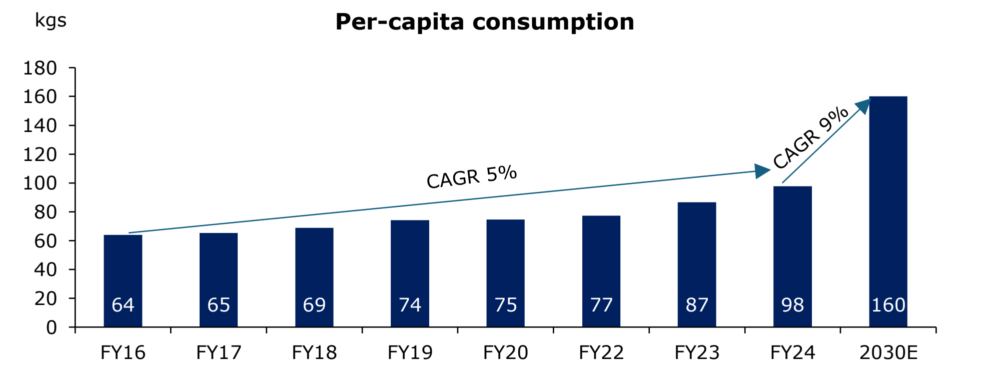
Source: IBEF, Emkay Research

Exhibit 67: …while demand has outpaced supply during the same period



Source: IBEF, Emkay Research

Exhibit 68: GoI plans per-capita consumption of steel to see CAGR of 9% to 160kg by FY30

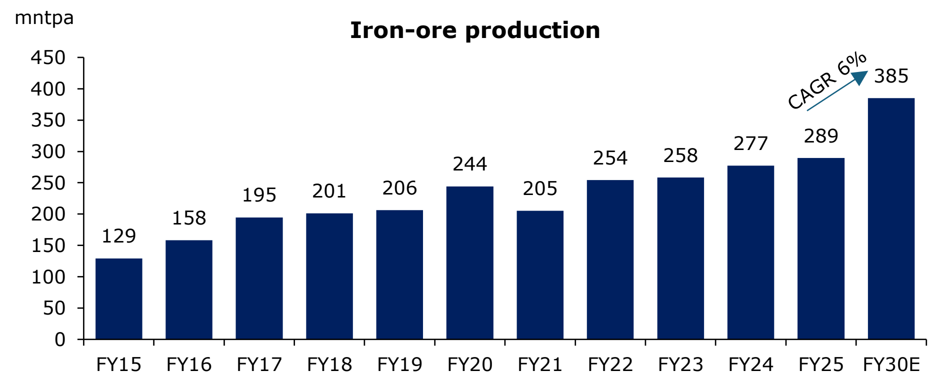


Source: IBEF, Emkay Research

Export and import of raw materials: Securing inbound cargo

India's ambition to increase crude steel capacity to 500mntpa by CY47 means a proportional increase in the demand for raw materials such as coking coal, iron ore, and other raw materials, implying 3x volume throughput at ports to produce 1 tonne of steel, guaranteeing high dry bulk volumes for ports.

Exhibit 69: Increase in steel consumption expected to drive iron-ore production

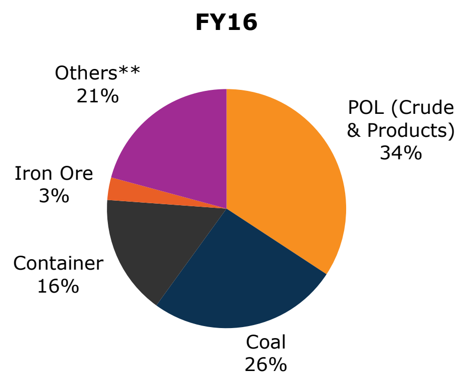


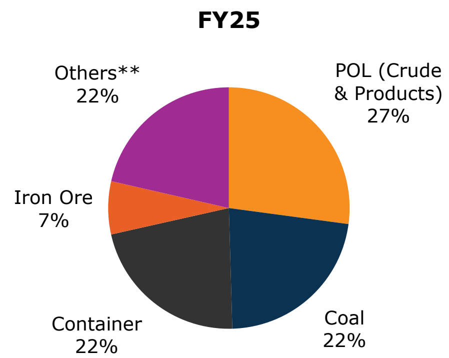
Source: CMIE, Industry, Emkay Research

Containerization: Transshipment opportunities

Containerization at Indian ports has experienced significant growth over the past decade. Container throughput has increased consistently, at 8% CAGR, in container volumes over the past decade, driven by rising import-export trade, enhanced port capacities, and policy reforms focused on trade facilitation. Major ports like JNPT, Mundra, and Chennai lead this growth, supported by substantial investments in port infrastructure, automation, and digital technologies. The Sagarmala initiative and dedicated freight corridors have improved connectivity and operational efficiency. As a percentage of total port traffic in India, containerized cargo represents ~22.6% (193.5mntpa in FY25).

Exhibit 70: Change in commodity traffic mix for Indian ports overall





*Source: Basic Port Statistics, Emkay Research; *Coal includes Coking and Thermal Coal; **Others include Fertilizer and FRM, Building Material, Foodgrain, others*

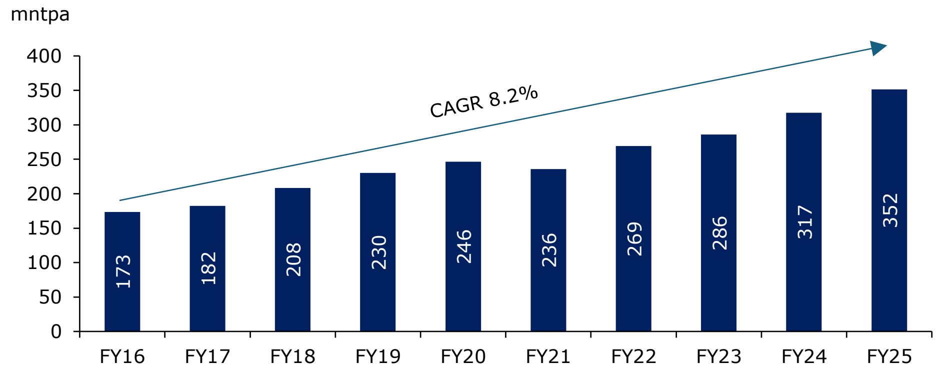
This share is steadily increasing, albeit remains below the global average, with containerization typically accounting for **~45% or more of total port cargo traffic globally**. India's overall cargo profile is still dominated by bulk commodities such as coal, iron ore, petroleum products, and other raw materials, which account for a sizable portion of both overseas and coastal traffic.

The importance of containerization for Indian ports lies in its enabling role for **efficient trade in manufactured goods and consumer products**, crucial for India's expanding export-import economy. Container traffic growth **supports supply chain optimization, reduces cargo handling time, and increases port competitiveness**. Ports like JNPT have set benchmarks by handling 7.3mn TEUs in FY25 (~35% of total container volume, +13.5% YoY), demonstrating containerization's key role in increasing India's integration into global trade networks.

Looking ahead, **container traffic is expected to continue growing at a healthy rate**, spurred by:

- rising EXIM activity
- shift in the global supply chain, with India becoming an alternate manufacturing hub for foreign companies
- boom in e-commerce boosting the India consumption story

Exhibit 71: Container growth has outpaced overall port volumes during the last decade

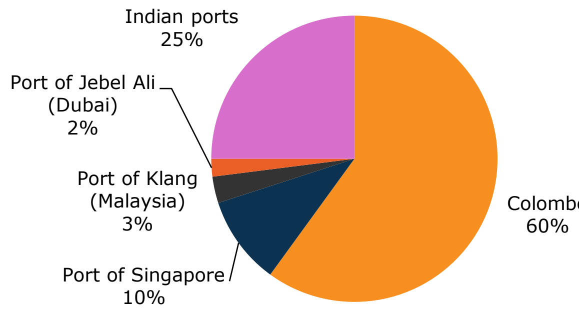


Source: Basic Port Statistics, Emkay Research

Capturing transshipment value in Indian ports

Historically, Indian ports lacked significant transshipment activity, with most cargo transhipped overseas due to limited deep-water port capacity, inadequate infrastructure, and operational inefficiencies. South Indian ports, except Kolkata to some extent, suffered losses compared to international hubs. The government has progressively realized the economic and strategic importance of reducing reliance on foreign transshipment hubs. Currently, about 90% of India's transshipped cargo (~4.2MTEUs) moves through foreign ports like Colombo, Singapore, and Klang, causing an annual revenue loss of ~USD200-220mn for Indian ports.

Exhibit 72: Currently, foreign ports handle 75% of the transshipped cargo, mainly due to geographical proximity and lower tariffs



Source: MIV 2030, Emkay Research

To successfully shift business from established hubs like Colombo, several 'must have' success factors must be implemented within Indian ports:

1. **Develop world-class infrastructure**
   - Deep draft availability: Future mega-ships require drafts of >18m. While current southern ports (Cochin, VO Chidambaranar) have depths of ~14.5m, India must develop ports, such as Vizhinjam and Campbell Bay, with 20m draft potential.
   - Proximity to maritime routes: A successful hub must be close to the main International Suez-Far East trade route. Colombo is only 0.5–1 hour away, whereas most Indian ports are >5 hours away. Developing hubs at Vizhinjam and Campbell Bay would reduce deviation to a competitive 0.5–1 hour.
2. **Ensure economic competitiveness**
   - Cost leadership: To incentivize liners to switch, Indian hubs must be 15-20% cheaper than Colombo. This may require waiving service taxes for the first 5 years and lowering port charges.
   - Anchor clients: The government must actively court major shipping liners to become 'anchor clients', potentially through equity stakes or dedicated terminal agreements, similar to how Malaysia's Port of Tanjung Pelepas attracted Maersk from Singapore.
3. **Leverage gateway cargo**
   - Unlike pure transshipment hubs, India can offer 'assured gateway cargo' (goods actually destined for the local Indian market). Combining transshipment with domestic gateway traffic (estimated at 40-50% of volume) allows liners to optimize vessel utilization, making Indian hubs more attractive than foreign competitors.

Strategic roadmap- Phased development of three key transhipment hubs in southern India:

1. Vizhinjam: Prioritize for immediate development (1-3 years).
2. Kanyakumari region: Develop as a complementary hub (5-8 years).
3. Campbell Bay: Develop to capture traffic on the East-West route (5-8 years).

Competitive landscape

Entry barriers and moats

Entry barriers to the Indian ports sector are notably high due to the capital-intensive nature of port development, long gestation periods, and stringent regulatory requirements. Developing greenfield ports requires massive investments in infrastructure, such as breakwaters, dredging, and hinterland connectivity, often costing billions and taking more than five years to complete. Regulatory hurdles, including requirements for technical expertise and financial capability, limit new entrants, and so the sector is concentrated with only a few experienced players.

- **Capital-intensive development:** Greenfield port projects require significant investments (Rs10-15bn for a 1mn TEU container terminal) for breakwaters, dredging, and connectivity infrastructure. Brownfield expansions also need sizable funding.
- **Long-gestation periods:** Port development involves multiple stages, including project award, concession agreements, marine infrastructure, and hinterland connectivity, often taking over five years, especially for greenfield projects.
- **Regulatory requirements:** New entrants face stringent technical experience, financial capability criteria, and compliance with regulatory frameworks, limiting the number of qualified players.
- **Limited competition:** The port cargo handling sector is dominated by only a few experienced players due to the need for high operational efficiency and expertise, thus presenting an entry barrier to new entrants.

The complexity and expertise needed for efficient cargo handling and port operations acts as a strong moat, further restricting competition. Private players that invest gain from the long concession periods and operational efficiencies such as mechanization, faster turnaround times, and superior logistic connectivity to hinterlands. Such advantages create a substantial competitive moat that helps established private operators like APSEZ and JSW Infra maintain and grow market share. Additionally, the landlord model at major ports facilitates private terminal operators managing assets within government-owned infrastructure, supporting sustained private sector growth while balancing public control.

- **Infrastructure and Connectivity:** Ports with modern facilities (advanced cranes, adequate draft) and strong rail, road, and coastal connectivity attract higher traffic and perform better. Poor connectivity increases logistics costs and traffic-diversion risk.
- **Location:** Proximity to major shipping routes offers a competitive advantage by reducing shipping costs for importers and exporters.
- **Labour productivity:** Skilled labour and digitization improve turnaround time and productivity, which are crucial success factors.
- **Diversification:** Ports handling multiple cargo types withstand market fluctuations better and attract more shipping lines.

Ownership model vs the lease model

India's port sector is moving from a government 'ownership/operation' model to a 'lease/landlord' model, per which the State keeps the land but private players run most terminals with PPP concessions.

The Major Port Authorities Act 2021 aims to shift central government–controlled major ports from a service/ownership model to a landlord model, giving them more autonomy in using port assets and setting tariffs. Government policy is clear that even when PPPs are used, land and waterfront at major ports remain with the Union Government; only specific terminals or berths are given on concession for a fixed period.

India now widely uses PPP formats such as the BOT/DBFOT and the lease-develop-operate formats for port terminals, with most large and medium ports increasingly adopting the landlord approach. The government targets a fairly-high share of cargo at major ports to be handled by PPP operators (~85% by CY30 and ~100% by CY47), while non-major ports under state maritime boards have also actively adopted PPP for development.

Ownership model – The pros and cons

Advantages of the ownership/service model in ports include:

- **Strong public control over tariffs**, safety, labor, and strategic use, which help align port operations with national trade and security priorities.
- Ability to cross-subsidize unprofitable albeit socially important services, and **to invest with a long-term horizon** without depending on private investor returns.

Key disadvantages observed in India are:

- **Capacity constraints, older infrastructure**, and lower equipment levels when public budgets are tight; these have historically limited the competitiveness of several major ports before PPP expansion.
- **Slower decision-making and procurement, and limited commercial flexibility** (for example pre-CY21 tariff control by the Tariff Authority for Major Ports), which made it harder to respond quickly to market conditions.

Lease/landlord model – The pros and cons

For the lease/landlord PPP model, advantages include:

- **Access to private finance and technology**, with operational efficiency gains and risk transfer (construction, demand, and operating risk) to private operators, which has helped modernize Indian ports and expand capacity.
- The state retains strategic ownership of the land and waterfront, while earning lease rentals or revenue share; **PPP has been credited with making Indian ports more competitive and driven job generation.**

Disadvantages and risks:

- **PPP projects can involve higher user charges**, long and complex contracts, and longer, costlier procurement processes, with payment obligations sometimes pushed into the future for the public sector.
- **Contracts are relatively inflexible** and difficult to renegotiate, and the landlord model may work better in high-demand competitive ports than in smaller or low-traffic locations, leading to uneven outcomes.

Market Structure

Owing to the above-mentioned barriers, the port industry remains oligopolistic in nature, thereby limiting the number of port operators in India. Key port and terminal operators in India include APSEZ, JSW Infra, JM Baxi, DP World, PSA International, and APM Terminals. Of these, APSEZ and JSW Infra stand out, owing to the scale they have built while managing multiple ports and terminals efficiently.

APSEZ operates at several non-major ports, including Mundra, Krishnapatnam, Dhamra, Hazira, Gangavaram, Dahej, Kattupalli, and Karaikal, along with terminals at major ports such as Kandla, Mormugao, Ennore, and Vizag. JSW Infra's key managed ports include Dharamtar and Jaigarh in Maharashtra as well as terminals at Mormugao, New Mangalore, Ennore, and Paradip. Other operators like JM Baxi, DP World, PSA International, and APM Terminals mainly run container terminals.

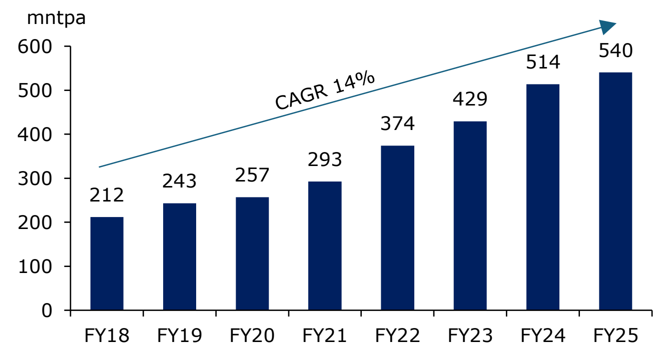
Exhibit 73: Overview of major port operators in India

Company	Capacity	Revenue from operations (Rs bn)	Overall Volume handled	Ports/Terminals	Key commodity groups
APSEZ	633mntpa	227	431mntpa	Ports: Mundra, Hazira, Dahej, Kattupalli, Krishnapatnam, Gangavaram (Acquired in FY22), Dhamra (greenfield port in FY2023) Terminals: Kandla, Mormugao, Ennore, Vizag	Containers, Dry Bulk and Liquid and gas cargo
JSW Infra	177mntpa	38	110mntpa	Ports/Jetties: Dharamtar and Jaigarh Terminals: Mormugao, New Mangalore, Ennore, Paradip	Coal, Iron Ore, Others
JM Baxi	3MTEUs and 7mntpa (FY24)	21	NA	Terminals: Kandla, Vizag, Paradip, Haldia and Rozi Jetty (Jamnagar)	Containers and Dry Bulk
Gujarat Pipavav Port Limited (GPPL)	~1.35MTEUs (container)~5MT (Bulk)~2MT (Liquid)	10	Container- 695k TEUs Bulk+ Liquid- 3.7mntpa	Ports: Gujarat Pipavav (Container, Dry/Liquid Bulk)	Containers, Dry bulk, Liquid cargo
DP World*	~52MTEUs	1,676	~66MTEUs	Terminals: Mundra, JNPT, Cochin, Chennai	Containers
PSA International	~8.2MTEUs	41**	~4.5MTEUs	Terminals: JNPT, Chennai, Tuticorin (PSA and SICAL), Kolkata (PSA International provides O&M services)	Containers

*Source: Company, Industry, Emkay Research; *Note: DP World numbers are global for FY24; **Revenue estimated on USD120 realization/TEU*

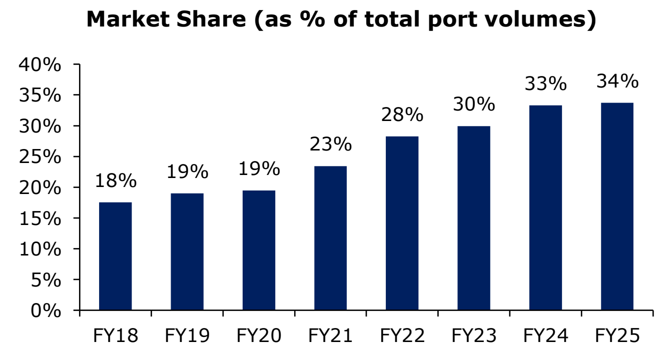
Private players in India's ports sector have been gaining market share, driven by healthy PPP investments and capacity expansions, especially in major ports like Mundra, Hazira, Dahej, and Dhamra. PPP investments at major ports nearly tripled, from Rs13.3bn in FY23 to Rs39.9bn in FY25, indicating strong appetite for private port infrastructure development. Private sector contributions are pivotal in modernizing port facilities, increasing efficiency, and expanding capacity, contributing to steady growth in cargo handling. APSEZ and JSW Infra are two dominant players in the private space, which saw a sharp rise in the overall market share to 36% in FY25 from 14% in FY16 on the back of continued expansions along with eating into the share of major ports.

Exhibit 74: Incumbents to fortify market share on the back of aggressive capacity expansion…



Source: Company, Emkay Research; Note: Incumbents include APSEZ and JSW Infra

Exhibit 75: …and strong barriers to entry



Source: Company, Basic Port Statistics, Emkay Research

Valuations – Supported by strong expansion, robust business model, and government push

The Indian ports sector represents a structural catch-up opportunity, sustaining the aggressive expansion phase, with planned capacity rising to ~10,000mntpa by CY47 from ~2,700mntpa at present, in contrast to largely mature global ports that are constrained by saturated capacity and a low single-digit growth. Alongside this build-out, the operating model is shifting decisively toward private participation, with a growing share of cargo at major ports handled by PPP operators, driving higher efficiency, improved asset utilization, and a stronger throughput performance. The sector is also entering a new phase, in which leading players such as APSEZ and JSW Infra are developing integrated end-to-end logistics platforms that connect ports directly to customer locations, thus deepening control over the value chain and reinforcing competitive moats. India's manufacturing push provides a favorable backdrop for sustained volume growth, margin expansion, and potential valuation re-rating as capacity utilization enhances and market share consolidates among scaled-up private operators.

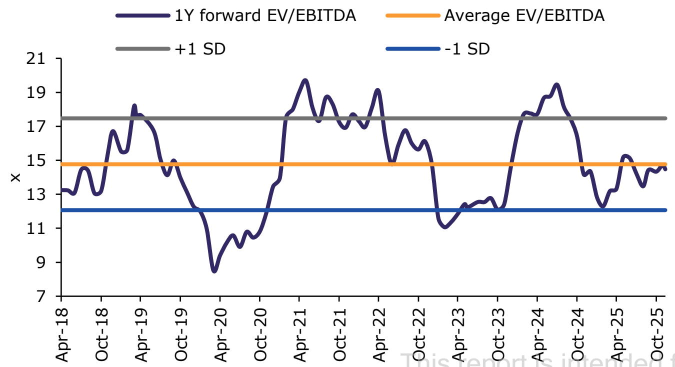
Planned expansion, predictable cash flows, improving earnings visibility, and manageable leverage ratios should support current multiples of our coverage companies.

Strategic advantages for Indian port operators

1. **Huge entry barriers** cushion incumbents from undue pricing pressures. Long concession periods and strategic locations allow visibility and strong moats to capture hinterland traffic, thereby cementing market share.
2. **Scale advantages** allow operators to build a whole ecosystem, especially in minor ports; this helps improve profitability and customer experience, with a superior cargo evacuation profile vs major ports.
3. **Venturing into allied businesses like logistics** will materially enhance customer stickiness as well as delink business models from risks associated with any volatility in global trade in the years to come.
4. **Higher growth and profitability** vs other infrastructure players with comparable return profiles warrant premium valuations, in our view. Demonstration of execution in the logistics segment would further drive the rerating of our coverage companies, as existing balance sheets and robust cash conversion amply support the foray into a much larger available TAM in the logistics industry.

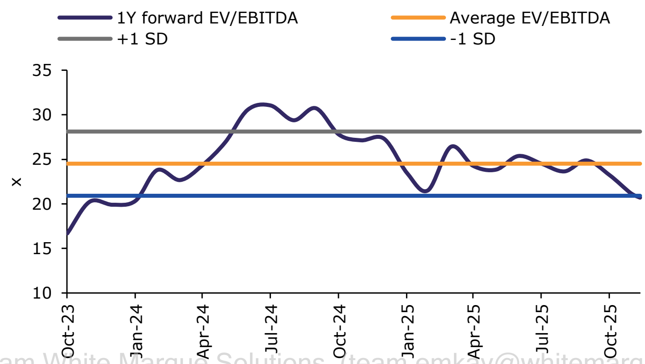
Indian ports sector trades at a premium to Indian infrastructure/global port players, given its higher growth trajectory as well as a wider addressable market on the back of regulatory push toward port privatization. Return profiles, despite significant capacity expansion, remain comparable and robust for ports owing to healthy balance sheets and diversification in allied businesses without hampering profitability.

Exhibit 76: APSEZ currently trades at 1YF LTA EV/EBITDA



Source: Company, Emkay Research

Exhibit 77: Given its brief trading history, JSW Infra's historical valuation bands have limited utility



Source: Company, Emkay Research

Exhibit 78: Global valuation

Company name	Mcap (USD mn)	EV (USD mn)	Net debt (USD mn)	FY25-28E CAGR			EV/EBITDA			PER			RoE		
				Sales	EBITDA	PAT	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Adani Ports	35,992	41,158	5,166	18%	18%	16%	16.3x	14.2x	12.3x	24.9x	21.1x	18.8x	19%	19%	19%
JSW Infra	6,212	6,565	354	26%	24%	14%	24.1x	21.4x	14.7x	37.3x	40.3x	28.9x	15%	10%	11%
Gujarat Pipavav	1,014	902	(111)	12%	13%	14%	12.9x	11.8x	9.7x	20.8x	19.3x	15.8x	20%	21%	25%
India Ports Average				**19%**	**18%**	**15%**	**17.7x**	**15.7x**	**12.2x**	**27.6x**	**26.8x**	**21.1x**	**18%**	**17%**	**18%**
CONCOR	4,269	3,958	(311)	11%	15%	11%	16.8x	14.1x	12.1x	27.0x	22.8x	12.0x	11%	12%	13%
Gateway Distriparks	333	430	97	12%	8%	55%	7.9x	7.2x	6.6x	11.8x	10.3x	9.5x	11%	12%	12%
Transport Corporation of India	893	892	(1)	56%	58%	90%	15.8x	14.0x	4.4x	17.4x	15.5x	13.6x	19%	18%	17%
India Logistics Average				**26%**	**27%**	**52%**	**13.5x**	**11.7x**	**7.7x**	**18.7x**	**16.2x**	**11.7x**	**14%**	**14%**	**14%**
GMR Airports	11,482	15,396	3,914	25%	23%	NM	24.5x	21.3x	18.2x	NM	NM	NM	NM	NM	NM
IRB Infrastructure	2,795	4,694	1,898	9%	16%	-38%	10.8x	9.8x	9.2x	21.6x	18.2x	16.5x	6%	6%	7%
Powergrid	27,284	40,684	13,400	8%	7%	6%	9.2x	8.6x	8.0x	15.7x	14.6x	14.0x	17%	16%	16%
ITD Cementation	1,575	1,603	29	22%	24%	36%	13.5x	10.4x	8.7x	25.6x	18.6x	15.1x	26%	28%	26%
GR Infraprojects	1,083	1,500	416	11%	9%	7%	11.1x	9.2x	8.1x	12.8x	11.1x	10.0x	9%	10%	10%
India Infrastructure Average				**15%**	**16%**	**3%**	**13.8x**	**11.9x**	**10.4x**	**18.9x**	**15.6x**	**13.9x**	**14%**	**15%**	**15%**
Shanghai International	18,308	22,417	4,110	3%	11%	0%	9.5x	9.2x	NA	9.3x	9.1x	NA	9%	9%	NA
China Merchants Port Holding Int	8,599	13,307	4,708	5%	2%	2%	13.8x	13.2x	13.1x	9.2x	8.6x	NA	7%	7%	7%
Port of Tauranga	2,971	3,270	299	10%	14%	18%	21.4x	19.1x	17.7x	34.6x	30.7x	28.4x	6%	7%	8%
International Container Terminal	20,823	24,373	3,550	11%	12%	15%	10.8x	9.9x	9.7x	19.0x	16.7x	15.6x	52%	48%	43%
Westports Holdings Bhd	4,726	4,834	108	9%	11%	11%	11.1x	10.4x	9.9x	17.6x	16.5x	16.1x	26%	25%	29%
Global Ports/Logistics Average				**8%**	**10%**	**9%**	**13.3x**	**12.4x**	**12.6x**	**17.9x**	**16.3x**	**20.0x**	**20%**	**19%**	**22%**

Source: Company, Bloomberg, Emkay Research; Note: Market data as on 11-Dec-25; For international companies, FY25/26/27/28 stands for CY24/25/26/27

BUY

Adani Ports

Beyond ports – Anchoring entire supply chain; initiate with BUY

Logistics ▸ Initiating Coverage ▸ **December 15, 2025**

CMP (Rs): 1,523 | TP (Rs): 1,900

We initiate coverage on Adani Ports and SEZ (APSEZ) with BUY and SoTP-based Dec-26E TP of 1,900, implying 15x EV/EBITDA (25% upside). APSEZ's unmatched execution capabilities and disciplined capital allocation have enabled it to deliver >2x industry growth across cycles, while maintaining best-in-class profitability and cash conversion (consistent OCF-to-EBITDA of >85%). We believe APSEZ's transition from a port operator to an integrated logistics and global infrastructure platform structurally reduces the cyclicality linked to trade volumes. With visible earnings traction, improving leverage (FY28E net debt-to-EBITDA: 1.3x), and strong return ratios (FY28E RoCE: 16%), we expect revenue/EBITDA/PAT CAGR of 18%/18%/16% over FY25-28E and view APSEZ as a core structural compounder in India's infrastructure/logistics space.

Ports: Foundation stones; Logistics: Connecting port to door

APSEZ is the undisputed leader in India's ports sector, having consistently outpaced industry growth (2x CAGR over FY19-25, ex-acquisitions) on the back of superior execution and operational excellence. Investments in automation and digital infrastructure have enhanced evacuation efficiency, driving turnaround times that rank among the best globally and underpin its industry-leading margins. While ports are leveraging their strategic location advantage to attract cargo, APSEZ's logistics arm embeds it deeper into customer supply chains, thus strengthening relationships and expanding wallet share. This integrated model enables volume growth without price aggression, as logistics offerings create a complementary value proposition that reinforces customer stickiness.

'String of pearls': Expanding global footprint

The management aims to position APSEZ as the world's largest integrated port operator by CY30, replicating its domestic success on the global stage. APSEZ's entry into strategic foreign assets such as Haifa, coupled with its dominant India network and integrated logistics platform (via Marine), strengthens its proposition along the IMEC trade corridor. The company is set to scale up other foreign assets (Australia, Colombo, Africa) on the back of long-term 'take or pay' contracts, location advantage for transshipment cargo, and a proven execution track record, thereby solidifying its international presence.

Predictable cash flows; improving earnings visibility set to drive a re-rating

With OCF-to-EBITDA consistently above 85% and the inorganic investment phase now behind, APSEZ offers strong cash flow predictability over the next 4-5 years. Expansion in allied businesses like logistics, marine, and international ports can be supported by internal accruals in our view, and enable deleveraging (from existing net debt-to-EBITDA of 2.2x). A stable return profile and a gradually diversifying earnings base—less reliant on core port volumes—should support multiple re-ratings. Consistent delivery against management guidance further enhances earnings visibility.

Key risks: An adverse event at the group level (leverage, regulatory scrutiny), trade uncertainties triggered by evolving geopolitical risks, rising competitive intensity in the logistics business.

Adani Ports: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	267,106	304,753	378,565	439,035	501,173
EBITDA	157,511	181,404	225,053	259,241	298,831
Adj. PAT	81,040	110,922	131,853	156,210	175,059
Adj. EPS (Rs)	38.4	51.3	61.0	72.3	81.0
EBITDA margin (%)	59.0	59.5	59.4	59.0	59.6
EBITDA growth (%)	43.9	15.2	24.1	15.2	15.3
Adj. EPS growth (%)	50.3	33.8	18.9	18.5	12.1
RoE (%)	16.5	19.2	19.4	19.5	18.6
RoIC (%)	12.6	13.7	15.2	16.6	16.5
P/E (x)	39.7	29.7	24.9	21.1	18.8
EV/EBITDA (x)	22.9	20.3	16.3	14.2	12.3
P/B (x)	6.1	5.3	4.5	3.8	3.2
FCFF yield (%)	0.6	0.3	1.3	3.3	(1.3)

Source: Company, Emkay Research

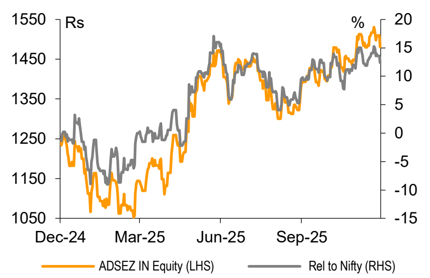
Target Price – 12M	Dec-26
Change in TP (%)	**NA**
Current Reco.	BUY
Previous Reco.	NA
Upside/(Downside) (%)	24.8

Stock Data	ADSEZ IN
52-week High (Rs)	1,549
52-week Low (Rs)	1,011
Shares outstanding (mn)	2,160.1
Market-cap (Rs bn)	3,289
Market-cap (USD mn)	36,380
Net-debt, FY26E (Rs mn)	379,855.0
ADTV-3M (mn shares)	2.3
ADTV-3M (Rs mn)	3,451.2
ADTV-3M (USD mn)	38.2
Free float (%)	34.1
Nifty-50	26,046.9
INR/USD	90.4
Shareholding,Sep-25	
Promoters (%)	65.9
FPIs/MFs (%)	13.6/15.0

Price Performance

(%)	1M	3M	12M
Absolute	1.1	9.3	22.4
Rel. to Nifty	0.4	5.4	15.4

1-Year share price trend (Rs)

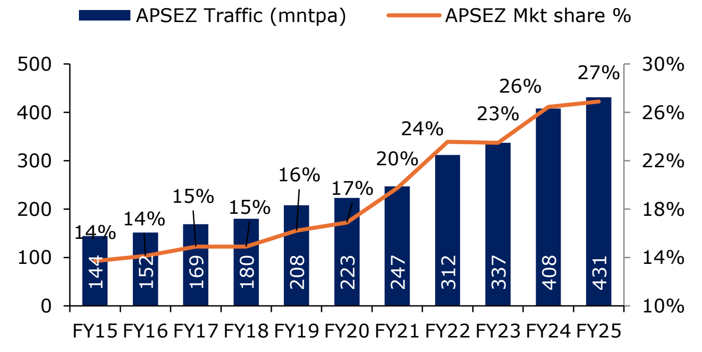


Anshul Agrawal
anshul.agrawal@emkayglobal.com
+91-22-66121228

Vivek Sethia
vivek.sethia@emkayglobal.com
+91-22 -66121306

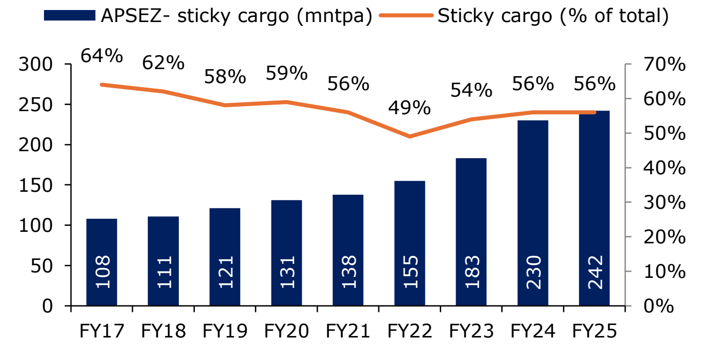
Story in charts

Exhibit 79: Strong execution leading to market share doubling over the past decade



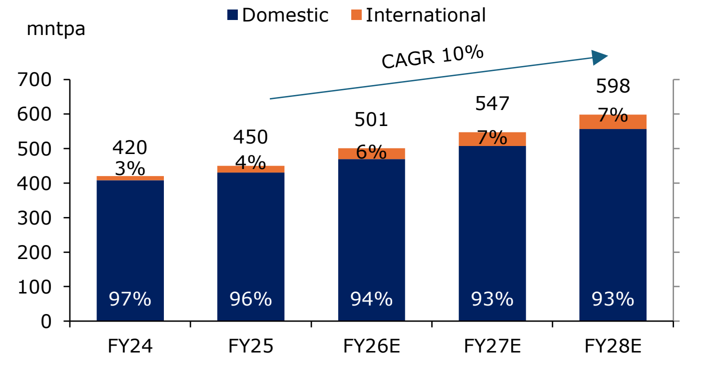
Source: Company, Basic Port Statistics, Emkay Research

Exhibit 80: APSEZ's existing customer relationships and integrated offerings to solidify customer retention and expand wallet share



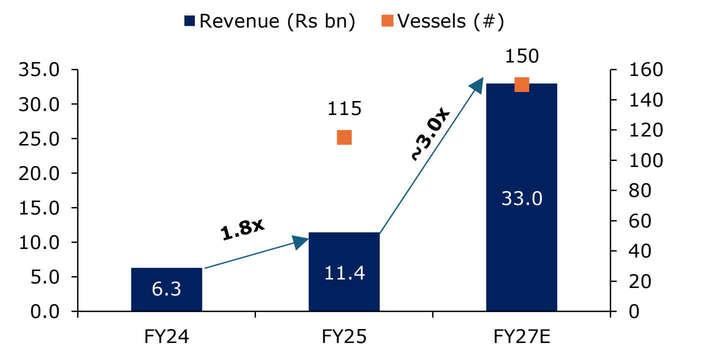
Source: Company, Emkay Research

Exhibit 81: We expect APSEZ to log port volume CAGR of 10% (on brownfield expansion and ramping up international assets)…



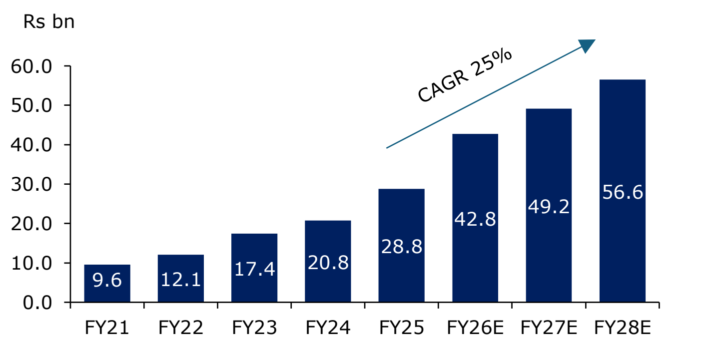
Source: Company, Emkay Research

Exhibit 82: …with marine revenues expected to nearly triple by FY27E…



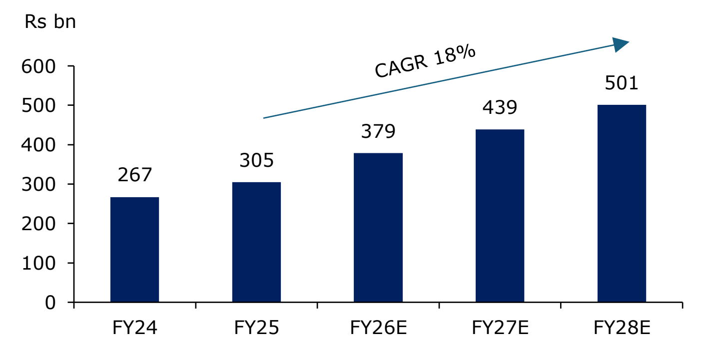
Source: Company, Emkay Research

Exhibit 83: …and logistics revenue CAGR is expected at 25% over FY25-28E…



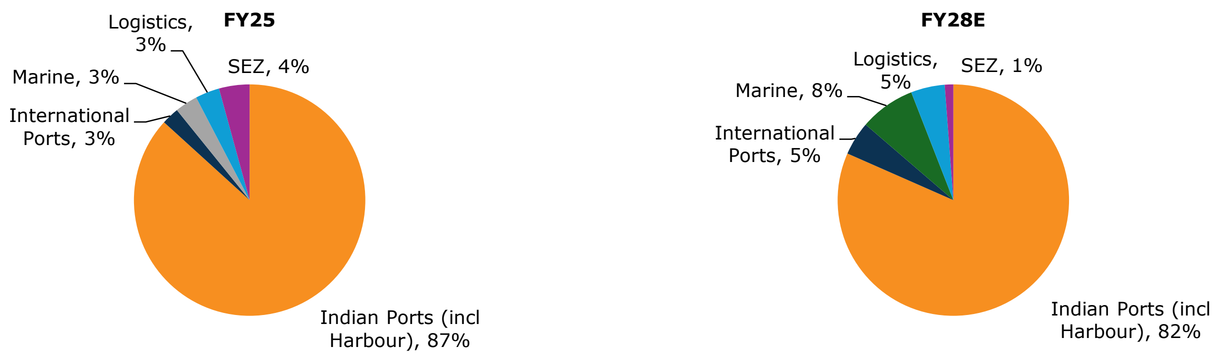
Source: Company, Emkay Research

Exhibit 84: …leading to consolidated revenue CAGR of 18% over the same period



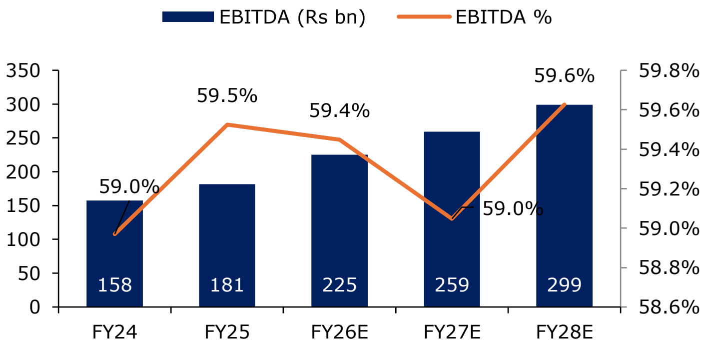
Source: Company, Emkay Research

Exhibit 85: Contribution from the international ports and logistics segments to increase to 10% by FY28E



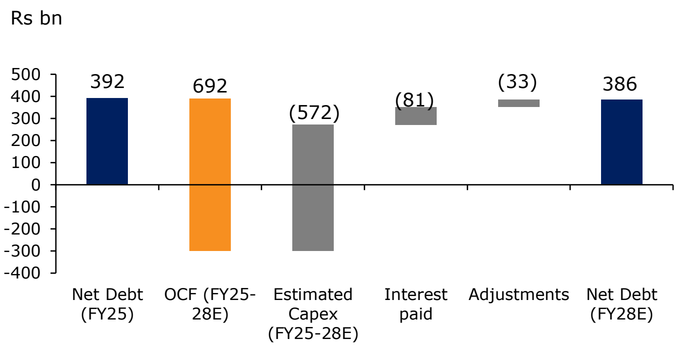
Source: Company, Emkay Research

Exhibit 86: Overall EBITDA CAGR of 18% expected over FY25-28E, while margin likely to be rangebound



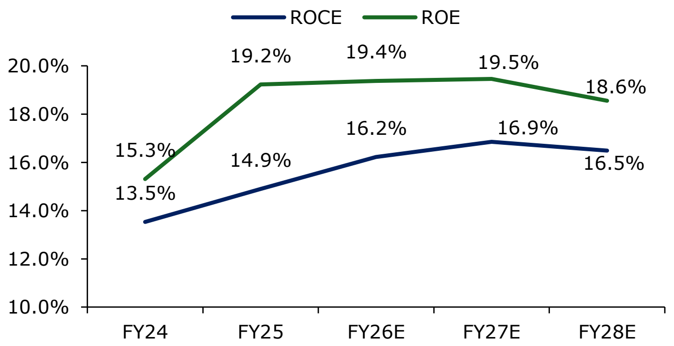
Source: Company, Emkay Research

Exhibit 87: Internal accruals seem more than adequate to support expansion plans, thereby allowing deleveraging



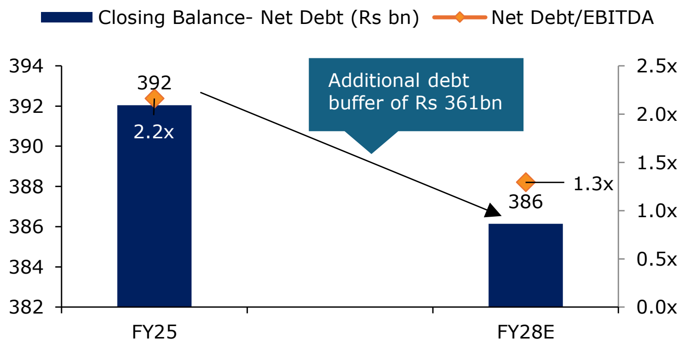
Source: Company, Emkay Research

Exhibit 88: Staggered expansion plan to have minimal impact on return ratios, thereby strengthening the balance sheet…



Source: Company, Emkay Research

Exhibit 89: …and providing ample buffer for supporting APSEZ's global ambitions



Source: Company, Emkay Research; Note: We have assumed the management's net debt-to-EBITDA target of 2.5x, for calculating additional debt that the company can borrow

Undisputed industry leader now going global

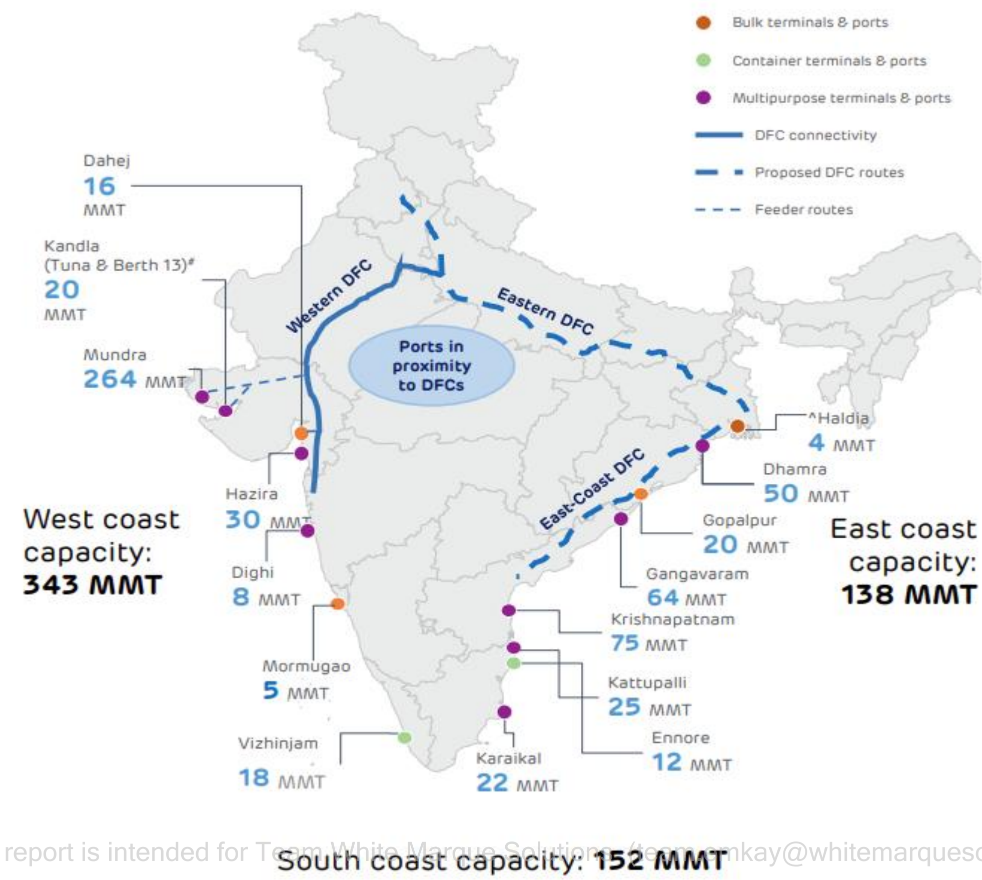
APSEZ has, owing to its superior execution and identification of key hinterland clusters, strategically grown its ports portfolio in India, from one port in FY05 to 15 ports/terminals in Sep-25, handling ~430mntpa volumes (FY25). Technology, automation investments, and consistent focus on driving efficiencies in port operations, visible in TAT reduction and lower dwell-time, set APSEZ's assets apart from major ports. Despite the location advantage of presence in key trade routes, growth in volumes of major ports has significantly lagged that of APSEZ's domestic ports, underpinning the latter's ability to attract hinterland traffic and gain market share consistently (+1280bps over the last decade). APSEZ's established track record of turning around acquisitions further lends credence to its execution ability in ramping up port assets (Dighi, Krishnapatnam, Karaikal, etc). In line with the management's ambition for APSEZ to become the largest integrated port operator by 2030 globally, the company has forayed into complementary international markets, in both—ports and logistics, thus opening access to key trade routes and improving scope for handling transshipment cargo.

Volume trajectory to remain elevated

Market share gains to continue

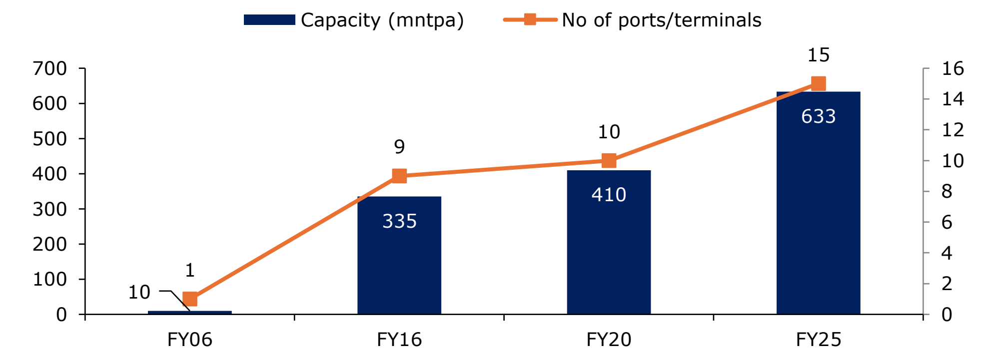
Over the past two decades, APSEZ has evolved from a single port operator in FY05 to India's largest private port operator, managing a network of 15 ports and terminals nationwide as of Sep-25. Its operational footprint now includes major ports on the west, east, and south coasts, with total installed capacity of 633mntpa, translating into 23% market share of India's overall cargo capacity. Superior execution and efficiencies driven at APSEZ's ports owing to digitalization and modern infrastructure have resulted in customers favoring APSEZ vs major ports, as evidenced in the ~2x growth trajectory over major ports' throughput in the last decade.

Exhibit 90: APSEZ has been growing steadily over the past two decades and now boasts 633mntpa port capacity (as of Sep-25)



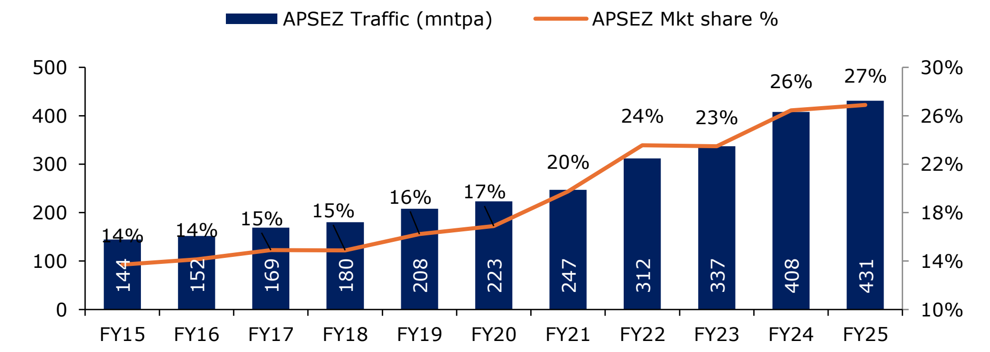
Source: Company, Emkay Research

Exhibit 91: APSEZ has consistently expanded its ports portfolio, which now spans 15 ports/terminals



Source: Company, Emkay Research

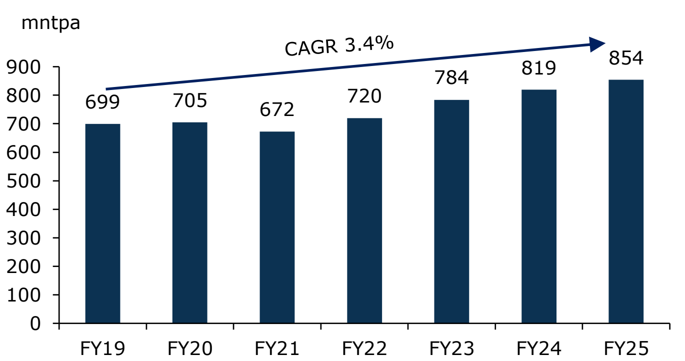
Exhibit 92: The culmination of strategy and execution has resulted in APSEZ doubling its market share over the past decade



Source: Company, Basic Port Statistics, Emkay Research

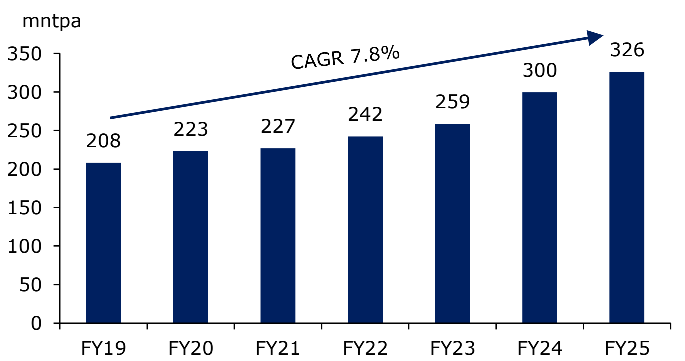
Seamless connectivity with the hinterland via rail and road networks and alignment with India's dedicated freight corridors (DFCs) make APSEZ a port of choice for customers. Initiatives driving efficiencies at its ports have resulted in faster cargo evacuation and reduced TATs have led to significant cost savings for customers. Further, sustained investments in digitalization and automation are driving de-congestion and reducing dwell-time at ports, leading to APSEZ becoming a preferred port of call for global shipping lines, and thereby completing a virtuous circle for the company. Capturing key trade routes via geographical diversification, end-to-end connectivity, and tech investments have culminated in APSEZ doubling its market share over the past decade.

Exhibit 93: Major ports' volumes have grown modestly over FY19-25…



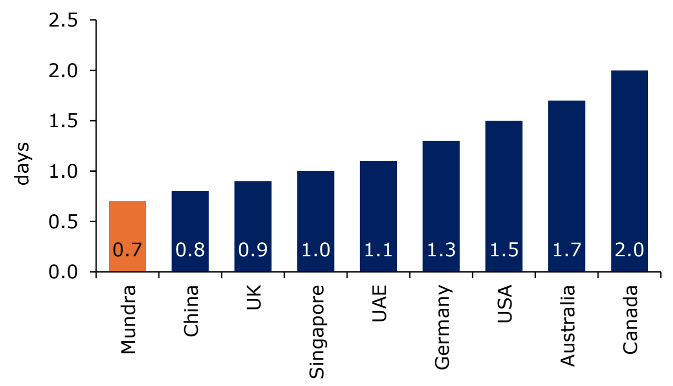
Source: Basic Port Statistics, Emkay Research

Exhibit 94: …while APSEZ's organic volumes have grown at more than 2x the industry pace



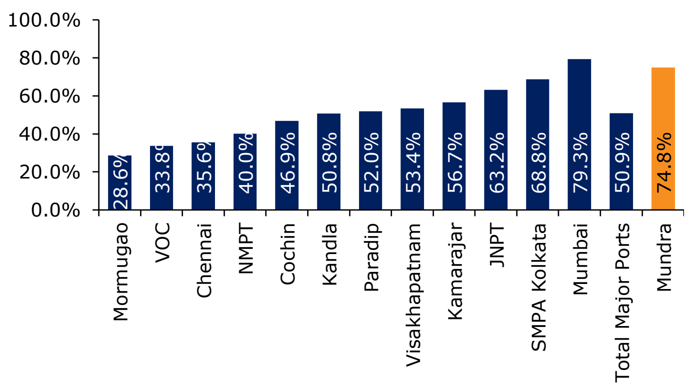
Source: Company, Emkay Research; Note: Volume excludes that of Krishnapatnam, Gangavaram, and Karaikal ports

Exhibit 95: Lower TAT of Mundra port vs global players underpins APSEZ's superior capabilities…



Source: Company, World Bank, Emkay Research

Exhibit 96: …and execution, leading to higher utilization vs other major ports



Source: Company, Basic Port Statistics FY25, Emkay Research

While a few Indian major ports, such as the JNPA, are facing congestion issues due to capacity constraints and poor evacuation support—offering limited upside for incremental capacity expansion, APSEZ continues to scale up efficiently, leaving ample headroom for growth without significant additional capex. Further, higher TAT hindering efficient cargo movement at JNPA is prompting customers to seek nearby alternate ports with higher efficiency – in this light, APSEZ's steadfast investments in enhancing capacities, improving efficiency, and better connectivity to ports within the same hinterland should bode well for volume trajectory in coming years.

Apart from JNPA, Chennai container terminals have also been facing severe congestion issues which has led to long gestation periods, owing to deficiencies in manpower and infrastructure (along with geopolitical crisis). The congestion is likely to directly benefit APSEZ; the company has seen volume CAGR of 13% in Kattupalli over FY21-25, and plans to further enhance its cargo handling capacity at the port.

Integrated logistics and hinterland identification

APSEZ's foray into end-to-end logistics solutions, including rail, trucking, warehousing, and marine services, should further drive stickiness and cargo throughput, in our view.

- APSEZ operates India's largest private port network with 15 ports across the east and west coasts, handling 27% of India's total cargo and ~46% of container cargo as of FY25. The ports are strategically located near key industrial clusters and have dedicated infrastructure like rail connectivity, national highway access, airstrips (Mundra), and substantial land banks near ports for future logistics and industrial cluster development.

- Integrated logistics capabilities through multimodal logistics parks (12 MMLPs), Grade A warehousing (3.1mn sqft), container trains (132 rakes), trucking assets (937 trucks), and agri-silos (1.2mntpa capacity) ensure seamless port-to-customer door transport solutions.

- APSEZ focuses on expanding its logistics ecosystem by integrating trucking management solutions and international freight network services to strengthen the transport utility model, bringing more cargo to its ports.

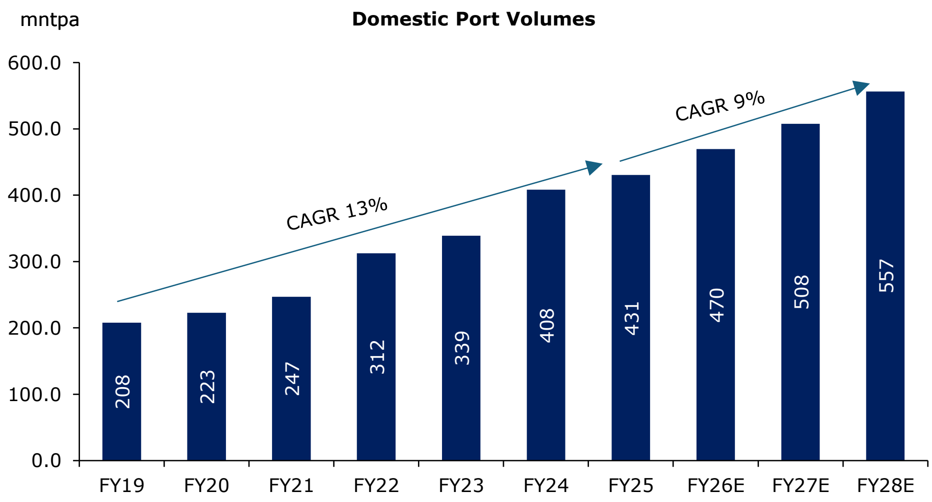
- The pan-India logistics presence is carefully matched with hinterland demand centers and dedicated freight corridors, optimizing cargo evacuation and minimizing turnaround time.

The company has undertaken multiple strategic initiatives to enhance throughput, improve customer experience, reduce turnaround times, and broaden APSEZ's integrated transport utility platform, firmly positioning it as a global leader in ports and logistics by the next decade and would help achieve its targeted capacity of 1,000mntpa by 2030.

- APSEZ has implemented a new terminal operating system (Navis N4) across several key container terminals, improving container terminal efficiency, planning, and vessel turnaround time.

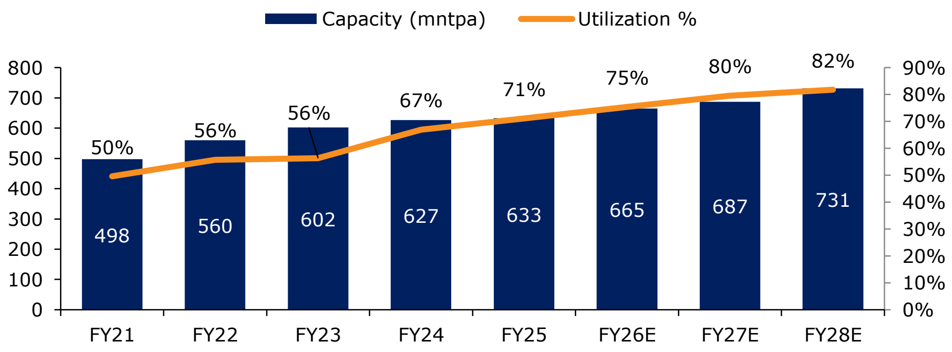
- The company has developed a Strategic Command Centre in Ahmedabad, leveraging advanced data analytics for real-time rake tracking, monitoring SLA adherence, improving asset utilization, and ensuring safety.
- Digitally integrated systems, including port operations management platforms, fleet management systems, digital customer portals, and middleware connecting all systems, streamline operations and enhance customer interface.
- Automation and digitization efforts have contributed to Mundra becoming the first Indian port to cross 200mntpa cargo throughput and handling 1,857 trains in a year with record container train dispatches.
- Vizhinjam port, the first fully automated transshipment port in India started by APSEZ, achieved over 100,000 TEUs within a month, and in only four months after commencement of operations in Dec-24.

Exhibit 97: APSEZ' strong volume trajectory to continue on the back of brownfield expansions, thus fortifying its leadership position



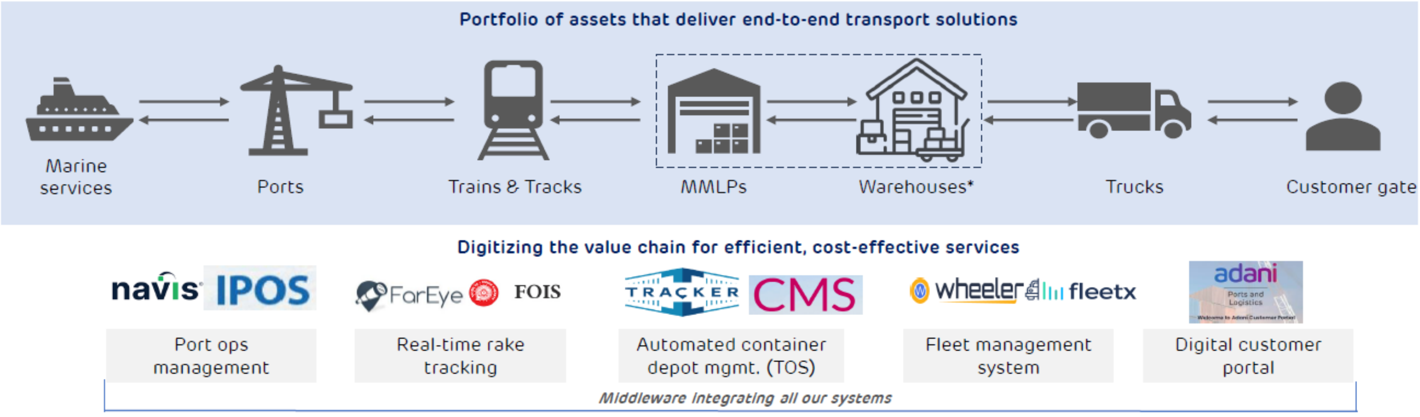
Source: Company, Emkay Research

Exhibit 98: Despite consistently expanding its capacity, APSEZ is likely to improve utilization owing to the brownfield nature of expansion



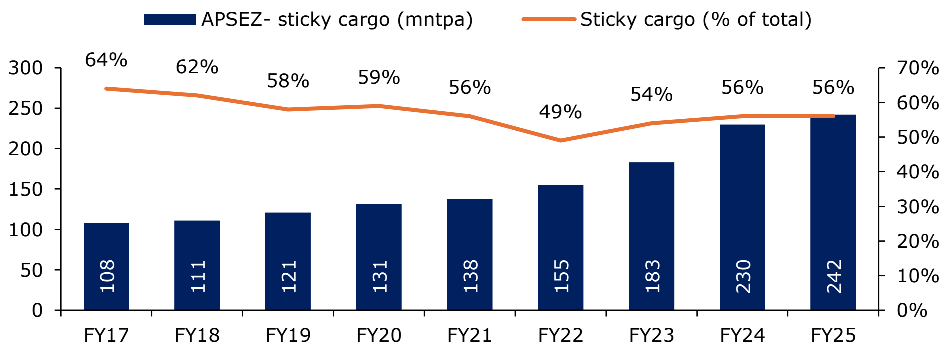
Source: Company, Emkay Research

Exhibit 99: APSEZ's integrated logistics platform should drive customer stickiness, shielding the company from cyclical volatility in trade



Source: Company, Emkay Research

Exhibit 100: APSEZ's integrated offerings are likely to support sticky cargo growth going ahead



Source: Company, Emkay Research

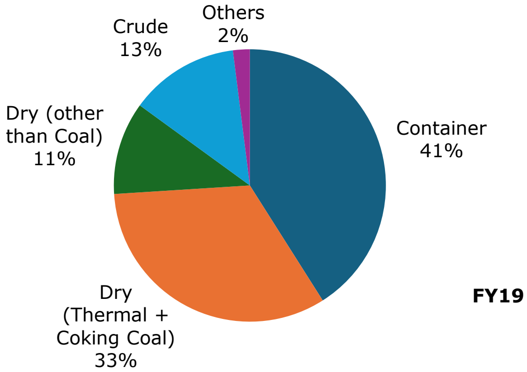
Balanced cargo profile insulates from commodity volatility

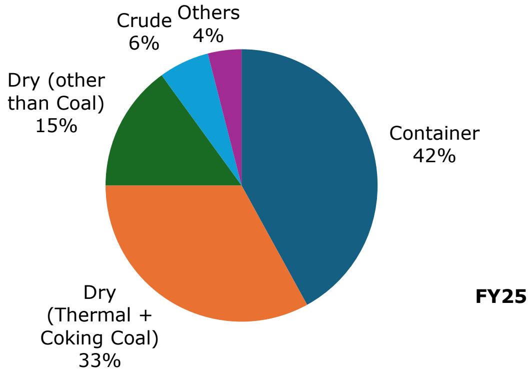
To reduce its dependency on cyclical commodity traffic, APSEZ has diversified steadily into container terminals, which offer more stable and predictable revenue streams. The increasing contribution of containers—now the largest cargo segment, helps cushion against business volatility induced by commodity price fluctuations.

Additionally, APSEZ's multi-port presence across India allows geographic and commodity diversification, thus spreading risk. The company's investments in modern container handling facilities, allied logistics solutions, and emphasis on integrated multimodal connectivity further strengthen its resilience to market volatility.

By focusing on increasing container handling capacity and expanding logistics services, while maintaining a balanced presence in coal and dry bulk, APSEZ remains relatively insulated from the vagaries of commodity trading cycles and ensure steady growth in cargo volumes and revenues.

Exhibit 101: Diversified commodity exposure helps insulate from volatility in a particular commodity





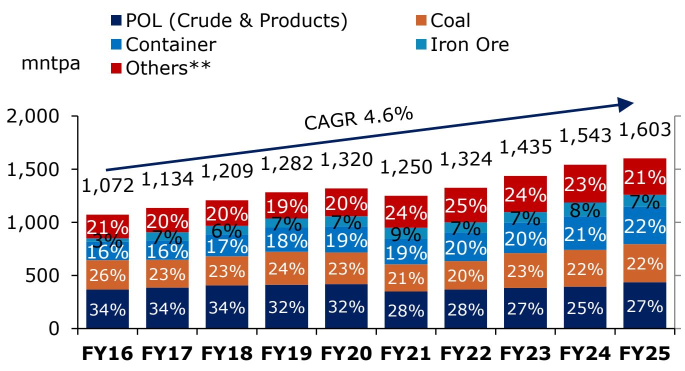
Source: Company, Emkay Research

Containerization: A structural growth pillar for APSEZ

Indian ports are experiencing a remarkable containerization boom, with containerized cargo surging 70% over the past decade, from 7.9MTEUs in FY15 to 13.5MTEUs in FY25 in major ports. This represents a fundamental shift in India's maritime trade landscape, driven by rising imports, expanding e-commerce, improved logistics infrastructure, and the government's Sagarmala initiative. The shift to container cargo enhances port efficiency through standardized handling processes, reduced TAT, and better utilization of automated infrastructure. Indian ports now achieve an average container dwell time of just 3 days, outperforming the UAE, South Africa (4 days), USA (7 days), and Germany (10 days).

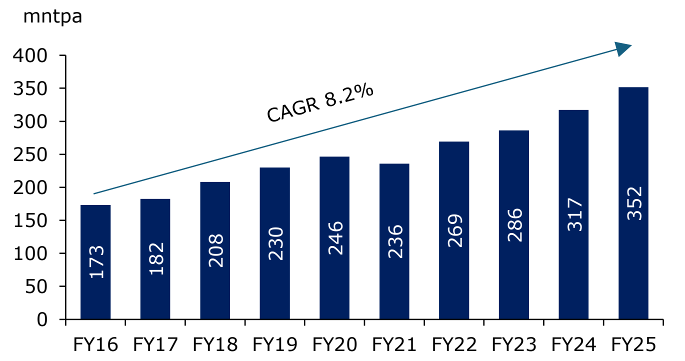
The company's integrated logistics model, strategic partnerships with global shipping lines like CMA CGM and MSC, and superior operational efficiency create strong barriers to entry. Container cargo now represents ~46% of the company's commodity mix. This diversification toward higher-margin container traffic, combined with the company's overall market share expansion to ~27% of India's total cargo, positions APSEZ for sustained growth. With targets of 850mntpa domestic cargo by 2030 and planned investments of Rs450-500bn in domestic port capacity, the containerization theme remains central to the investment thesis.

Exhibit 102: Share of containers in ports consistently increasing over the past decade



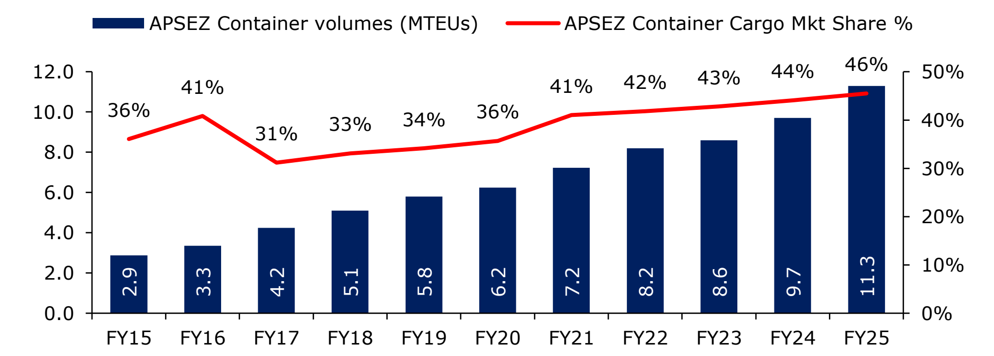
*Source: Basic Port Statistics, Emkay Research; **Includes Fertilizer, FRM, Foodgrains, and Building Material*

Exhibit 103: Overall container volume growth likely to outpace other commodities, similar to the last decade…



Source: Basic Port Statistics, Emkay Research

Exhibit 104: APSEZ's share of container volumes in Indian ports consistently increasing since FY17



Source: Company, Basic Port Statistics, Emkay Research

Turnaround specialist; established track record of successful M&As

APSEZ has not only focused on organic capacity ramp-up but also boasts of a strong track record in identifying distressed assets. Bringing its execution capabilities to the forefront with strategic location (especially the East coast) of assets, APSEZ has been able to turn these around by ramping up volumes as well margins. Notably, among these assets, Krishnapatnam (volume CAGR of 11% over FY22-25) and Karaikal (acquired ~40% below replacement cost) highlight the company's execution prowess and capabilities in identifying distressed assets. Such acquisitions, in addition to growth, have also enabled the company to diversify its cargo mix and achieve geographical diversification (East-West coast parity), thus mitigating business risks linked to commodity or trade route.

Exhibit 105: List of domestic acquisitions over the last decade

Date	Target	Deal value (Rs bn)	Ownership share	Revenue* (Rs bn)	EBITDA* (Rs bn)	*EBITDA margin*	Trailing EV/EBITDA	Capacity (mntpa)	Cargo profile
Jun-14	Dhamra Port	55.0	100%	7.4	3.9	*53%*	14.2x	50	Dry Cargo
Jun-18	Kattupalli Port	18.8	97%	1.6	0.4	*25%*	46.4x	8	Container
Feb-21	Dighi Port	7.1	100%	0.1	-0.2	*NA*	NA	8	All cargo
Oct-20	Krishnapatnam	129.9	100%	19.7	9.3	*47%*	13.9x	75	Dry Cargo
Mar-21	Gangavaram	55.1	90%	12.1	8.0	*66%*	7.7x	64	Dry Cargo
Apr-23	Karaikal	14.9	100%	4.5	2.1	*46%*	7.2x	22	Dry Cargo
Mar-24	Gopalpur	13.4	95%	5.0	2.0	*39%*	7.1x	20	Dry Cargo

*Source: Company, Emkay Research; *Revenue and EBITDA numbers are for the financial year preceding the date of acquisition*

Exhibit 106: Performance of domestic acquisitions over the years

Asset	Date of Acquisition	Acquisition*			FY25			CAGR till FY25	
		Volume (mntpa)	Revenue (Rs bn)	*EBITDA margin*	Volume (mntpa)	Revenue (Rs bn)	*EBITDA margin*	Revenue	EBITDA
Dhamra Port	Jun-14	14.3	7.4	*53%*	46.1	22.5	*61%*	9%	9%
Kattupalli Port**	Jun-18	9.3	1.6	*25%*	14.1	4.2	*65%*	14%	31%
Krishnapatnam	Oct-20	40.1	19.7	*47%*	55.0	29.1	*64%*	8%	15%
Gangavaram**	Mar-21	30.0	12.1	*66%*	26.8	16.0	*66%*	10%	10%
Karaikal	Apr-23	12.3	4.5	*46%*	12.9	6.3	*72%*	18%	48%

*Source: Company, Emkay Research; *Revenue and EBITDA numbers are for the financial year preceding the date of acquisition; **Kattupalli volumes on acquisition considered at 50% utilization, Gangavaram CAGR is for FY20-24, as FY25 was impacted by temporary shutdown due to worker strikes*

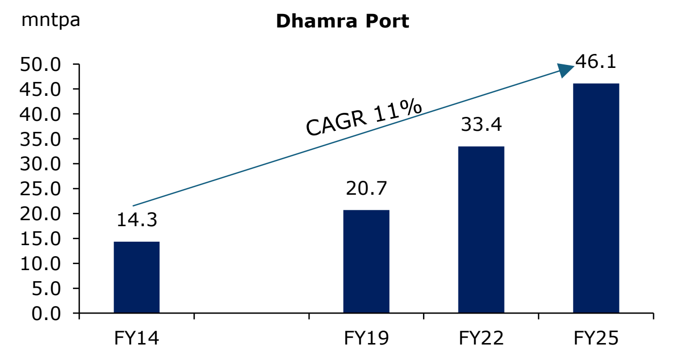
Dhamra

Located on the eastern coast in Bhadrak district in Odisha, Dhamra Port is a deep-draft, all-weather, multi-user facility with a naturally sheltered harbor and a 62.7km private rail link connecting to the Indian Railways at Bhadrak. Originally commissioned in 2011, the port began with two mechanized berths and has been environmentally cleared for up to 12 additional berths, positioning it for large-scale expansion.

For APSEZ, the Dhamra acquisition was strategically significant as it provided a robust foothold on India's mineral-rich east coast, complementing the company's western operations at Mundra. The port's 18-km approach channel and deep draft enable it to berth Cape-size vessels, making it ideal for handling coal, iron ore, and other bulk commodities, thereby leveraging the push for coastal traffic by the GoI. The acquisition not only aligned with APSEZ's pan-India strategy of replicating Mundra's success on the east coast but also reinforced its integrated logistics network by connecting the hinterland's industrial and mining clusters to global trade routes while competing with major ports (such as Paradip) to enhance trade efficiency and capacity in the region.

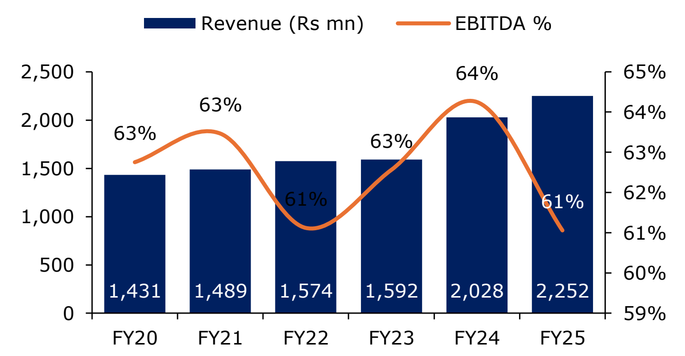
APSEZ transformed Dhamra from a single-cargo, under-utilized east-coast port into a multi-cargo growth engine by executing a disciplined operational and commercial overhaul. Post-acquisition, APSEZ deepened the channel, expanded mechanized berths, and integrated the port with its rail and ICD network, unlocking the hinterland across Odisha, Jharkhand, and Bihar. The cargo mix was diversified beyond coal into agriculture, steel, limestone, and coastal volumes, stabilizing revenues and improving customer stickiness. With rapid efficiency gains, stronger evacuation infrastructure, and digital yard management, utilization and margins expanded meaningfully, positioning Dhamra as one of APSEZ's highest-growth ports on the east coast.

Exhibit 107: Dhamra port volumes have seen 11% CAGR post-acquisition by APSEZ…



Source: Company, Emkay Research

Exhibit 108: …while revenues too have witnessed 11% CAGR during FY20-25



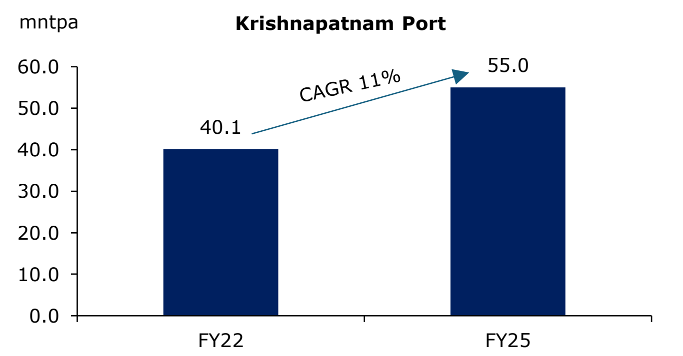
Source: Company, Emkay Research

Krishnapatnam

Acquired by APSEZ in 2020, this port is a deep-draft, all-weather multipurpose port with a capacity of 75mntpa and a dedicated land bank of ~2,750 hectares. Its acquisition gave APSEZ immediate access to one of India's fastest-growing industrial and logistics belts within Andhra Pradesh, with direct rail and expressway connectivity to the Chennai-Kolkata corridor. Under APSEZ's management, Krishnapatnam has achieved sustained operational upgrades such as full digitalization, yard mechanization, and container terminal automation, resulting in record cargo volumes, including 5.85mntpa handled in Jun-25. The port now serves as a key southern trade hub supporting coal, agri, and containerized cargo – strongly complementing APSEZ's eastern network.

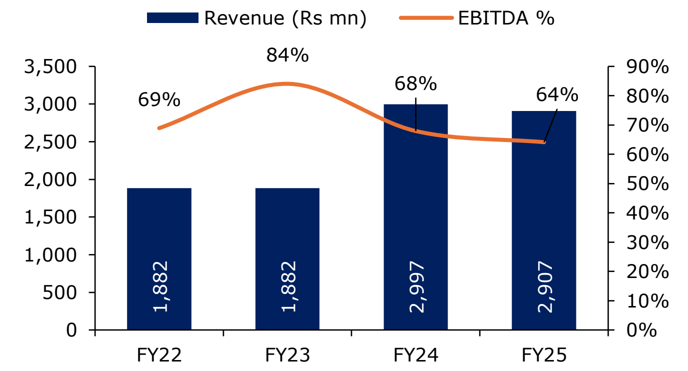
Krishnapatnam' s turnaround stemmed from APSEZ's focus on operational discipline, cargo diversification, and ecosystem integration. The port benefited from APSEZ's efficiency playbook—mechanisation upgrades, digital traffic planning, tighter cost control—which sharply improved vessel turnaround and yard productivity. APSEZ widened the cargo base beyond coal and iron ore by ramping up containers, agri and liquid cargo, supported by rail connectivity into Hyderabad, Bengaluru, and the central AP hinterland. Integration with Adani Logistics ensured consistent volume flow and led to productivity gains, thus considerably expanding EBITDA margins.

Exhibit 109: Krishnapatnam's volume CAGR at 11% post-acquisition by APSEZ...



Source: Company, Emkay Research

Exhibit 110: ...with revenue CAGR of 16% over the same period



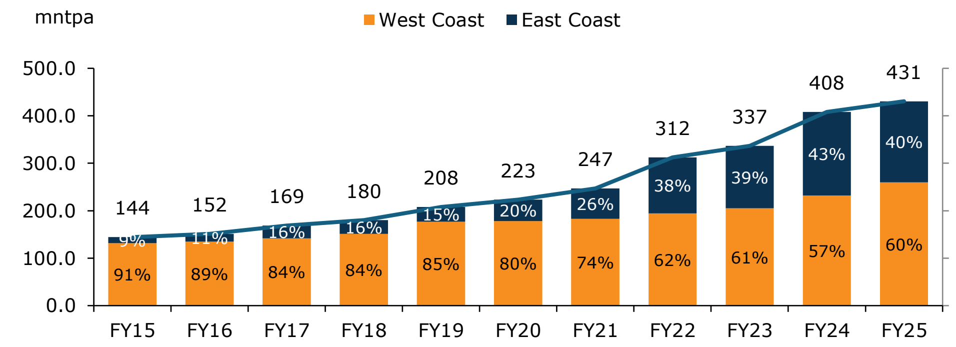
Source: Company, Emkay Research

Gangavaram

Acquired in stages and fully integrated into APSEZ's portfolio by 2023, this port further strengthened APSEZ's presence in Andhra Pradesh and created a natural synergy with Krishnapatnam. With an existing capacity of 64mntpa and deep-draft berths capable of handling cape-size vessels, Gangavaram provides strategic bulk handling capability for commodities such as coal, iron ore, and fertilizers. The port's twin rail links and four-lane expressway connectivity to the Visakhapatnam-Howrah industrial belt position it as a crucial gateway for hinterland cargo. Following its integration, APSEZ introduced container operations and significant efficiency enhancements, including the new Terminal Operating System (Navis N4), laying the groundwork for diversification beyond bulk cargo.

Dhamra, Krishnapatnam, and Gangavaram together form the cornerstone of APSEZ's east coast expansion strategy, ie focusing on operational synergies, hinterland connectivity, and multi-cargo flexibility and thereby leading to market share gains from existing major ports in the region. Their combined throughput and proximity enable streamlined vessel deployment, lower logistics costs, and enhanced resilience in supply chains across southern India; this would help leverage the growing coastal traffic for coal and containerised cargo.

Exhibit 111: APSEZ's successful acquisitions have led to East-West coast parity in cargo, limiting its concentration risks



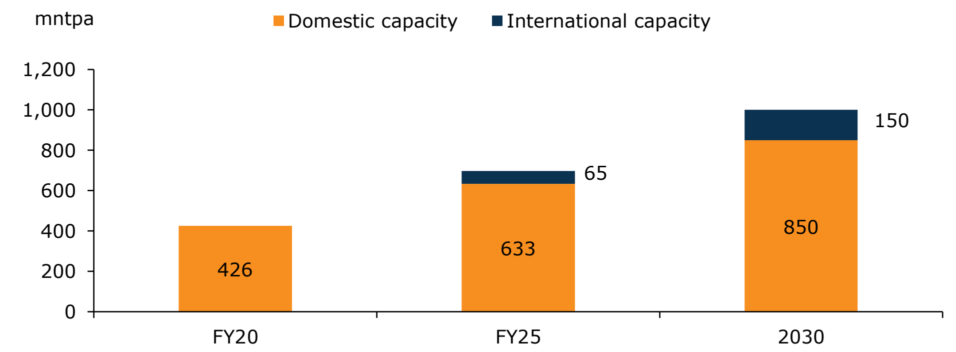
Source: Company, Emkay Research

APSEZ's acquisition trail reflects a highly strategic, returns-oriented approach – buy undervalued or stressed assets, rapidly integrate them, upgrade efficiency/capacity, and position for long-term scale and profitability—essential to the company's billion-tonne and global integrated logistics leader ambitions.

'String of pearls': Expanding global footprint

APSEZ has outlined an ambitious long-term goal of becoming the world's largest integrated port and logistics platform by CY30, targeting **1bntpa of cargo throughput** (850mntpa from domestic ports and 150mntpa from international operations). This transformation extends APSEZ's identity from a pure port operator to an **integrated transport utility** encompassing ports, marine services, logistics (rail, trucking, warehousing, freight forwarding), and digital supply-chain infrastructure. The vision leverages APSEZ's proven operating playbook—disciplined capital allocation, technology-led efficiency, and strong cash generation—to create a resilient, globally diversified logistics ecosystem.

Exhibit 112: APSEZ's CY30 volume roadmap – Targets achieving 1,000mntpa capacity



Source: Company, Emkay Research

Expanding horizons: APSEZ's strategic international foray

The company has successfully ventured beyond Indian shores through significant overseas acquisitions and long-term operating concessions. In Jan-23, APSEZ, in partnership with Israel's Gadot Group, completed the USD1.2bn acquisition of Haifa Port Company from the Government of Israel. This acquisition, providing APSEZ with a 70% stake and a concession until 2054, grants control over Israel's largest and busiest port (handling 26mntpa of cargo) and serves as a crucial trade gateway between Europe and the Middle East.

Continuing its global expansion, APSEZ in Apr-25 acquired NQXT- a major Australian port terminal, from logistics firm APPH, in an AUD4bn deal. The acquisition added handling capacity of 50mntpa (expandable to 120mntpa), reinforcing APSEZ's presence in the Indo-Pacific region and diversifying its global cargo network.

In Africa, APSEZ further expanded by securing a 30-year concession to operate and maintain Container Terminal 2 (CT2) at Tanzania's Dar es Salaam Port. This was followed by its acquisition of Tanzania International Container Terminal Services (TICTS) for USD39.5mn, giving it ownership of port handling equipment and management capacity in one of East Africa's busiest maritime hubs.

Additionally, APSEZ entered a 35-year build-operate-transfer (BOT) agreement to develop the Colombo West International Terminal (CWIT) at the Port of Colombo, in partnership with Sri Lanka Ports Authority and John Keells Holdings. This project aims to enhance Colombo's role as a regional transshipment hub and represents APSEZ's growing strategic influence across maritime corridors connecting South Asia, the Middle East, Africa, and Oceania.

In sum, APSEZ has strategically expanded its footprint from a domestic powerhouse to a major global port operator, marking its evolution into an integrated international transport utility – spanning Israel, Africa, and APAC, and reflecting a clear, long-term strategy of transforming from India's leading port operator into a global logistics leader with deep integration across key international trade routes.

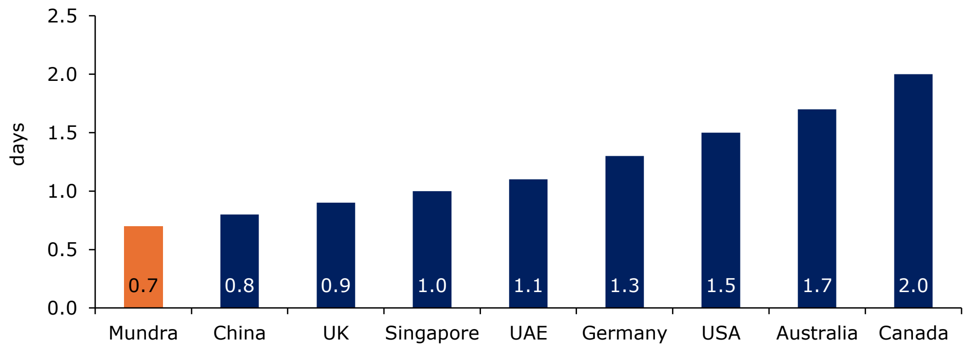
Exhibit 113: APSEZ has now expanded beyond the domestic shores to key international corridors

Source: Company, Emkay Research

APSEZ's ports continue to outperform global benchmarks, underpinned by sustained capex in digitalization, automation, and modern port infrastructure. Mundra, the flagship asset, delivers materially lower vessel turnaround time versus leading global ports, driven by integrated ICT systems, advanced TOS, real-time analytics, and optimized yard and berth planning. This operational edge enhances berth productivity, asset turns, and service reliability, making Mundra a preferred gateway for mainline and feeder operators. The port's capability was evidenced in Dec-23, when Mundra successfully handled 43 vessels within a 24-hour window- underscoring its high throughput, process robustness and scalability.

Given its technology stack and operating metrics are now comparable with large global transshipment and gateway hubs, APSEZ is structurally positioned to capture incremental volumes- especially transshipment and higher-value cargo, without commensurate increases in operating costs. The combination of faster turnaround, superior productivity, and world-class digital infrastructure implies meaningful latent capacity and operating leverage. As global trade consolidates around efficient hubs and shipping lines seek to de-risk and optimize port calls, APSEZ's portfolio, led by Mundra, offers substantial headroom for both volume-led growth and margin expansion, supporting a long runway for value creation.

Exhibit 114: TAT in Mundra port above global average



Source: Company, World Bank, Emkay Research

Exhibit 115: Mundra shines across key CPPI parameters

CPPI Parameter	Mundra Port (Benchmark Data)	Global Peer Benchmark / Standing
Total Port Call Time	Mundra: ~16.8 hours of average turnaround time (vs 24-36 hours for major Indian ports).	Top-quartile (<20 hours)
Berth Working Time vs Idle Time	High berth utilization; minimal idle time; 24x7 operations.	Top 25%
Container Moves per Crane Hour	Estimated 28-32 moves/hour (vs 25-30 global median).	Above global median
Ships Waiting Time / Anchorage Time	<4 hours average (vs 12-20 hours at several regional ports).	Top 20%
Port Call Reliability	High reliability; minimal deviation from scheduled calls.	Comparable to top peers
Operational Throughput Normalization	Mundra categorized as large port (>4MTEUs); included in global ranking.	NA

Source: World Bank, Emkay Research

Government focus on port expansions presents lucrative opportunities

India's port sector is on the brink of a decade-long transformation, powered by accelerating trade volumes and large-scale infrastructure modernization. Cargo throughput is projected to surge from ~1,600mntpa in FY25 to 2,500mntpa by FY30, reflecting India's expanding role in global trade. Flagship government programs—such as Sagarmala 2.0 with a planned Rs12trn investment pipeline, and Vision 2047 targeting a dramatic increase in port capacity from 2,500mntpa in FY25 to 10,000mntpa by 2047—are setting the foundation for next-generation maritime and logistics infrastructure.

At the center of this growth is the **Vadhavan Port project**, a Rs762bn deep-water greenfield development designed with a 20-meter draft and a capacity of 300mntpa. Capable of handling ultra-large container vessels of up to 24,000 TEUs, Vadhavan will significantly reduce India's reliance on transshipment hubs such as Colombo and Singapore, boosting efficiency and cost competitiveness. Strategically positioned along the India–MiddleEast–Europe Economic Corridor (IMEC), Vadhavan is poised to become a key maritime gateway driving trade integration, value creation, and long-term investor returns in India's emerging port ecosystem. APSEZ has expressed interest in participating in Vadhavan's construction, given its proven track record in greenfield developments and ability to leverage ecosystem synergies in marine services and logistics. Collaboration would reinforce APSEZ's dominance in western India's maritime landscape, ensuring continued cargo linkages across its ICDs and rail assets.

India's **Galathea Bay Port (Great Nicobar International Container Transshipment Port)** is one of the most ambitious maritime infrastructure projects in Asia, worth Rs440bn (total capacity of 16MTEUs by 2058), positioned to transform India's seaborne trade footprint by enabling direct transshipment of East–West cargo. Its strategic location and developmental scale will redefine India's maritime competitiveness.

Foreign hubs like Colombo, Singapore, and Port Klang handle ~75% of India's transshipped cargo. Currently, Colombo handles 1.6MTEUs of India-bound transshipped cargo annually of which 1.2MTEUs are in India's East Coast ports alone. Galathea Bay can capture a significant share of this volume within a decade, potentially repatriating forex leakages and reducing dependence on foreign ports.

Building a global marine services powerhouse

TAHID (The Adani Harbour International DMCC) is APSEZ's dedicated marine services and offshore operations arm, as part of the company's strategy to build a global integrated marine business. TAHID has rapidly evolved into a globally competitive marine and offshore service business through strategic acquisitions and integration-driven growth. Its transformation is anchored in two high-impact acquisitions- Ocean Sparkle (OSL) and Astro Offshore (AOS), along with purposeful organic expansion into the Middle East–Africa–South Asia (MEASA) marine markets.

1. **Ocean Sparkle acquisition**: OSL was India's largest third-party port and marine service operator, as it formed the foundation for APSEZ's entry into marine services, thus bringing expertise in tug operations, dredging, and offshore logistics. OSL provided APSEZ with a base of 95 vessels, high-skilled Indian seafarers, and recurring contracts with leading ports. The contracts are usually long-term in nature (5-10 years).
2. **Astro Offshore acquisition**: AOS was an offshore support vessel (OSV) operator with 26 vessels operating in the Middle East. Post acquisition, it has added Tier-1 global clients in offshore oil, gas, and energy logistics, and has helped expand APSEZ's footprint across the MEASA region with specialized assets like AHTS (Anchor Handling Tug Supply) and MPSV (Multi-Purpose Support Vessel). Contracts are of lower duration in nature vs OSL (usually 3-12 months); however, the contracts usually get rolled over, leading to customer stickiness.

Exhibit 116: Marine business – Profile of acquisitions

Target	Ocean Sparkle	Astro Offshore
Date	Apr-22	Aug-24
EV (Rs bn)	17.0	19.7
Ownership share	100%	80%
Revenue* (Rs mn)	6.0	8.0
EBITDA* (Rs mn)	3.1	3.4
EBITDA margin	*52%*	*43%*
EV/EBITDA	5.5x	4.4x
Asset description	77 vessels	47 vessels

*Source: Company, Emkay Research; *Financials are for the year preceding the year of acquisition*

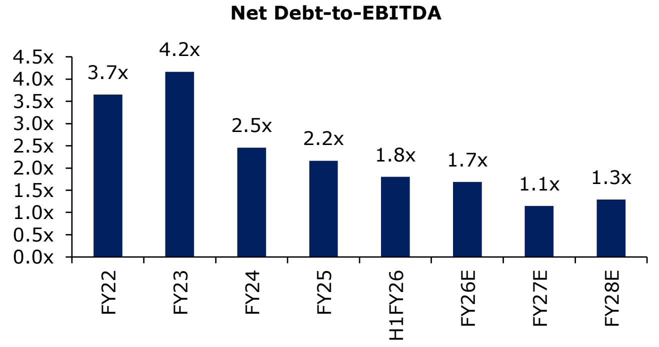
With the above acquisitions completed, APSEZ now intends to expand the fleet size to >150 levels by FY27E, as the company aims to triple its revenue and EBITDA for the marine segment from current levels, prioritizing profitability while maintaining capital efficiency.

Predictable cash flows and a strong balance sheet provide optionality for strategic inorganic growth

APSEZ's robust balance sheet and highly predictable annuity-like cash flows give the company significant flexibility to pursue strategic inorganic acquisitions. Strong cash generation, disciplined capital allocation, and a healthy leverage profile enable APSEZ to evaluate opportunities across ports, logistics, and related infrastructure without straining its financial position. This financial resilience not only supports the company's ongoing expansion plans but also allows it to act swiftly when attractive assets become available, strengthening its competitive position and accelerating its growth trajectory.

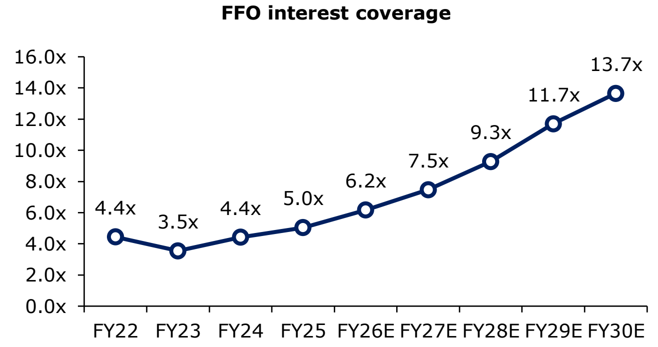
The improving debt profile- demonstrated by net-debt/EBITDA of 1.9x in H1FY26, down from 2.2x in FY25, underscores management ability to balance ambitious growth with conservative leverage, even amid accelerated capex and global expansion. The company's average debt maturity has been extended to 5.2 years, and recent capital market actions (eg long-tenor NCDs, international bond buybacks) have reduced interest costs, supporting APSEZ's investment-grade standing and financial resilience.

Exhibit 117: Leverage ratios (net debt-to-EBITDA) have been consistently improving …



Source: Company, Emkay Research

Exhibit 118: …resulting in strong coverage ratios and flexibility for pursuing inorganic activities

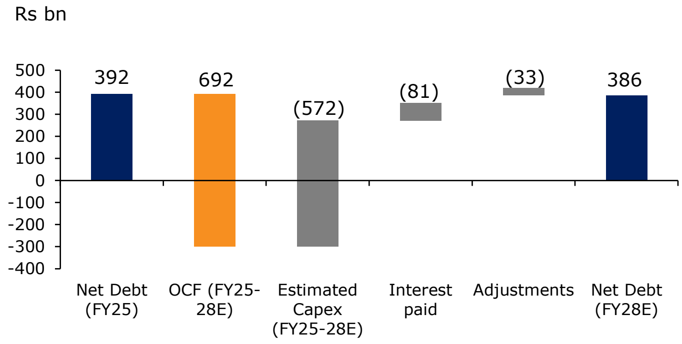


Source: Company, Emkay Research

Importantly, APSEZ's internal cash flow generation consistently funds both annual repayments and new investments, with cash conversion rates above 85% of EBITDA. This positions the company to deliver on the stated FY26 policy of maintaining net debt/EBITDA below 2.5x, despite a multi-year Rs 650-750bn capex plan primarily focused on high-ROCE expansions at Mundra, Dhamra, and Vizhinjam ports.

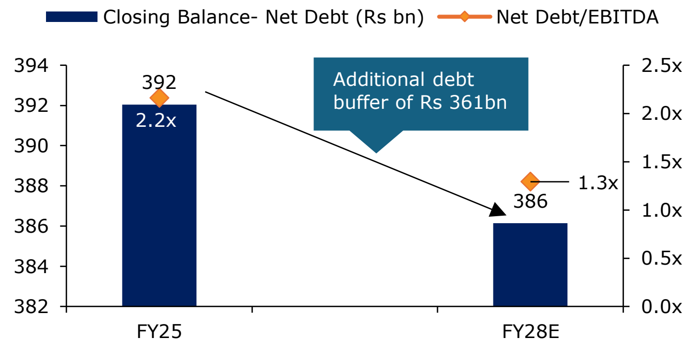
The gearing is further strengthened by APSEZ's platform model, which combines industry-leading utilization, margin expansion, and capacity-led upside, especially at Mundra port. Ancillary logistics and marine businesses are not only diversifying revenue streams but also enhancing customer stickiness and lifting returns on capital. The management's explicit capital allocation strategy—maximizing internal accruals, strategic long-term debt, and optimizing asset-light business lines—anchors a balance sheet robust enough to weather volatility and drive sustained value creation.

Exhibit 119: Internal accruals should support expansion plans, allowing the company to maintain a robust gearing ratio…



Source: Company, Emkay Research

Exhibit 120: …however, the company will have enough buffer left to turn even more aggressive in its expansion plans



Source: Company, Emkay Research; Note: Additional debt buffer is calculated basis management target of 2.5x net debt to FY28 EBITDA

APSEZ, thus, seems well-positioned for funding its transformational growth agenda and continue deleveraging and delivering superior risk-adjusted returns while maintaining strategic flexibility and a strong market leadership position.

Establishing presence throughout the value chain

APSEZ's move to transition from a port operator to an integrated logistics solution provider allows it to leverage its existing strategic location advantage (via port assets) and embed itself deeper into its customer's supply chain, thereby enhancing its value proposition and wallet share. Owing to the complementary nature of services, this forward (and backward) integration allows APSEZ to improve share of value-added services as well as grow business volumes without resorting to pricing competition. While foray in the logistics segment will be margin- and RoCE-dilutive initially (owing to the investment phase), it de-risks the business model from the volatility of global trade and positions APSEZ as a one-stop solution provider, capturing the entire value chain, in our view.

Integrated logistics: Robust execution lends comfort on ambitious plans

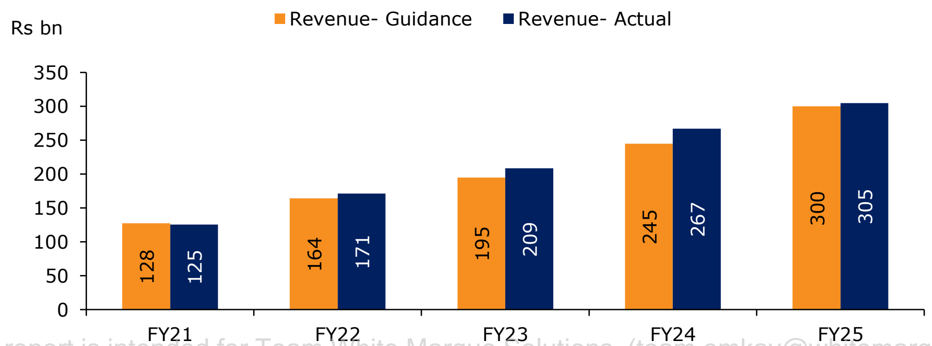
Having cemented its position as the clear market leader in ports, APSEZ is now laying the groundwork to replicate similar success in the logistics segment, in our view. The management targets to reach revenues of Rs140bn by FY29 (implying ~50% CAGR over FY25 base) with EBITDA margins of 25% and pre-tax ROCE of 10%. We believe the company has ample levers to achieve these steep targets, viz 1) higher share of group captive business – targeting ~15% of its total logistics revenue from group-related activities, in line with the contribution seen in the ports business, 2) entering other streams of logistics business, leveraging the current platform – freight forwarding services and truck management services, and 3) driving end-to-end infrastructure solutions (warehousing, MMLPs) as part of integrated logistics offerings, leveraging its tech investments and existing land bank. We also draw comfort from the management's ability to deliver on guidance, as evidenced in its historical performance in the ports portfolio.

Exhibit 121: Logistics and Marine segments – Execution remains on track

Particulars	Asset Type	FY25		H1FY26		Mgmt guidance	
		Revenue (Rs mn)	EBITDA	Revenue (Rs mn)	EBITDA	Revenue (Rs mn)	EBITDA
Trucking*	Asset-hybrid	4,280	6.3%	6,600	5.2%	3-4x of FY25 revenues	NA
International Freight Network	Asset-light	2,600	5.8%	3,840	7.2%		
Others		21,930	27.4%	11,800	31.0%		
Total Logistics		**28,810**	**22.3%**	**22,240**	**19.4%**	**1,40,000**	**25.0%**
Marine**	Asset-heavy	11,440	52.8%	11,820	53.7%	33,000	51.5%

*Source: Company, Emkay Research; Note: *Estimates are for FY26E, ** Estimates for FY27E*

Exhibit 122: APSEZ management has consistently delivered on its revenue targets historically



Source: Company, Emkay Research

Exhibit 123: Logistics and Marine business – Asset profile

Segment	Description	Current Capacity	Target Capacity by FY29	Guided Capex (FY25-29, Rs bn)	Current RoCE	Target RoCE
Logistics	Multi-modal: rakes, trucks, MMLPs, warehouses, trucking and international freight network	• 132 rakes • 3.1mn sqft warehouse • 937 trucks • 12 MMLPs • 1.3mntpa agri-silo capacity	• 300 rakes • 20mn sqft warehouse • 5,000 trucks • 20 MMLPs • 10mntpa agri-silo capacity	150–200	9%	10%
Marine	Offshore support vessels, tugs, diversified fleet, MEASA focus	127 vessels (76 Tugs, 19 AHTS, 12 Flat-top Barges, 14 MPSV, 6 Workboats)	>150 vessels (FY27)	NA	15%	NA

Source: Company, Emkay Research

Exhibit 124: APSEZ seems to be better diversified in multi-modal logistics vs peers

Players	Rakes	Terminals/MMLPs	Trucks	Warehouse space	Agri-silo	Pipeline and Tracks
APSEZ	132 (68 container rakes, 54 bulk rakes, 7 agri rakes, and 3 AFTO)	12	Managed fleet of 25,000+ trucks*	3.1mn sqft (FY29 projection – 20mn sqft)	1.2mntpa	690km private tracks, dedicated customer pipelines, tank storage JVs
CONCOR	388	66	130 LNG trucks	4mn sqft	✗	✗
DP World	90 (container & SFTO rakes)	5	✗	5mn sqft	✗	✗
JM Baxi	25	7 port CTs, 2 ICDs, 2 CFS, 1 Warehouse & Logistic Park	✗	0.54mn sqft^	✗	✗
TCI	3 AFTO rakes	60+ rail terminals, 25 hubs for trucks	10,000 owned & leased	>16mn sqft.	✗	✗
Western Carriers	Asset-light business model; operates solely via leases		0.7mn sqft	✗		✗
Gateway	34 (21 owned, 13 leased)	10	✗	1.74mn sqft^^	✗	✗
Mahindra Logistics	✗	✗	15,000+	>20mn sqft	✗	✗
Allcargo Gati	✗	✗	5,000+ leased	84 warehouses	✗	✗
Delhivery	✗	✗	16,677 fleet size – daily average**	20.1mn sqft	✗	✗
VRL Logistics	✗	✗	6,115 owned		✗	✗
TVS Supply Chain Solutions	✗	✗	✗	25.5mn sqft	✗	✗
Aegis	✗	✗	✗	✗	✗	Chemicals and POL storage: 1.57mn kL; LPG storage: 114,000MT

Source: Company, Emkay Research

Trucking and International Freight: To enhance APSEZ's value proposition

APSEZ's trucking business operates on an asset-hybrid model, allowing APSEZ to scale up quickly while maintaining capital efficiency. APSEZ owns and manages a fleet of >25,000 trucks providing last-mile connectivity from ports and multi-modal logistics parks (MMLPs) to customer gates across industrial clusters. The trucking network ensures return load optimization and adherence to service level agreements, thus improving operational efficiencies.

APSEZ has launched a **Trucking Management Solution (TMS)**, which acts as a marketplace and fulfillment platform, enabling customers to book trucking orders with features such as pricing tools, SLA monitoring, and analytics.

The company aims to expand its fleet count to 5,000 trucks by FY29 and targets a 3-4x revenue jump in FY26 (FY25: Rs 4.3bn), thus contributing significantly to logistics revenue growth. Although it is a low-margin business, the asset-hybrid model makes it a potentially RoCE-accretive business.

APSEZ recently started **International Freight Network (IFN)** services, a tech-enabled integrated digital platform that connects carriers with end-users for international freight handling. This platform supports digital rate management, automated workflows, benchmarking, and invoicing, allowing seamless market interaction and tariff management. The IFN facilitates easier and more efficient transshipment and freight forwarding, helping attract more cargo to APSEZ's ports and enhancing transparent freight operations.

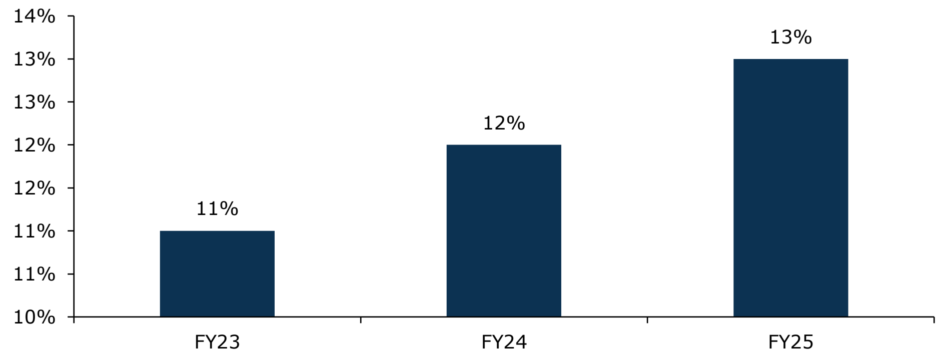
The service helps Indian exporters and importers benefit from competitive ocean freight rates; this can help APSEZ leverage its dominant container market share of ~46% and scale its revenue (H1FY26: Rs3.8bn).

Rail Logistics: Supplementing port evacuation

APSEZ is the largest private container train operator in India, with 68 container trains and a Category-1 license from Indian Railways. The company uses advanced solutions such as double-stack container trains, which boost capacity, reduce costs and transit times, and improve sustainability by reducing emissions.

Additionally, APSEZ operates 65 BOXN-HL and 25 BCFC rakes to transport bulk commodities such as coal, limestone, and iron ore. The company focuses on cost savings (reduced demurrage) and assured supply for end customers. Bulk rail logistics is expanding from the eastern coast to pan-India deployment. By adding dedicated rakes and extending connectivity to gateway ports and production centers, APSEZ targets volumes from infrastructure and industrial sectors to increase.

Exhibit 125: Pan-India presence of container rakes leading to growing market share



Source: Company, Emkay Research

Integrated Warehousing for Modern Supply Chains

Adani offers 3.1mn sqft of warehousing space at key industrial centers, providing bonded, domestic, FTWZ (Mundra), and built-to-suit facilities, along with value-added services including sorting, inspection, packing, and omni-channel distribution.

Warehousing space is being actively scaled up with new projects countrywide. Focus remains on specialized and integrated storage solutions, leveraging FTWZ benefits (duty deferment, tax exemptions) and meeting complex supply chain needs for manufacturers and retailers, as the company aims to **expand the warehousing capacity by >6x to 20mn sqft**.

Multimodal logistics via integrated MMLP development

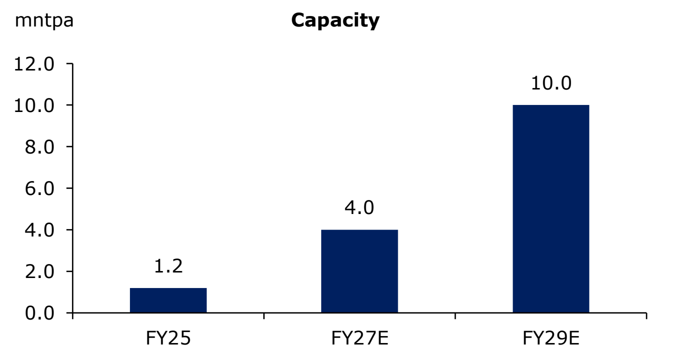
Adani Logistics operates 12 Multi-Modal Logistics Parks (MMLPs) strategically located nationwide. These parks offer services such as terminal operations, bonded and domestic warehousing, rail and road transportation, custom clearance, storage for different cargo types, and value-added services like sorting, packing, and labelling.

APSEZ is increasing its MMLP capacity, with recent expansion in both locations and service offerings, such as the recent commissioning of EXIM operations at existing sites (eg Malur, Kishangarh, Virochannagar). The company's strategy emphasizes establishing integrated parks with seamless connectivity and advanced logistics infrastructure to address growing demand for efficient supply chain solutions, effectively aiming to **grow MMLPs to 20 by FY29**.

Agri-Silos: Dominant market position and first-mover advantage

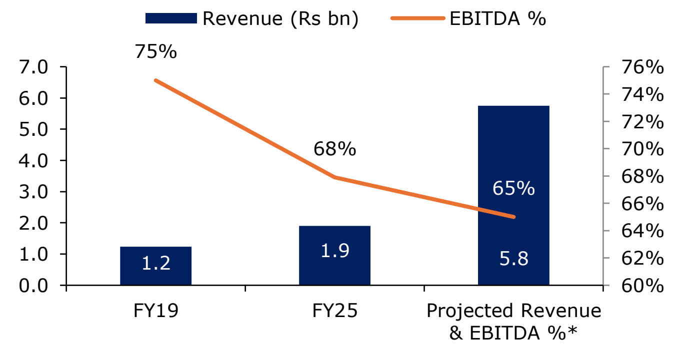
APSEZ aims to be the pioneer in end-to-end bulk food grain logistics, delivering transformational impact on national food security and agricultural supply chains by partnering with the government. This would thereby provide assured revenues for the foreseeable future. With an operational grain silo network of ~1.3mntpa, scheduled to expand to 10mntpa by FY29, APSEZ is positioned at the intersection of growth, efficiency, and policy priorities to modernize food grain infrastructure.

Exhibit 126: APSEZ plans to increase its agri-silo capacity by more than 8x by FY29



Source: Company, Emkay Research

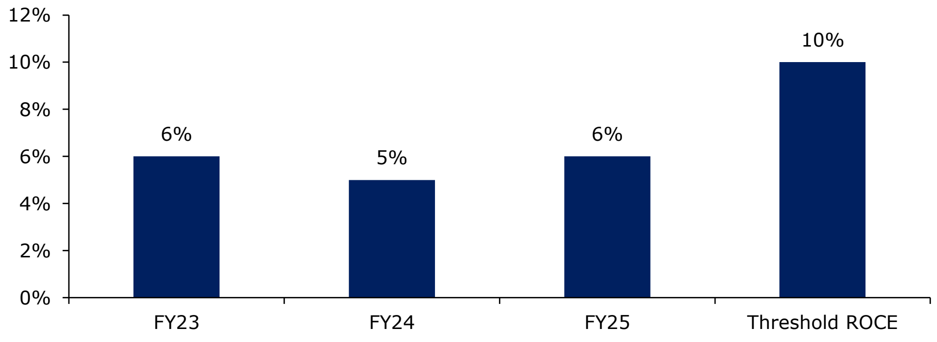
Exhibit 127: Central contracts with the government, coupled with growing capacity, to boost revenues



*Source: Company, Emkay Research; *based on 4mntpa capacity*

The company is poised to lift logistics RoCE, from 6% in FY25 to an estimated 10% by FY29, supported by the scale-up of asset-hybrid businesses such as trucking and freight networks, which allow rapid, flexible expansion with limited capital intensity. Margin expansion will be driven by technology-led optimization, improved asset utilization, and deeper integration across the logistics chain. With a planned capex of Rs150bn-200bn over FY25-29, the business is set to unlock its full revenue potential as new capacities ramp up, enabling APSEZ to deliver more comprehensive, end-to-end solutions and capture a larger share of customer spend—driving returns higher without a proportionate rise in capital employed.

Exhibit 128: The company aims to reach double-digit ROCE by FY29 in the Logistics segment

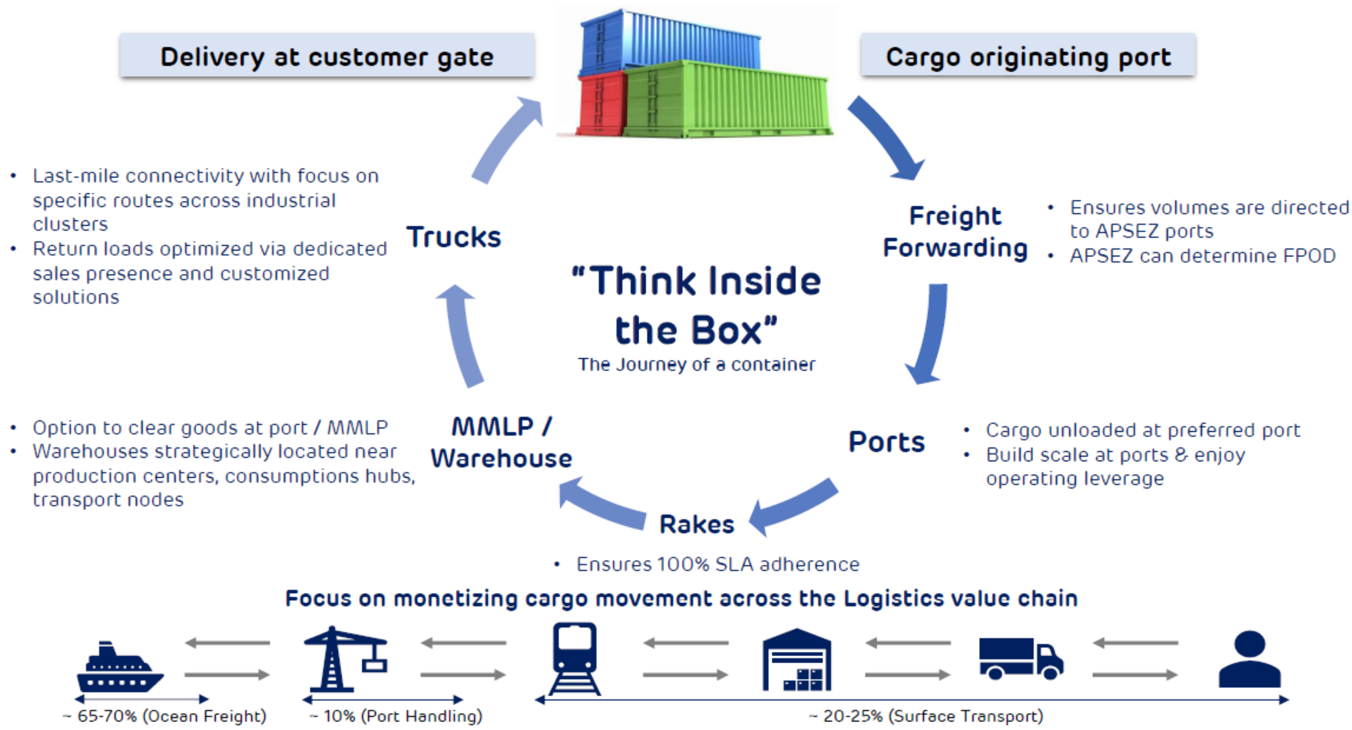


Source: Company, Emkay Research

Complementary businesses lead to a virtuous cycle, ensuring stickiness of cargo

APSEZ's complementary businesses, ports, logistics, and marine services, create a reinforcing ecosystem that drives a virtuous cycle of customer stickiness and long-term volume visibility. Its integrated logistics network—spanning trucking, MMLPs, warehousing, and multi-modal connectivity—will help earn a higher share of customer wallet, as APSEZ provides a one-stop logistics solution — from port to door. The fast-scaling marine business, with its diversified fleet and long-duration agreements, adds high-margin, resilient cash flows that deepen APSEZ's role across the value chain. Meanwhile, extensive port-adjacent land banks enable the development of industrial and logistics clusters that complete the ecosystem for customers, reinforcing retention through cross-selling opportunities and seamless connectivity. Together, these mutually reinforcing strengths enhance cargo stickiness, strengthen APSEZ's competitive moat, and support scalable, long-term growth.

Exhibit 129: APSEZ's integrated ecosystem enhances customer stickiness, consolidating multiple services within its platform

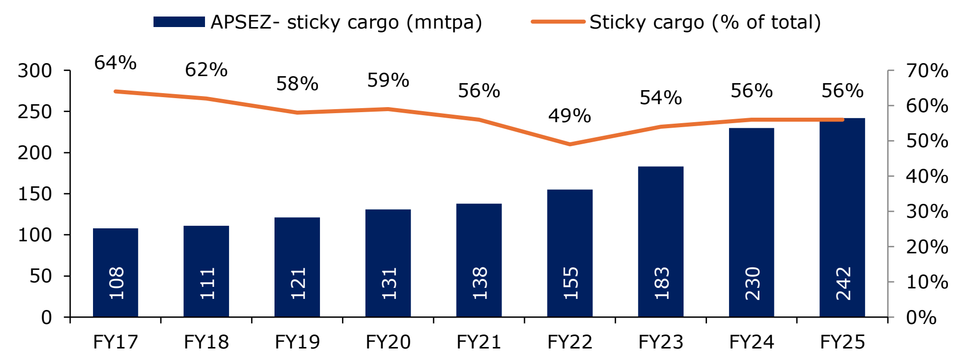


Source: Company, Emkay Research

Integrated logistics network deepens customer stickiness

APSEZ has steadily increased the share of 'sticky cargo'—that is, cargo volumes anchored through long-term contracts or deep customer relationships—now constituting around 60% of its total volumes, with the flagship Mundra port having a sticky volume share of around 70%. This is driven by a diversified cargo mix with a tilt toward higher-margin container and liquid cargo, often linked to multi-year contracts with leading global and Indian corporates. The integrated end-to-end logistics, presence across MMLPs, warehousing, and seamless rail/truck connectivity reinforce customer stickiness and repeat volumes.

Exhibit 130: Consistent growth in sticky cargo highlighted by APSEZ's integrated offerings

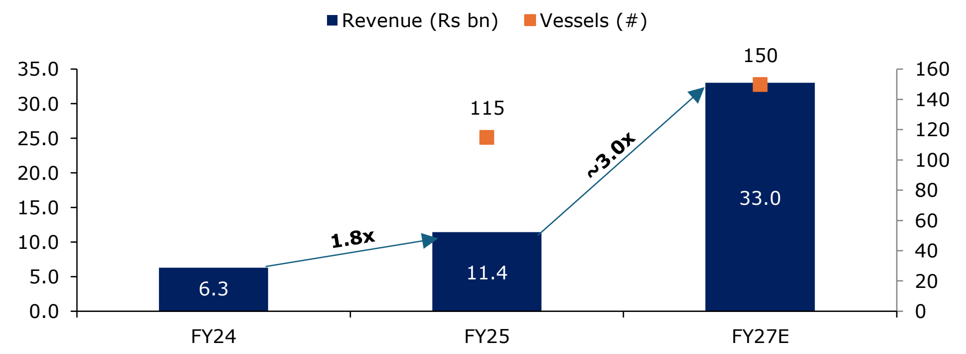


Source: Company, Emkay Research

Strategic importance of marine business

APSEZ's marine business is a strategic, high-margin growth engine that materially strengthens the group's cash-flow resilience and broadens the service offering. Over the past few years, APSEZ has built a diversified fleet (~115–118 vessels after acquisitions such as Ocean Sparkle and Astro Offshore) and positioned the segment to scale up rapidly – the management targets multi-fold revenue growth as new offshore, harbor, and third-party contracts ramp up. The marine segment commands superior profitability and return metrics (typically 50-55% and 13-15%, respectively), driven by long-duration contracts with Tier-1 EPC, oil & gas, renewables, and global shipping clients. It also complements ports and logistics by capturing incremental value from offshore support—as fee-based third-party revenue—thereby deepening customer relationships and cross-selling opportunities while delivering steady, high-quality cash flows that underpin overall return expansion.

Exhibit 131: APSEZ targets ~3x FY25 revenue in the marine business



Source: Company, Emkay Research

Land bank and cluster effect

APSEZ holds extensive, well-connected land banks adjacent to its key port assets at Mundra, Dhamra, Gangavaram, and Krishnapatnam, with **12,500 hectares at Mundra** alone. These strategic land reserves support current and future expansion of logistics parks, warehousing, industrial clusters, and multi-modal connectivity. Such clusters facilitate a 'one-stop shop' for industrial clients, enabling port-linked manufacturing, large-scale warehousing, and seamless surface connectivity. This cluster strategy, along with land appreciation, drives cross-selling, customer retention/stickiness and capacity for rapid scaling, underpinning APSEZ's long-term moat across its integrated ports and logistics platform.

Exhibit 132: Land bank integrated with hinterland logistics, supporting industry development

Dhamra: ~2,000+ Ha

- **Rail**: 62.5 km longest electrified NGR Line in the country
- **Road**: Dhamra Port is connected to the NH 16

Mundra : ~12,500+ Ha

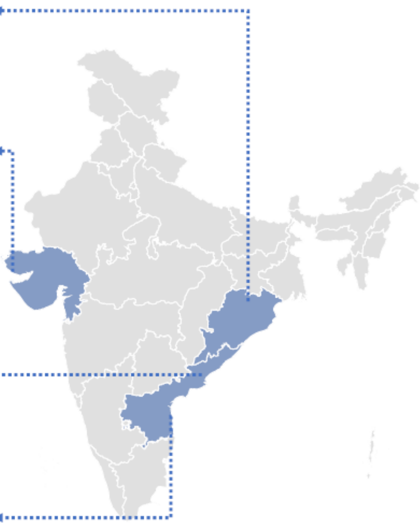
- **Rail**: 64-kilometer dedicated electrified double track railway line
- **Road** : Connected to Indian National Highway network through two State Highways
- **Air**: 1900-meter-long airstrip to serve passenger and air cargo requirements

Gangavaram: ~1,000+ Ha

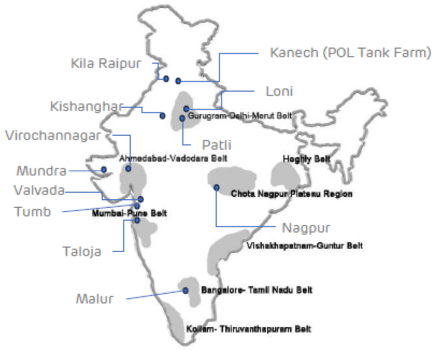
- **Road**: 4 lane expressway of 3.8 km connecting the port with the NH5
- **Rail**: Twin Railway line connectivity

Krishnapatnam: ~2,750+ Ha

- **Rail** : Connected to the Indian railway network
- **Road** : Dedicated 23 Km long 4 lane road connectivity



Investment in land banks for potential Logistics use



- Land bank is being build in-and-around the industrial clusters (Virochannagar-900 acres, NRC-390 acres, Wadgaon-130 acres, Nagpur-108 acres)
- MMLPs (Kishangarh, Virochannagar, Tumb, Patli, Loni) present in proximity of industrial clusters will promote economic activity (like SEZ does for ports)

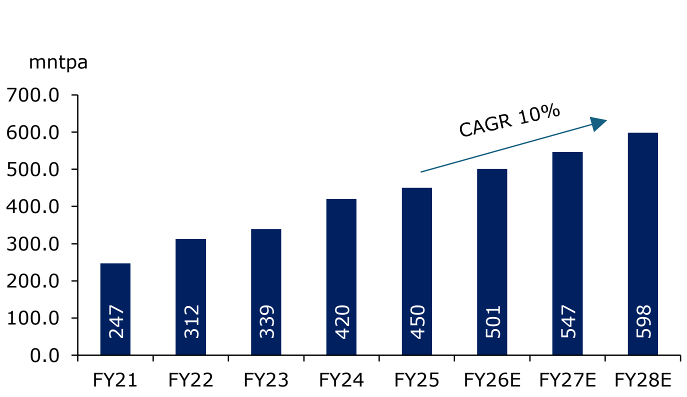
Source: Company, Emkay Research

Financial analysis

Focus on brownfield expansion to sustain the port trajectory; logistics to further boost revenue growth

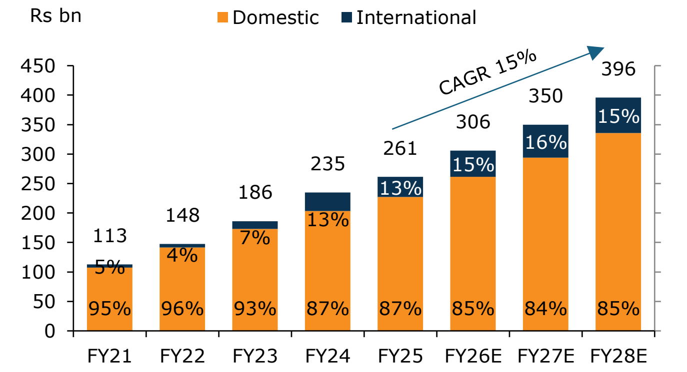
We expect domestic/overall port volumes to clock CAGR of 9%/10%, respectively, over FY25-28E, as the company focuses on ramping up assets acquired over the last 2-3 years (Gopalpur, Vizhinjam, Haifa, Colombo). We model in revenue CAGR of 15% over FY25-28E for the ports segment, largely on the back of volume growth. We expect port realizations to clock 5% CAGR over FY25-28 period with share of container cargo improving and ramp up in international ports. Despite capacity expansions planned at Mundra, Dhamra, Hazira, Gangavaram, and Vizhinjam ports, we expect utilization levels to remain healthy given the demonstrated history of the company in ramping up such assets as well as brownfield nature of expansion.

Exhibit 133: Overall port volume CAGR expected at 10% over FY25-28



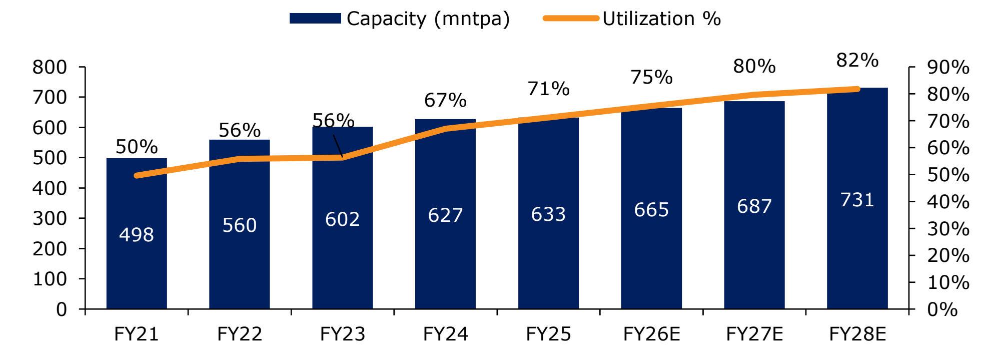
Source: Company, Emkay Research

Exhibit 134: Ramp up in international assets and brownfield expansion to support port revenue



Source: Company, Emkay Research

Exhibit 135: We expect APSEZ to improve current utilization for domestic ports despite brownfield expansions over FY25-28E

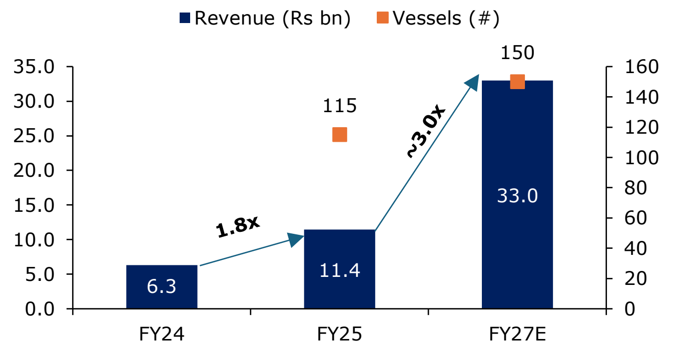


Source: Company, Emkay Research

With APSEZ now laying the groundwork for creating an integrated logistics ecosystem, we expect the steep growth trajectory to continue, as witnessed over the last 4-5 quarters and accordingly model a revenue CAGR of 25% over FY25-28, with stable EBITDA margins for the logistics business. Notably, the logistics business, still nascent, may meaningfully beat our estimates as the company, in addition to the inorganic route, has ample levers to achieve the ambitious targets set by the management, viz 1) higher share of group captive business, and 2) entering other streams of logistics business, leveraging the current platform – freight forwarding services, truck management services, and other end-to-end solutions (warehousing, MMLPs), thus leveraging its tech investments and land bank.

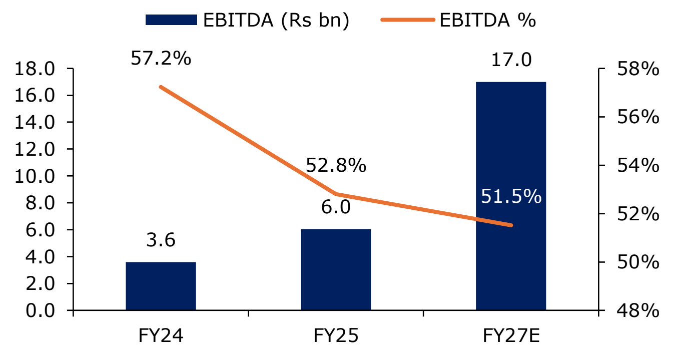
Emphasizing the keen focus on the marine business, the management has carved out this segment separately. We model marine business revenue CAGR at 54% over FY25-28E, amply supported by long-term contracts and planned asset additions. Management guidance of tripling FY25 revenue by FY27 lends comfort on the growth trajectory.

Exhibit 136: Marine revenues expected to nearly triple by FY27E…



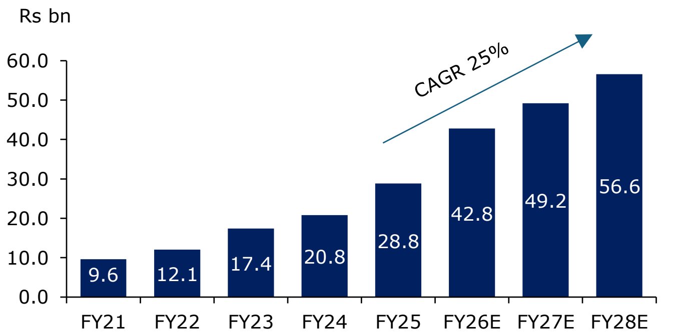
Source: Company, Emkay Research

Exhibit 137: …while EBITDA too is expected to triple by FY27E, with margins stabilizing at ~50%



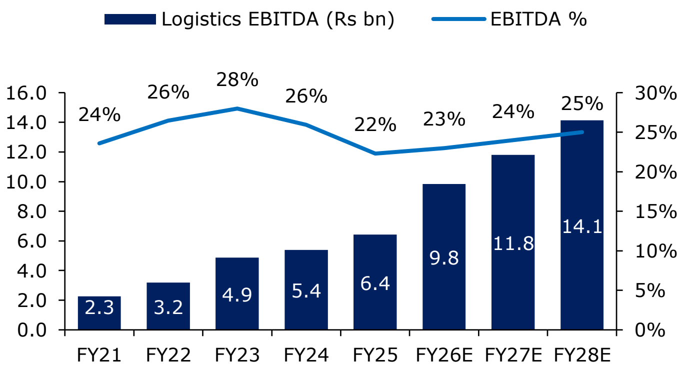
Source: Company, Emkay Research

Exhibit 138: Logistics revenue CAGR expected at 25% over FY25-28E…



Source: Company, Emkay Research

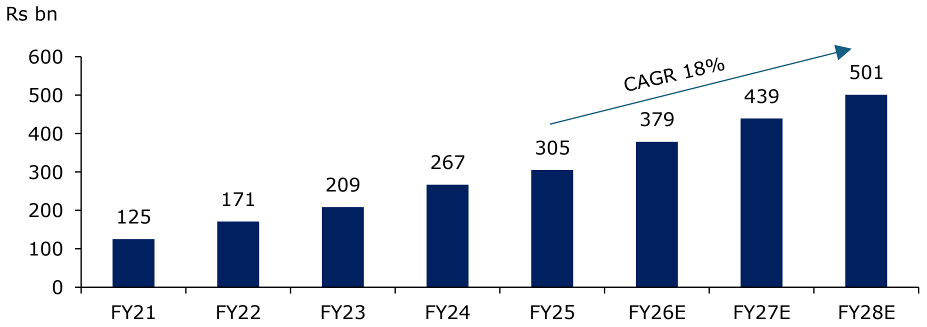
Exhibit 139: …while EBITDA is expected to reach 25% by FY28E



Source: Company, Emkay Research

With the base port business motoring well, the marine and logistics businesses should amplify growth for the company. We, thus expect revenue CAGR of 18% over FY25-28E. Faster than expected ramp up in the international port portfolio remains a key upside potential to our estimates.

Exhibit 140: We expect consolidated revenue CAGR of 18% over FY25-28E



Source: Company, Emkay Research

Exhibit 141: Segmental mix

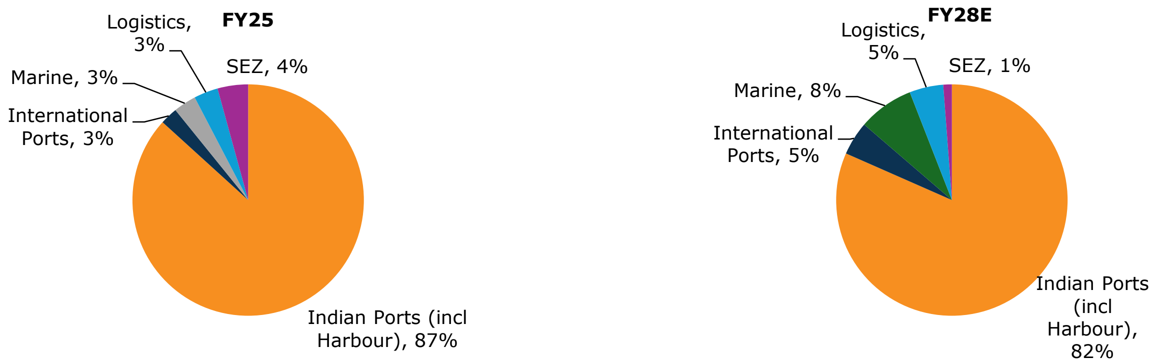
Particulars	FY25		FY28E		CAGR FY25-28E
	Revenue (Rs mn)	Mix	Revenue (Rs mn)	Mix	
Domestic Ports	227,400	73%	3,35,846	67%	14%
International Ports	33,800	11%	60,167	12%	21%
Logistics	28,810	9%	56,552	11%	25%
Marine	11,440	4%	41,470	8%	54%
SEZ	9,330	3%	7,137	1%	-9%
Total	**3,10,780**		**5,01,173**		

Source: Company, Emkay Research

Margin trajectory to be stable, despite increasing contribution from the logistics segment

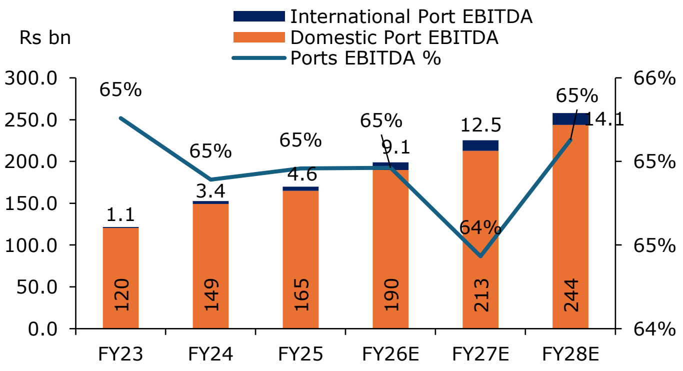
With a demonstrated history of margin expansion at acquired/greenfield ports, we expect port margins to sustain at current levels despite the undertaken brownfield expansions. We expect margins at new ports (acquired over the last 3-4 years) to expand from current levels on the back of improving utilizations and operating leverage. With the addition of Colombo port in the international portfolio, the management expects long-term (sustainable) margins of 40-45% vs the current 24% (as on Sep-25), offering meaningful upside potential to overall margins in the near term. Owing to such levers, despite the growing contribution of the logistics business, overall EBITDA margins are expected to remain range-bound, in our view.

Exhibit 142: Higher share of the lower-margin international ports and logistics segments to optically keep EBITDA margins range bound over FY25-28



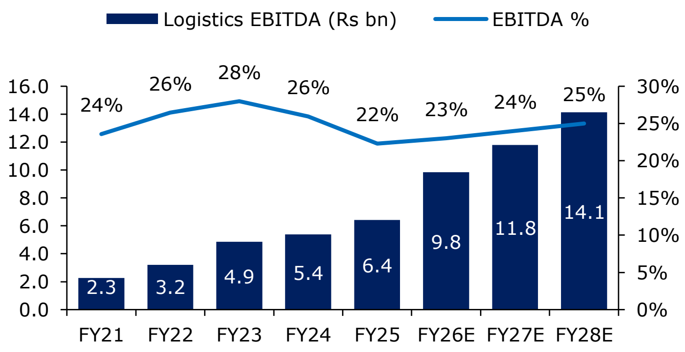
Source: Company, Emkay Research

Exhibit 143: Port EBITDA CAGR expected at 15% during FY25-28E, with margins are expected to be rangebound…



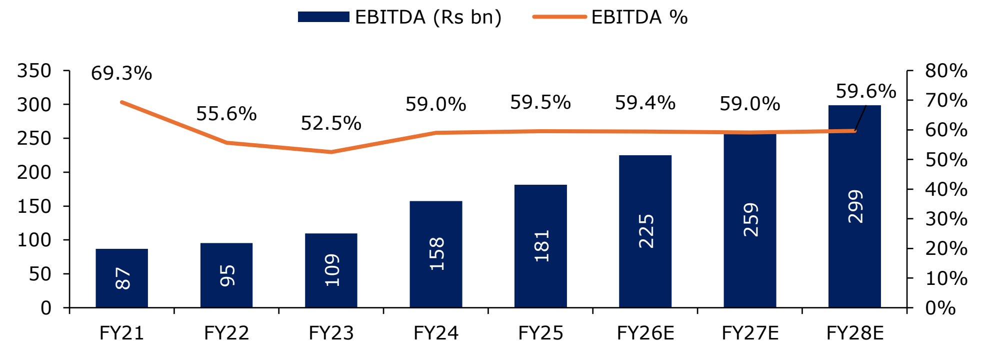
Source: Company, Emkay Research

Exhibit 144: …while logistics EBITDA CAGR is expected at 30% over the same period



Source: Company, Emkay Research

Exhibit 145: Overall EBITDA CAGR to be 18% during FY25-28E, while margins are expected to remain rangebound

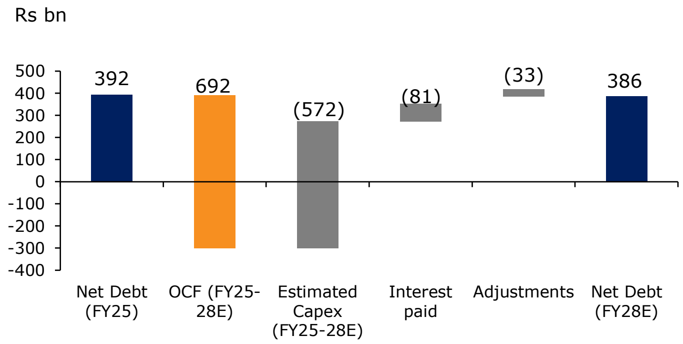


Source: Company, Emkay Research

Strong balance sheet and robust cash conversion provide ample growth runway

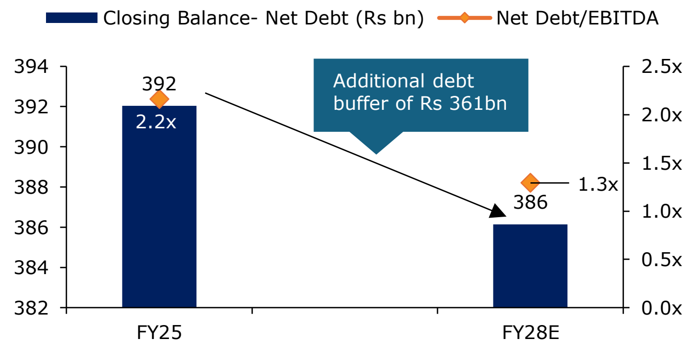
Buoyed by steady profitability and strong growth levers in both, the ports and logistics businesses, APSEZ targets volume throughput of 1bntpa by 2030. With OCF-to-EBITDA conversion consistently above 85% and the inorganic investment phase now behind, APSEZ offers strong cash flow predictability over the next 4-5 years. Expansion in allied businesses like logistics, marine, and international ports would be supported by internal accruals, in our view, thus enabling deleveraging (from existing net debt-to-EBITDA of 2.2x). We estimate APSEZ to generate cumulative OCF of Rs692bn during FY26-28E and has capex of Rs572bn, resulting in ~Rs120bn of free cash flow and controlled gearing. We specifically call out the following: a) strong balance sheet (net debt-to-EBITDA of 1.3x in FY28E; net debt-to-equity of 0.4x in FY28E) and b) adequate debt/service coverage ratios. Strong cash generation would also provide ample fuel power, in view of the management's stated leverage targets (to the tune of Rs361bn) to propel growth further via lucrative acquisitions, in our view.

Exhibit 146: Internal accruals should support expansion plans, allowing the company to maintain a robust gearing ratio…



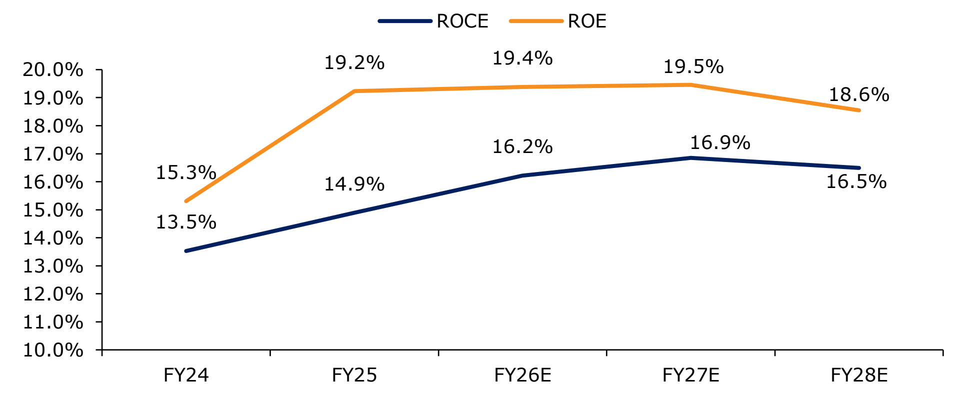
Source: Company, Emkay Research

Exhibit 147: …however, the company will have enough buffer left to turn even more aggressive in its expansion plans



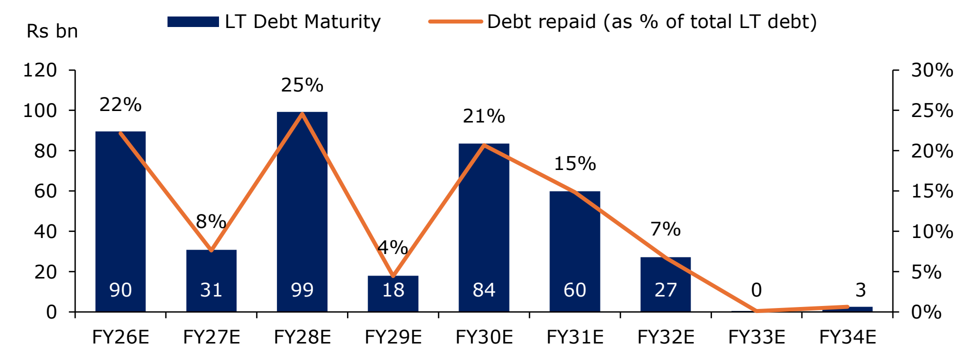
Source: Company, Emkay Research; Note: Additional debt buffer is calculated basis management target of 2.5x net debt to FY28 EBITDA

Exhibit 148: Staggered expansion plan to have minimal impact on return ratios



Source: Company, Emkay Research

Exhibit 149: 80% long-term debt to be repaid in the next 4 years



Source: Company, Emkay Research

Capex outlook

APSEZ has outlined a detailed capex and expansion plan for FY25-29, emphasizing its vision to become the world's largest integrated ports and logistics platform. Over FY25-29, total planned capex stands at Rs650-750bn, with Rs450-500bn allocated to port infrastructure and Rs150-200bn to logistics.

Exhibit 150: Detailed segment-wise capex outlook for FY25-29

Segment	Planned capex over FY25-29 (Rs bn)	Key focus areas
Ports	450-500	▪ Enhance operational efficiency across ports and expand capacity
Logistics	150-200	▪ Develop integrated services platform and continue asset addition across various sub-segments of the logistics business ▪ Marine fleet addition across OSL, Astro Offshore, and TAHID
Others	50	▪ On-going investments in digital layer cutting across APSEZ's end-to-end value chain ▪ Technology upgradation across existing equipment and processes

Source: Company, Emkay Research

Exhibit 151: FY26 capex outline, 50% of which to be utilized for port infrastructure

Segment	FY26 capex (Rs bn)	Key focus areas
Domestic Ports	60.0	▪ Expansion of terminals at Mundra, Dhamra, Hazira, Gangavaram, Krishnapatnam; mechanization and efficiency projects
International Ports	20.0	▪ Capacity expansion at Colombo West International Terminal and Dar es Salaam Port; integration of Haifa Port; acquisition of NQXT, Australia
Marine Fleet	6.2	▪ Fleet additions across Ocean Sparkle, Astro Offshore, and TAHID (Make-in-India tug order worth Rs45mn)
Logistics	20.0	▪ New multimodal logistics parks, agri-silos (target: 10mntpa by FY29), warehousing (target: 20mn sqft), and trucking assets
Tech and Decarbonization	13.8	▪ Port automation, renewable integration (RE power setup at Khavda), digital command platforms, and carbon neutrality projects
Total	**120.0**	
Capex for H1FY26	*64.6*	

Source: Company, Emkay Research

Valuation and Risks

Valuation

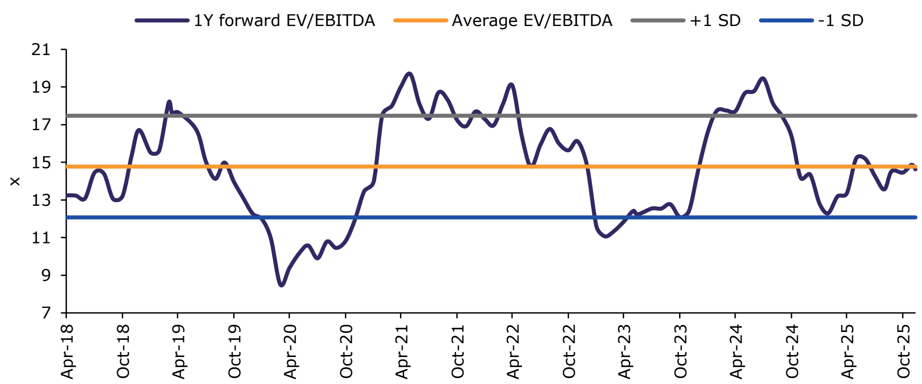
We value APSEZ on a SOTP basis, and port assets, marine business, and logistics segment on an EV/EBITDA basis. We assume that port concessions are likely to be renewed at the end of their concession life, given the significant advantage an existing port operator enjoys in generating strong throughput and margins, owing to the regular capex investments made vs a new entrant. Additionally, authorities may not be too keen on paying back the depreciated replacement value of the port assets should they choose not to renew the concession in the absence of a strong upside (sizable increase in royalty payouts vs the existing port concession agreement).

APSEZ commands a premium valuation over global peers, anchored in its strategic transformation from a port operator to a fully integrated transport utility, thereby capturing the entire supply chain. This integrated model, underpinned by industry-leading execution, robust cargo visibility, and a clear path to rapid deleveraging, creates an entrenched competitive moat and distinguishes it from the mature, asset-heavy global port utilities.

We initiate coverage on APSEZ with BUY and target price of Rs1,900, implying 25% upside to the CMP. APSEZ stands out as a premier structural compounder within India's infrastructure landscape, driven by superior execution and disciplined capital allocation. The company has consistently delivered growth at more than double the industry rate across various market cycles, while maintaining best-in-class profitability and exceptional cash conversion, with operating cash flow-to-EBITDA consistently exceeding 85%. We thus assign the domestic ports business a 15x multiple (in line with the historical trend); international ports a 12x multiple (in line with the global ports average); logistics segment a 20x multiple (above the Indian logistics average, reflecting its early growth stage and a strong expansion potential vs peers), and marine business a 15x multiple (in line with the ports business, given the similarities in profitability and sticky nature of cargo providing long-term growth visibility).

We forecast revenue, EBITDA, and PAT CAGR of 18%, 18%, and 16%, respectively, over FY25–28E, solidifying APSEZ's position as a cornerstone holding for infrastructure-focused portfolios. Our Dec-26 TP of Rs1,900 implies 15x EV/EBITDA (based on Dec-27E consolidated EBITDA).

Exhibit 152: APSEZ currently trades at 1YF LTA EV/EBITDA



Source: Company, Emkay Research

Exhibit 153: We value APSEZ at Rs1,900/share with a 25% upside

(Rs bn)	Dec-27 EBITDA	EV/EBITDA (x)	EV	Equity value	Value (Rs/sh)
Domestic Ports	236	15	3,541	3,541	1,639
International Ports	14	12	164	164	76
Marine	22	15	325	325	150
Logistics	14	20	271	271	125
Net Debt (FY27E)				(298)	
Total (Consolidated)	**289**	**15**	**4,301**	**4,004**	**1,900**

Source: Company, Emkay Research

Exhibit 154: Emkay estimates vs consensus

Rs mn	Emkay			BBG			Difference		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Sales	**378,565**	**439,035**	**501,173**	**371,361**	**428,475**	**488,127**	**1.9%**	**2.5%**	**2.7%**
EBITDA	**225,053**	**259,241**	**298,831**	**219,499**	**251,879**	**284,728**	**2.5%**	**2.9%**	**5.0%**
- margin	59.4%	59.0%	59.6%	59.1%	58.8%	58.3%			
PAT	**131,853**	**156,210**	**175,059**	**129,706**	**152,844**	**178,001**	**1.7%**	**2.2%**	**-1.7%**
- margin	34.8%	35.6%	34.9%	34.9%	35.7%	36.5%			

Source: Company, Bloomberg, Emkay Research

Exhibit 155: Global Valuation

Company name	Mcap (USD mn)	EV (USD mn)	Net debt (USD mn)	FY25-28E CAGR			EV/EBITDA			PER			RoE		
				Sales	EBITDA	PAT	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Adani Ports	35,992	41,158	5,166	18%	18%	16%	16.3x	14.2x	12.3x	24.9x	21.1x	18.8x	19%	19%	19%
JSW Infra	6,212	6,565	354	26%	24%	14%	24.1x	21.4x	14.7x	37.3x	40.3x	28.9x	15%	10%	11%
Gujarat Pipavav	1,014	902	(111)	12%	13%	14%	12.9x	11.8x	9.7x	20.8x	19.3x	15.8x	20%	21%	25%
India Ports Average				**19%**	**18%**	**15%**	**17.7x**	**15.7x**	**12.2x**	**27.6x**	**26.8x**	**21.1x**	**18%**	**17%**	**18%**
CONCOR	4,269	3,958	(311)	11%	15%	11%	16.8x	14.1x	12.1x	27.0x	22.8x	12.0x	11%	12%	13%
Gateway Distriparks	333	430	97	12%	8%	55%	7.9x	7.2x	6.6x	11.8x	10.3x	9.5x	11%	12%	12%
Transport Corporation of India	893	892	(1)	56%	58%	90%	15.8x	14.0x	4.4x	17.4x	15.5x	13.6x	19%	18%	17%
India Logistics Average				**26%**	**27%**	**52%**	**13.5x**	**11.7x**	**7.7x**	**18.7x**	**16.2x**	**11.7x**	**14%**	**14%**	**14%**
GMR Airports	11,482	15,396	3,914	25%	23%	NM	24.5x	21.3x	18.2x	NM	NM	NM	NM	NM	NM
IRB Infrastructure	2,795	4,694	1,898	9%	16%	-38%	10.8x	9.8x	9.2x	21.6x	18.2x	16.5x	6%	6%	7%
Powergrid	27,284	40,684	13,400	8%	7%	6%	9.2x	8.6x	8.0x	15.7x	14.6x	14.0x	17%	16%	16%
ITD Cementation	1,575	1,603	29	22%	24%	36%	13.5x	10.4x	8.7x	25.6x	18.6x	15.1x	26%	28%	26%
GR Infraprojects	1,083	1,500	416	11%	9%	7%	11.1x	9.2x	8.1x	12.8x	11.1x	10.0x	9%	10%	10%
India Infrastructure Average				**15%**	**16%**	**3%**	**13.8x**	**11.9x**	**10.4x**	**18.9x**	**15.6x**	**13.9x**	**14%**	**15%**	**15%**
Shanghai International	18,308	22,417	4,110	3%	11%	0%	9.5x	9.2x	NA	9.3x	9.1x	NA	9%	9%	NA
China Merchants Port Holding Int	8,599	13,307	4,708	5%	2%	2%	13.8x	13.2x	13.1x	9.2x	8.6x	NA	7%	7%	7%
Port of Tauranga	2,971	3,270	299	10%	14%	18%	21.4x	19.1x	17.7x	34.6x	30.7x	28.4x	6%	7%	8%
International Container Terminal	20,823	24,373	3,550	11%	12%	15%	10.8x	9.9x	9.7x	19.0x	16.7x	15.6x	52%	48%	43%
Westports Holdings Bhd	4,726	4,834	108	9%	11%	11%	11.1x	10.4x	9.9x	17.6x	16.5x	16.1x	26%	25%	29%
Global Ports/Logistics Average				**8%**	**10%**	**9%**	**13.3x**	**12.4x**	**12.6x**	**17.9x**	**16.3x**	**20.0x**	**20%**	**19%**	**22%**

*Source: Company, Bloomberg, Emkay Research; Note: Market data updated as on 11-Dec-25; *For international companies, FY25/26/27/28 stands for CY24/25/26/27*

Risks

- **Concession Renewal Uncertainty**: A significant long-term risk involves the extension of concession agreements for key assets. Concessions for flagship ports like Mundra, Dahej, and Hazira are set to expire between 2031 and 2035. The Gujarat Maritime Board (GMB) has not yet formulated a clear policy for these extensions. There is a risk that concessions may not be renewed, or if they are, they could come with unfavorable terms such as significantly higher revenue-share royalties, which would structurally impact margins and return ratios.

- **Geopolitical Instability in International Operations**: As APSEZ expands globally, it faces heightened geopolitical risks. Specifically, the ongoing conflict in the Middle East poses a vulnerability for the Haifa Port in Israel. Additionally, expansion into new geographies like East Africa (Tanzania), Vietnam, or Indonesia exposes the company to local political instability and potential sanctions from bodies like the US, UN, or EU, similar past issues faced with the Myanmar project.

- **Group-Level Financial Contagion**: While APSEZ has improved its own leverage, it remains exposed to the broader financial health of the Adani Group. A deterioration in group-level financials could theoretically lead to a recurrence of related-party loans or an increase in promoter share pledges to fund other group entities. Any negative news flow regarding the group's leverage or governance can impact the stock performance, independent of its own operational performance.

- **Failure to Scale Logistics Business**: APSEZ has aggressive targets to grow its logistics revenue to Rs140bn by FY29, entailing heavy capital investment. There is a risk that the company may fail to generate the projected revenue or returns from this segment. Furthermore, prolonged aggressive pricing by competitors in the logistics sector could drag down margins and depress the overall Return on Capital Employed (RoCE) for the group.

- **Vulnerability to Natural Disasters**: With a significant asset concentration on the Indian coastline, APSEZ faces operational risks from natural disasters. The increasing frequency of cyclones in the Arabian Sea (affecting Gujarat ports like Mundra) and the Bay of Bengal (affecting Dhamra and Krishnapatnam) can damage infrastructure and disrupt operations for weeks, impacting volumes.

- **Global Trade Slowdown and Protectionism**: APSEZ's cargo volumes are highly correlated with India's Export-Import (EXIM) trade. Global economic slowdowns or rising protectionism, such as trade wars or tariffs (e.g., potential US tariffs on Indian exports), could materially dampen cargo volumes. Specific commodities are also vulnerable; for instance, a slowdown in thermal coal imports due to domestic policy shifts could affect volumes at ports like Dhamra and Krishnapatnam.

- **Regulatory and Tariff Risks**: The business is subject to changes in port tariff regulations which could impact pricing power. For example, the non-renewal of Section 11 mandates for Tata Power’s Mundra plant is expected to negatively impact coal volumes handled at Mundra Port. Additionally, changes in government policies regarding tax benefits for SEZ units could reduce incentives for industries to set up operations in APSEZ's industrial zones

- **Intensifying Domestic Competition**: The Indian port sector is becoming increasingly competitive. Rival private players like JSW Infrastructure are aggressively expanding and winning new concessions (eg at major ports like Kolkata). Further, capacity expansions at major government-owned ports like JNPA could limit market share gains for APSEZ's nearby ports if inland connectivity and efficiency gaps narrow.

About the company

APSEZ is India's largest commercial port operator and a leading integrated transport utility, controlling ~27% of the nation's total cargo volume and ~46% of its container traffic. The company operates a strategic network of 15 domestic ports and terminals along India's coastline- including the flagship Mundra Port, which is the country's largest commercial port- creating a "string of pearls" that facilitates diverse cargo handling across dry bulk, liquid, and container segments. APSEZ has successfully evolved from a pure-play port operator into an integrated logistics provider by developing a comprehensive supply chain infrastructure that includes 12 multi-modal logistics parks, 132 rail rakes, and over 3mn sq ft of warehousing capacity, enabling it to offer end-to-end "port-to-gate" solutions to customers.

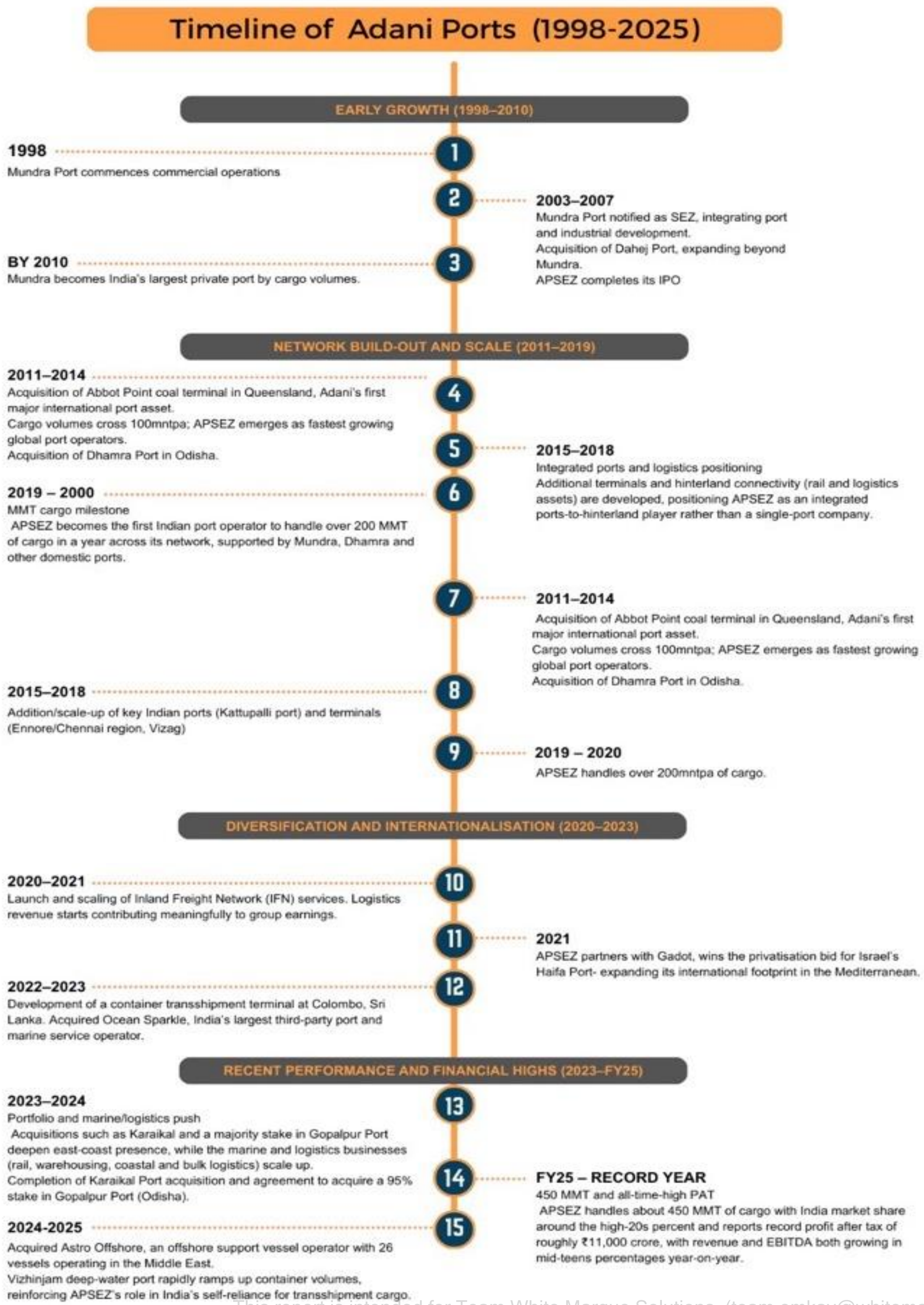
Beyond its domestic dominance, APSEZ is aggressively expanding its global footprint and marine capabilities, with recent operations established in Israel (Haifa), Sri Lanka (Colombo), and Tanzania (Dar es Salaam). The company boasts a massive domestic operational capacity of 633mntpa and has significantly strengthened its marine services division with a fleet of 127 vessels, including one of the largest dredging fleets in the country. With a stated vision to become the world's leading integrated transport utility, APSEZ consistently outpaces industry growth rates, leveraging its high-margin port assets to fund strategic acquisitions and logistics expansion while maintaining a focus on deleveraging and robust cash flow generation.

Exhibit 156: APSEZ Domestic Ports- Summary (FY25)

Domestic Ports	Capacity (mntpa)	Volume (mntpa)	Utilization	FY25 Revenue (Rs mn)	Realization (Rs/tonne)	EBITDA %	Volume CAGR (FY22-25)	Contribution Mix (% of domestic)		
								Volume	Revenue	EBITDA
Mundra	264.0	200.7	76%	80,050	399	67.5%	10%	47%	39%	38%
Hazira	30.0	27.4	91%	18,970	692	71.3%	3%	6%	9%	10%
Dahej	16.0	10.3	64%	6,120	594	65.0%	9%	2%	3%	3%
Dhamra	50.0	46.1	92%	22,520	489	61.1%	11%	11%	11%	10%
Krishnapatnam	75.0	55.0	73%	29,070	529	64.1%	11%	13%	14%	13%
Kattupalli	25.0	14.1	56%	4,180	296	65.3%	24%	3%	2%	2%
Gangavaram	64.0	26.8	42%	9,570	357	35.9%	-4%	6%	5%	2%
Karaikal Port	22.0	12.9	59%	6,300	488	72.4%	NM	3%	3%	3%
Gopalpur Port (consolidated wef Oct-24)	20.0	2.6	13%	1,860	715	38.2%	NM	1%	1%	1%
Vizhinjam (Dec-24 onward)	18.0	7.3	41%	2,617	359	91.8%	NM	2%	1%	2%
Others	49.0	27.4	56%	22,983	839	100.1%	10%	6%	11%	16%
Total	**633.0**	**430.6**	**68%**	**2,04,240**	**474**	**68.9%**	**11%**	**100%**	**100%**	**100%**

Source: Company, Emkay Research

Exhibit 157: APSEZ – Timeline



Source: Company, Emkay Research

Exhibit 158: APSEZ – Management team and the Board of Directors

Key personnel	Designation	Education	Experience
Karan Adani	Managing Director	Degree in Economics, Purdue University	An economics graduate from Purdue University, Adani joined the group at Mundra Port in 2009 and has since led APSEZ's growth from a handful of ports to a multi-port, integrated logistics platform in India and overseas. In his leadership roles, including his earlier tenure as CEO, he has driven portfolio expansion, a shift toward container and diversified cargo, and a strong focus on technology-driven and sustainable operations. He is recognized for his strategic vision in transforming APSEZ into an integrated ports and logistics ecosystem, aligning business growth with operational excellence and environmental responsibility.
Ashwani Gupta	Whole time Director and CEO	Bachelor's degree in production and industrial engineering (Jawaharlal Nehru Engineering College)	Gupta brings nearly three decades of global leadership experience, having previously held senior roles in international automotive and industrial businesses where he led large-scale transformations, technology adoption, and strategic partnerships. At APSEZ, he is responsible for global operations and business strategy across marine, ports, and logistics, driving volume growth, revenue expansion, and operational efficiencies. Under his leadership, the company has achieved record cargo volume and strengthened its position as a leading port operator in India.
D Muthukumaran	CFO	Chartered Accountant, Cost Accountant	Muthukumaran has more than 25 years of experience in finance and accounts, including structured finance, mergers and acquisitions, and capital raising through debt and equity markets. Before joining APSEZ, he held leadership roles with firms such as Deloitte, Lazard India, the Aditya Birla Group, and ReNew Power, where he played an instrumental role in private equity transactions, international listings, and domestic and offshore debt issuances. At APSEZ, he oversees financial strategy, capital structure, and risk management to support the company's growth ambitions.
PK Pujari	Independent and Non-executive Director	Postgraduate in Economics (Delhi School of Economics)	A former senior civil servant, Pujari brings with him extensive experience in public policy, regulation and the energy and infrastructure sectors, gained through various roles in government and regulatory bodies. On the APSEZ Board, he contributes an independent perspective on strategy, risk, regulation, and sustainability, and participates in key Board and committee deliberations. His background in policy and governance strengthens the company's engagement with the regulatory environment and long-term strategic planning.
PS Jayakumar	Independent and Non-executive Director	Chartered Accountant, PGDM from XLRI Jamshedpur	Jayakumar has deep experience in the banking and financial services sector, including over two decades with Citibank in India and Singapore. In 2015, he was appointed Managing Director and CEO of Bank of Baroda, becoming the first person from the private sector to lead a large public sector bank, where he oversaw a major transformation and a three-way merger with Vijaya Bank and Dena Bank. He has been recognised with awards such as "Banker of the Year" and currently combines entrepreneurial pursuits with board roles, bringing his expertise in strategy, risk, credit and digital transformation to APSEZ.

Source: Company, Emkay Research

Adani Ports: Consolidated Financials and Valuations

Profit & Loss

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**267,106**	**304,753**	**378,565**	**439,035**	**501,173**
Revenue growth (%)	28.1	14.1	24.2	16.0	14.2
EBITDA	**157,511**	**181,404**	**225,053**	**259,241**	**298,831**
EBITDA growth (%)	43.9	15.2	24.1	15.2	15.3
Depreciation & Amortization	38,885	43,789	52,345	55,378	71,273
EBIT	**118,626**	**137,615**	**172,708**	**203,863**	**227,558**
EBIT growth (%)	57.7	16.0	25.5	18.0	11.6
Other operating income	-	-	-	-	-
Other income	14,994	19,078	13,354	12,019	10,817
Financial expense	35,618	27,813	27,774	27,218	25,857
PBT	**98,003**	**128,879**	**158,289**	**188,664**	**212,518**
Extraordinary items	0	0	0	0	0
Taxes	15,346	19,684	28,492	34,903	40,378
Minority interest	0	311	357	411	472
Income from JV/Associates	(1,617)	1,416	1,699	2,039	2,447
Reported PAT	**81,040**	**110,922**	**131,853**	**156,210**	**175,059**
PAT growth (%)	50.3	36.9	18.9	18.5	12.1
Adjusted PAT	**81,040**	**110,922**	**131,853**	**156,210**	**175,059**
Diluted EPS (Rs)	**38.4**	**51.3**	**61.0**	**72.3**	**81.0**
Diluted EPS growth (%)	50.3	33.8	18.9	18.5	12.1
DPS (Rs)	**5.1**	**6.2**	**9.2**	**10.8**	**12.2**
Dividend payout (%)	**13.3**	**12.0**	**15.0**	**15.0**	**15.0**
EBITDA margin (%)	59.0	59.5	59.4	59.0	59.6
EBIT margin (%)	44.4	45.2	45.6	46.4	45.4
Effective tax rate (%)	15.7	15.3	18.0	18.5	19.0
NOPLAT (pre-IndAS)	**100,051**	**116,597**	**141,620**	**166,148**	**184,322**
Shares outstanding (mn)	2,112	2,160	2,160	2,160	2,160

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	4,320	4,320	4,320	4,320	4,320
Reserves & Surplus	525,127	620,034	732,109	864,887	1,013,687
Net worth	**529,448**	**624,354**	**736,429**	**869,208**	**1,018,008**
Minority interests	15,982	25,380	25,022	24,612	24,140
Non-current liab. & prov.	(18,380)	(17,447)	(17,447)	(17,447)	(17,447)
Total debt	**462,792**	**458,100**	**437,820**	**469,920**	**478,050**
Total liabilities & equity	**1,082,037**	**1,216,861**	**1,308,298**	**1,472,767**	**1,629,224**
Net tangible fixed assets	518,038	623,944	711,599	756,221	959,949
Net intangible assets	-	-	-	-	-
Net ROU assets	38,091	61,775	61,775	61,775	61,775
Capital WIP	109,361	115,922	128,088	136,120	172,791
Goodwill	69,069	70,936	70,936	70,936	70,936
Investments [JV/Associates]	-	14,592	14,592	14,592	14,592
Cash & equivalents	**15,757**	**34,063**	**25,969**	**140,331**	**59,912**
Current assets (ex-cash)	158,966	155,378	167,377	177,207	187,308
Current Liab. & Prov.	87,955	117,566	129,854	142,232	155,855
NWC (ex-cash)	**71,011**	**37,812**	**37,523**	**34,975**	**31,454**
Total assets	**1,082,037**	**1,216,860**	**1,308,298**	**1,472,766**	**1,629,224**
Net debt	386,474	392,041	379,855	297,593	386,142
Capital employed	1,082,037	1,216,861	1,308,298	1,472,767	1,629,224
Invested capital	**811,471**	**889,574**	**976,940**	**1,019,014**	**1,219,220**
BVPS (Rs)	250.6	289.0	340.9	402.4	471.3
Net Debt/Equity (x)	0.7	0.6	0.5	0.3	0.4
Net Debt/EBITDA (x)	2.5	2.2	1.7	1.1	1.3
Interest coverage (x)	3.8	5.6	6.7	7.9	9.2
RoCE (%)	**13.5**	**14.8**	**16.1**	**16.8**	**16.5**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	81,392	111,218	146,633	178,684	204,148
Others (non-cash items)	-	-	-	-	-
Taxes paid	(12,719)	(14,650)	(22,794)	(27,922)	(32,303)
Change in NWC	14,878	34,131	288	2,548	3,521
Operating cash flow	**150,176**	**172,263**	**198,549**	**228,925**	**264,421**
Capital expenditure	(127,352)	(161,652)	(152,166)	(108,032)	(311,671)
Acquisition of business	0	(14,592)	0	0	0
Interest & dividend income	-	-	-	-	-
Investing cash flow	**(69,466)**	**(97,873)**	**(138,812)**	**(96,013)**	**(300,854)**
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(35,401)	(4,692)	(20,280)	32,100	8,130
Payment of lease liabilities	135	2,513	0	0	0
Interest paid	(35,618)	(27,813)	(27,774)	(27,218)	(25,857)
Dividend paid (incl tax)	(10,797)	(13,363)	(19,778)	(23,432)	(26,259)
Others	3,679	(25,801)	0	0	0
Financing cash flow	**(78,001)**	**(69,155)**	**(67,831)**	**(18,550)**	**(43,986)**
Net chg in Cash	2,709	5,235	(8,094)	114,362	(80,419)
OCF	150,176	172,263	198,549	228,925	264,421
Adj. OCF (w/o NWC chg.)	135,298	138,131	198,260	226,377	260,899
FCFF	22,824	10,611	46,383	120,893	(47,250)
FCFE	(12,794)	(17,202)	18,609	93,675	(73,107)
OCF/EBITDA (%)	95.3	95.0	88.2	88.3	88.5
FCFE/PAT (%)	(15.8)	(15.5)	14.1	60.0	(41.8)
FCFF/NOPLAT (%)	**22.8**	**9.1**	**32.8**	**72.8**	**(25.6)**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	39.7	29.7	24.9	21.1	18.8
EV/CE(x)	3.6	3.3	3.1	2.7	2.4
P/B (x)	6.1	5.3	4.5	3.8	3.2
EV/Sales (x)	13.5	12.1	9.7	8.4	7.3
EV/EBITDA (x)	22.9	20.3	16.3	14.2	12.3
EV/EBIT(x)	30.4	26.8	21.2	18.0	16.1
EV/IC (x)	4.4	4.1	3.8	3.6	3.0
FCFF yield (%)	0.6	0.3	1.3	3.3	(1.3)
FCFE yield (%)	(0.4)	(0.5)	0.6	2.8	(2.2)
Dividend yield (%)	0.3	0.4	0.6	0.7	0.8
DuPont-RoE split					
Net profit margin (%)	30.3	36.4	34.8	35.6	34.9
Total asset turnover (x)	0.3	0.3	0.3	0.3	0.3
Assets/Equity (x)	2.1	1.9	1.8	1.7	1.6
RoE (%)	**16.5**	**19.2**	**19.4**	**19.5**	**18.6**
DuPont-RoIC					
NOPLAT margin (%)	37.5	38.3	37.4	37.8	36.8
IC turnover (x)	0.3	0.4	0.4	0.4	0.4
RoIC (%)	**12.6**	**13.7**	**15.2**	**16.6**	**16.5**
Operating metrics					
Core NWC days	97.0	45.3	36.2	29.1	22.9
Total NWC days	**97.0**	**45.3**	**36.2**	**29.1**	**22.9**
Fixed asset turnover	0.3	0.3	0.3	0.4	0.4
Opex-to-revenue (%)	14.4	14.0	11.9	11.7	11.6

Source: Company, Emkay Research

ADD

JSW Infrastructure

Executing with certainty; initiate with ADD

Emkay — Your success is our success

Logistics | Initiating Coverage | **December 15, 2025**

CMP (Rs): 274 | TP (Rs): 300

We initiate coverage on JSW Infrastructure (JSW Infra) with ADD and SoTP-based Dec-26E TP of Rs300, implying 18x EV/EBITDA. JSW Infra has transitioned from a single-asset captive operator into India's second-largest private port operator, scaling up its capacity from ~30mntpa in FY15 to 177mntpa in FY25 while lifting third-party share from 9% to 49% over the same period. With visibility on >80% of the upcoming projects and demonstrated history of augmenting capacities, we expect JSW Infra to clock revenue/EBITDA/PAT CAGR of 26%/24%/14%, respectively, over FY25–28E, underpinned by both captive and non-captive throughput. Strong cash generation, fundamentals, and a potential equity infusion in FY27E provide meaningful balance-sheet headroom for the planned ~Rs40bn capex outlay till FY29 and beyond, in our view. Premium valuations (~20% higher than APSEZ's FY28 EV/EBITDA, at CMP), though, cap the near-term upside potential.

Group support de-risks greenfield execution

JSW Infra has emerged as the 2nd largest domestic port operator via successfully navigating challenges of hinterland traffic (base volume) during greenfield expansions, initially leveraging support from Group companies. It has meaningfully expanded 3rd party (3P) cargo contribution (9% in FY19: vs 49% in FY25), validating its strategic focus+operating capabilities. JSW Infra reached 177mntpa capacity and achieved parity across the East and West coasts. We believe that with a similar playbook, its entry into logistics is likely to be value-accretive, enhancing its reach and customer stickiness.

Path to scalability firmly in place

The management plans to more than double its port capacity to 400mntpa by FY30 (300mntpa by FY28), on the back of brownfield expansions and greenfield additions at Jatadhar, Keni, and Murbe. Given the company's demonstrated history of augmenting capacity (12% CAGR over FY20-25) and visibility on >80% of the incremental projects, we assign minimal execution risks to the company's roadmap. While the logistics business is currently at a nascent stage, an inorganic foray would accelerate scale-up, with the captive business (JSW Group opportunity of Rs40bn by FY30E) providing a profitable growth path.

Strong fundamentals and balance-sheet optionality help sustain premium valuations

Despite its asset-heavy business, JSW Infra's conservative leverage (net debt-to-EBITDA of 0.75x, as of Sep-25) signifies disciplined capital allocation and efficient cost management. Even after incorporating ~Rs400bn capex till FY30 and the management's leverage ceiling of 2.5x net debt-to-EBITDA, we see meaningful balance-sheet headroom for pursuing growth beyond the targeted 400mntpa. The potential equity infusion would pare the stake of promoters by Oct-26, further providing optionality for global and domestic opportunities, in our view. With ~100mntpa of capacity coming live over FY28-30E—largely backed by anchor volumes, we expect JSW Infra's optically elevated multiples to sustain.

Key risks: Execution delays and slower than expected ramp-up in group companies.

JSW Infrastructure: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	37,629	44,761	55,252	63,692	89,235
EBITDA	19,646	22,621	26,016	29,325	42,659
Adj. PAT	11,559	15,030	15,063	15,779	22,025
Adj. EPS (Rs)	6.0	7.3	7.2	6.8	9.5
EBITDA margin (%)	52.2	50.5	47.1	46.0	47.8
EBITDA growth (%)	21.3	15.1	15.0	12.7	45.5
Adj. EPS growth (%)	45.9	21.0	(0.5)	(6.0)	39.6
RoE (%)	19.2	17.0	14.5	10.2	10.6
RoIC (%)	13.1	12.7	12.8	9.8	10.6
P/E (x)	45.6	37.7	37.9	40.3	28.9
EV/EBITDA (x)	27.0	26.0	24.1	21.4	14.7
P/B (x)	6.6	5.8	5.2	3.2	2.9
FCFF yield (%)	(0.9)	(3.4)	(5.0)	(13.1)	(3.5)

Source: Company, Emkay Research

Target Price – 12M	Dec-26
Change in TP (%)	**NA**
Current Reco.	ADD
Previous Reco.	NA
Upside/(Downside) (%)	9.5

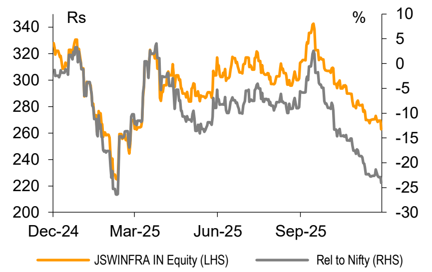
Stock Data	**JSWINFRA IN**
52-week High (Rs)	349
52-week Low (Rs)	218
Shares outstanding (mn)	2,100.0
Market-cap (Rs bn)	576
Market-cap (USD mn)	6,369
Net-debt, FY26E (Rs mn)	55,345.6
ADTV-3M (mn shares)	1.7
ADTV-3M (Rs mn)	505.4
ADTV-3M (USD mn)	5.6
Free float (%)	15.3
Nifty-50	26,046.9
INR/USD	90.4

Shareholding,Sep-25	
Promoters (%)	83.6
FPIs/MFs (%)	7.3/2.5

Price Performance

(%)	1M	3M	12M
Absolute	(3.7)	(13.0)	(14.1)
Rel. to Nifty	(4.3)	(16.1)	(19.0)

1-Year share price trend (Rs)

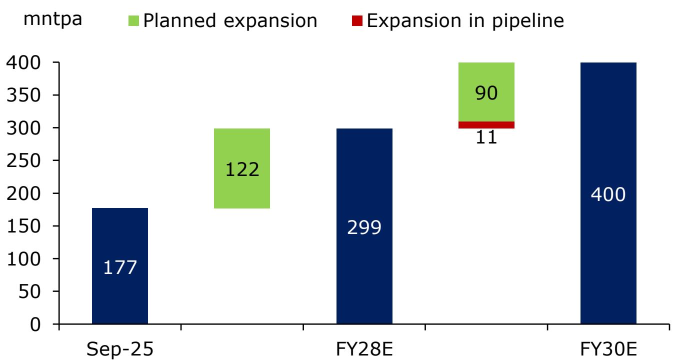


Anshul Agrawal
anshul.agrawal@emkayglobal.com
+91-22-66121228

Vivek Sethia
vivek.sethia@emkayglobal.com
+91-22 -66121306

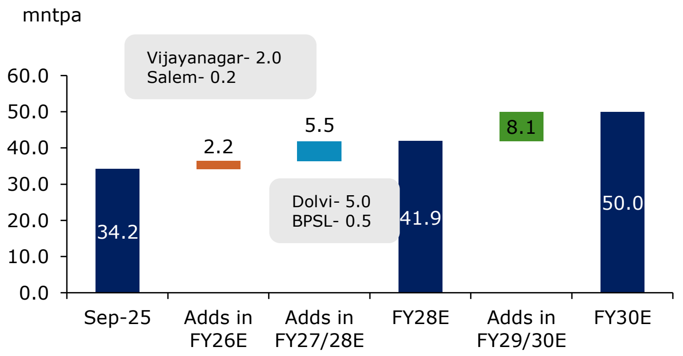
Story in charts

Exhibit 159: JSW Infra targets ~2.3x current capacity by FY30, with clear visibility on execution…



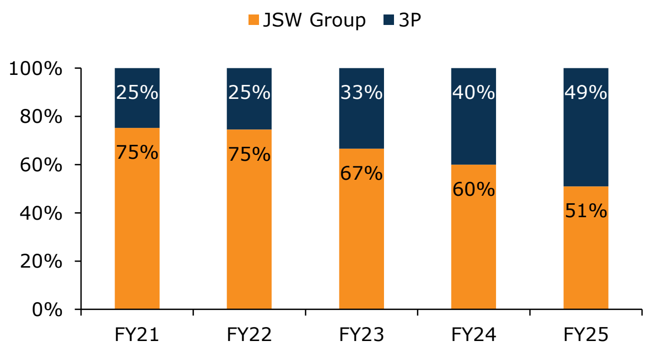
Source: Company, Emkay Research; Note: refer to Exhibit 14

Exhibit 160: …owing to expansion of capacities at JSW Steel (~50% by FY30)



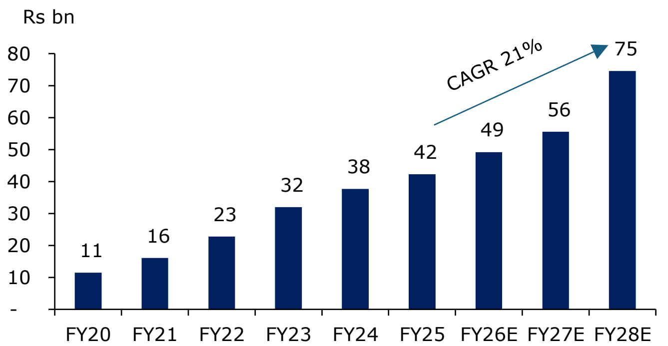
Source: JSW Steel Investor PPT, Emkay Research

Exhibit 161: JSW Infra's swift ramp-up in 3P cargo highlights execution capabilities, likely to aid ramp-up in upcoming projects



Source: Company, Emkay Research

Exhibit 162: We thus expect port revenue to be driven by volume



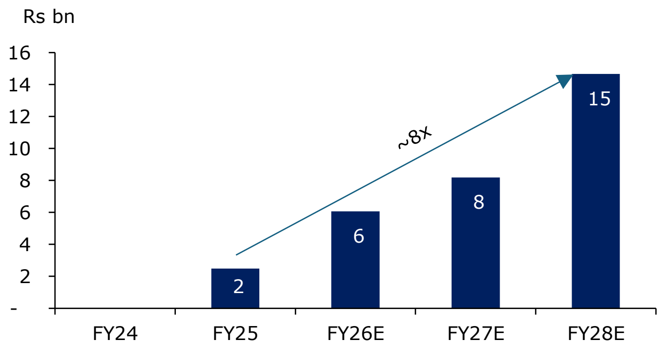
Source: Company, Emkay Research

Exhibit 163: Port revenue to be driven by volume

Particulars	Amount (Rs bn)	Details
JSW Steel	110	FY30 outbound logistics (estimated 10% CAGR for FY25-30)
JSW Cement	23	FY30 outbound logistics (estimated 10% CAGR for FY25-30)
Total outbound logistics	**132**	
Total inbound logistics	132	Assumed similar spends as that for outbound logistics
Total Group logistics spend	**264**	**Total addressable Group logistics spends for JSW Infra**
15% share of the above spends	40	50% of FY30 logistics revenue target to be met by captive consumption

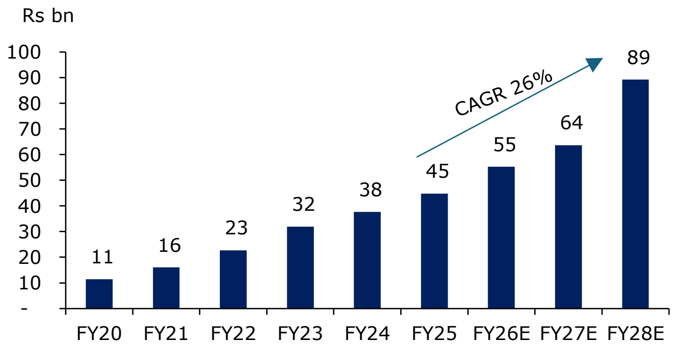
Source: Company, Emkay Research

Exhibit 164: We estimate non-port revenue to grow ~8x of FY25 revenue



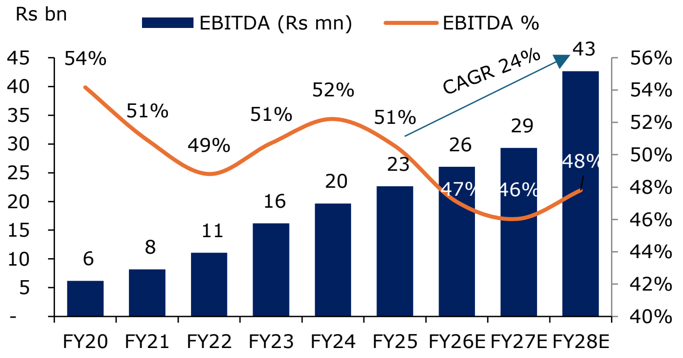
Source: Company, Emkay Research

Exhibit 165: We expect consolidated revenue CAGR of 26% over FY25-28E, driven by both ports and logistics segments



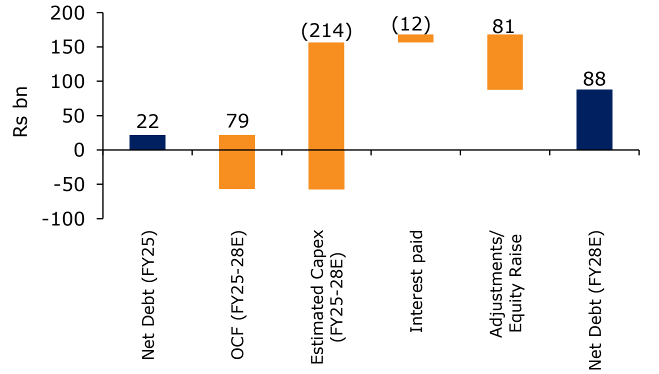
Source: Company, Emkay Research

Exhibit 166: We expect EBITDA CAGR of 24%, with margins optically trending lower due to the increasing contribution of logistics



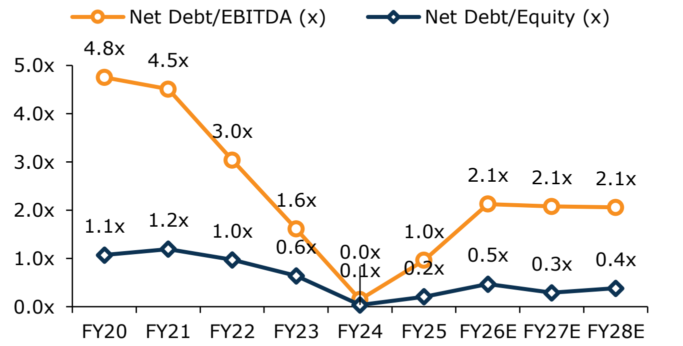
Source: Company, Emkay Research

Exhibit 167: Conservative leverage and internal accruals should support aggressive expansion plans, keeping…



Source: Company, Emkay Research

Exhibit 168: …the company's net debt-to-EBITDA within the target ratio of 2.5x



Source: Company, Emkay Research

Exhibit 169: Greenfield assets offer immense growth potential sans the execution risk, on the back of Group support and a rich hinterland

Ports	Group Cargo contribution	3P Cargo Potential	Competitive Intensity	Execution Risk
Jatadhar	🚢🚢🚢	🚢🚢	🚢🚢🚢	🚢
Keni	🚢🚢	🚢🚢🚢	🚢	🚢
Murbe	🚢	🚢🚢🚢	🚢🚢🚢	🚢🚢
Jaigarh	🚢🚢🚢	🚢🚢	🚢	🚢
Dharamtar	🚢🚢🚢	🚢	🚢	🚢

Source: Company, Emkay Research; Note: Higher number of ships denote high exposure to the metric

Group cargo de-risks the business model

Leveraging Group businesses, JSW Infra has steadfastly grown to become the second largest port operator in India, boasting of 177mntpa of cargo handling capacity at 3 ports/7 terminals in India. From a pure captive port operator, JSW Infra has, through strategic initiatives, significantly reduced concentration risks, with third-party cargo contributing 49% of revenue in FY25, up from 9% in FY19. Continued ramp-up of Group companies (JSW Steel in particular) continues to de-risk JSW's business model of developing hinterland traffic, especially given the slated commissioning of multiple greenfield expansions over the next 3-4 years (Jatadhar, Keni, Murbe). In line with the timelines of commissioning of these capacities, we expect volume CAGR of 15% over FY25-28E without a material contraction in port margins, owing to limited period required to ramp up utilizations.

Group expansion plans to boost cargo volume and utilization

JSW Group has laid out ambitious expansion plans, with a capex commitment of ~USD50bn over the next 5 years focused on key sectors such as steel, energy, cement, electric vehicles (EVs), and infrastructure. JSW Steel's capacity expansions at its Vijayanagar (JVML) and Dolvi facilities are positioned to significantly amplify cargo volumes across JSW Infra's port network. The fully commissioned 5mntpa integrated steel plant at JVML, along with the upcoming BF3 furnace upgrade to 4.5mntpa by Feb-26 will substantially increase inbound raw materials (iron ore, coking coal, limestone) and outbound finished steel volumes through JSW Infra's ports, with future growth extending to the upcoming Keni port. Simultaneously, JSW Steel's Dolvi Phase III expansion – raising capacity from 10mntpa to 15mntpa by Sep-27E will generate additional cargo throughput at Dharamtar and Jaigarh ports, which are being upgraded with +21mntpa and +15mntpa capacity, respectively, to accommodate the increased volumes. With each ton of steel output potentially creating up to 4x cargo handling opportunities when accounting for raw materials and finished products, these expansions provide JSW Infra with robust, long-term visibility and utilization across both existing and future port infrastructure.

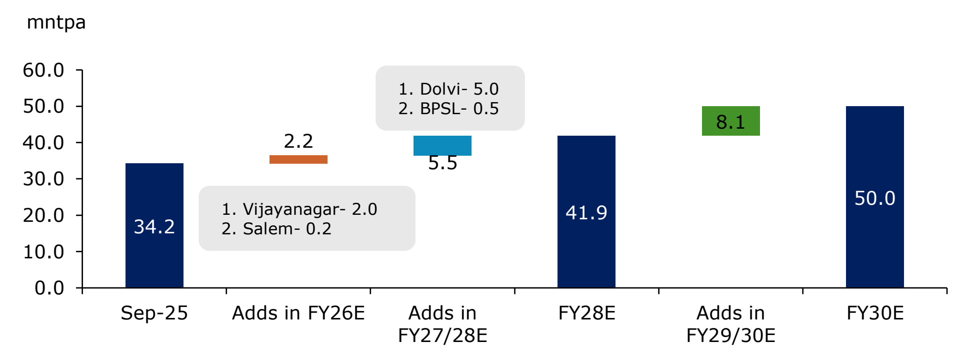
Overall, while JSW Infra initially operated as a 100% captive cargo handler for JSW Group since 2002, the company has strategically diversified. By FY25, third-party cargo increased to 45% of total domestic revenues. However, the relationship with JSW Steel remains a stable anchor demand, thus enabling aggressive capacity expansion and third-party customer acquisition.

Exhibit 170: JSW Group remains a key anchor for JSW Infra's growth

Ports	Cargo Capacity (mntpa)	FY25 Cargo Volume (mntpa)	Revenue (Rs mn)	Group contribution to total revenue (%)
Jaigarh	55.0	19.9	12,194	81%
Dharamtar	34.0	23.1	4,212	100%
Paradip Coal Terminal	30.0	18.9	4,156	-
Ennore Coal Terminal	9.6	10.2	3,926	21%
Paradip Iron Ore Terminal	10.0	11.4	3,674	65%
Southwest	11.0	6.4	2,954	72%
PNP	8.0	5.5	2,814	2%
New Mangalore Coal Terminal	8.1	6.3	2,483	41%
Ennore Bulk Terminal	2.0	2.1	859	57%
New Mangalore Container Terminal	4.2	2.4	801	-
JNPA Liquid Terminal	4.5	0.2	73	-

Source: Company, Emkay Research

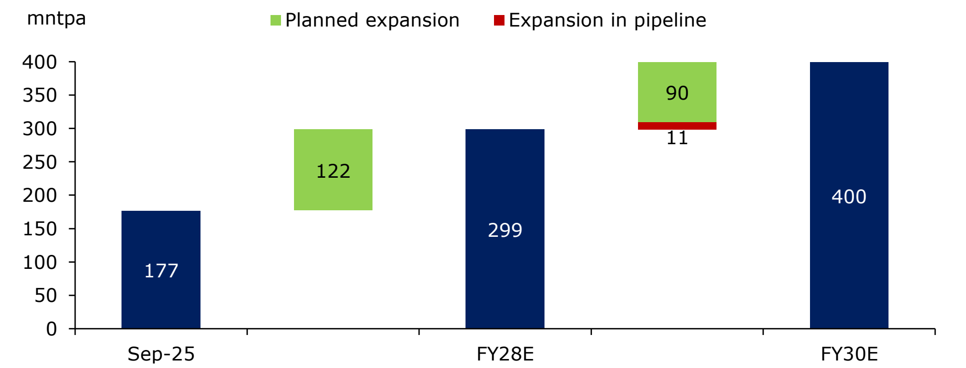
Exhibit 171: JSW Steel has ~50% incremental capacity addition planned over the next few years



Source: JSW Steel Investor PPT, Emkay Research

Just like the flagship entity (JSW Steel), JSW Cement is also on a steep growth path – aiming to triple its capacity to 60mntpa. With the steel and cement divisions of JSW Group ramping up production, captive cargo volumes for JSW Infrastructure are set to increase substantially, securing baseline throughput and stable revenue. Port expansions—such as the upcoming brownfield expansions at Jaigarh and Dharamtar- ensure sufficient handling capacity for anticipated growth in raw material and finished goods transport, directly supporting the group's new 5mntpa steel facility in Dolvi.

Exhibit 172: JSW Infra plans on significantly expanding its capacities by FY28/FY30, with clear visibility on execution owing to expansion of capacities at JSW Steel



Source: Company, Emkay Research; Note: Green indicates planned expansion, while red indicates expansion aspirations; Additions by FY28 – JNPA Liquid Berths: 4.5mntpa, Tuticorin Bulk Terminal: 7.0mntpa, NMPT Container: 1.8mntpa, Kolkata Container: 6.3mntpa, Goa: 4.0mntpa, Jaigarh+Dharamtar: 36.0mntpa, Jaigarh LPG: 2.0mntpa, Jatadhar Port: 30.0mntpa, Slurry Pipeline: 30.0mntpa; Additions by FY30 – Keni: 30.0mntpa, Murbe: 33.0mntpa, Oman: 27.0mntpa

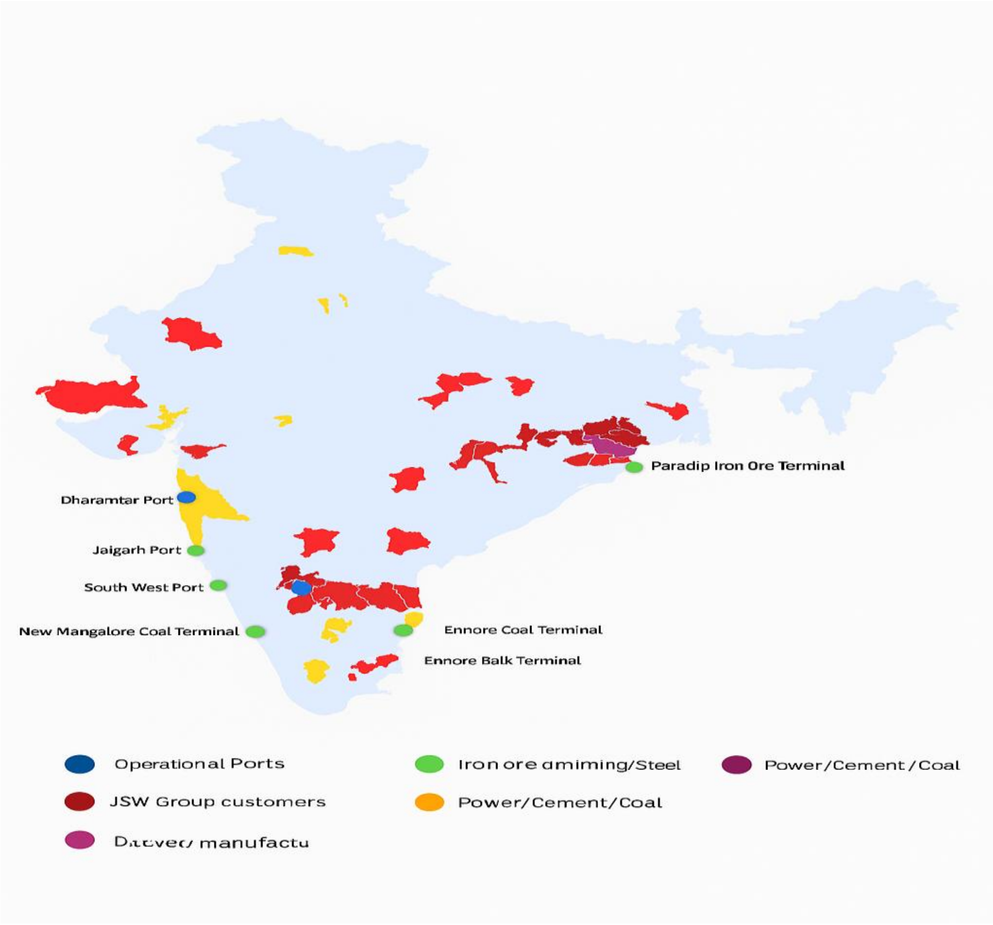
JSW Group's port assets are positioned strategically along India's east and west coasts, offering direct access to major industrial and mineral-producing states such as Maharashtra, Goa, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Chhattisgarh, Jharkhand, and Odisha. The ports are often located near JSW Group's own manufacturing assets, including steel and cement plants, providing significant logistical advantages by minimizing transportation costs and ensuring efficient delivery of raw materials and finished products.

Exhibit 173: JSW Infra's assets' proximity to JSW group plants

Ports	Hinterland	Key Customers	JSW group plants in proximity
Jaigarh	Northern Karnataka, Goa, and Maharashtra	JSW Group (81% of FY25 revenues)	Dolvi Steel plant
Dharamtar	Dolvi, Maharashtra	JSW Group (100% of FY25 revenues)	Dolvi Steel plant
Southwest (Goa)	Northern Karnataka	JSW Group (72% of FY25 revenues)	Vijayanagar Steel plant
Paradip	Odisha, Chhattisgarh, Jharkhand	Iron ore: JSW Group (65% of FY25 revenues) Coal: Primarily 3P	JSW Steel
Ennore	Tamil Nadu	Iron ore: JSW Group (57% of FY25 revenues) Coal: Primarily 3P (JSW Group contributes 21% to revenues)	JSW Steel
Mangalore	Karnataka and Tamil Nadu	Coal: JSW Group (41% of FY25 revenues) Container: Primarily 3P	JSW Energy

Source: Company, Emkay Research

Exhibit 174: JSW Infra's ports are strategically positioned near group plants



Source: Investor PPT, Emkay Research

Additionally, by securing long-term, take-or-pay contracts with JSW Group companies, JSW Infra has de-risked its business model with relation to securing base volumes for its port assets. Long-term contracts, often with take-or-pay provisions, provide strong, predictable visibility of cargo volumes and revenue at their ports.

Exhibit 175: Long-term agreements with group entities

Customer	Volume commitment (mntpa)	Agreement	Service Type	Port/ Terminal
JSW Steel	15.0	Till CY30	Cargo handling	Dharamtar Port
JSW Steel	4.0	Till CY30	Cargo handling	Jaigarh Port
Western Concessions	1.4	Till CY58	Cargo handling	Jaigarh Port
JSW Steel	4.0	Till CY35	Cargo handling	Ennore Coal Terminal
JSW Steel	1.0	Till CY35	Cargo handling	Ennore Bulk Terminal
JSW Steel	18	20 years tenure	Iron-ore slurry transportation	Slurry Pipeline

Source: Company, Emkay Research

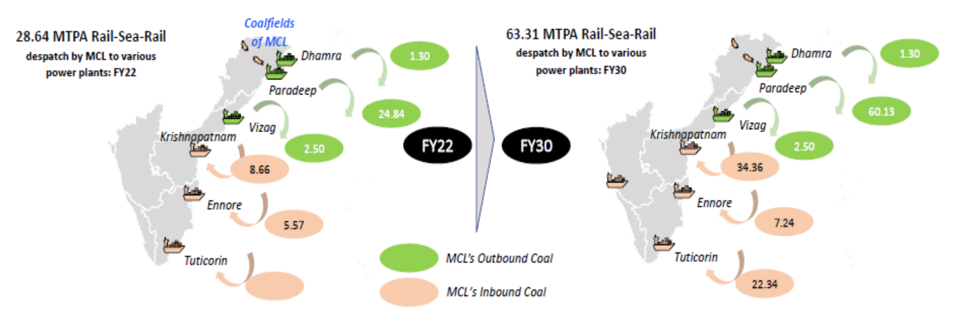
Coastal coal opportunity

The GoI's push for coastal shipping of domestic coal, specifically the 'Rail-Sea-Rail' (RSR) initiative, presents a structural opportunity for JSW Infra. The company is positioned to capture this value chain through a 'source-to-sink' port network, effectively connecting the coal-rich eastern coast (Odisha) to the demand-heavy southern and western coasts and thereby doubling its volumes (loading domestic coal at Paradip and unloading it at Ennore for external clients or at Keni/Jaigarh for its own group's steel and power plants).

Coal India uses the RSR route instead of direct rail transport for several strategic and economic reasons. With ~75% of domestic coal coming from major producing states like Odisha, Chhattisgarh, and Jharkhand, the railway infrastructure becomes heavily burdened trying to transport all coal directly by rail. RSR provides an alternative evacuation mode that reduces pressure on congested railway corridors. Along with decongestion, RSR also offers substantial cost-savings per ton for end-users in South India, as compared to direct rail transport. Coal movement through RSR has increased dramatically, growing from 28mntpa in FY22 to 54mntpa in FY24 (almost doubling in two years) – the government has set an ambitious target of 112mntpa by FY30. This growth demonstrates RSR's effectiveness as an alternative to direct rail transport for specific routes, where it provides logistical and economic advantages.

The coastal coal opportunity operates through a well-defined logistics chain where thermal coal from Mahanadi Coalfields in Odisha and other eastern mines is shipped via coastal routes to power generation companies in Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Rajasthan, and Maharashtra. Paradip Port has emerged as India's largest coastal shipping hub, handling 46.1mntpa of coastal thermal coal in FY25, registering strong growth over FY22 levels of 28mntpa.

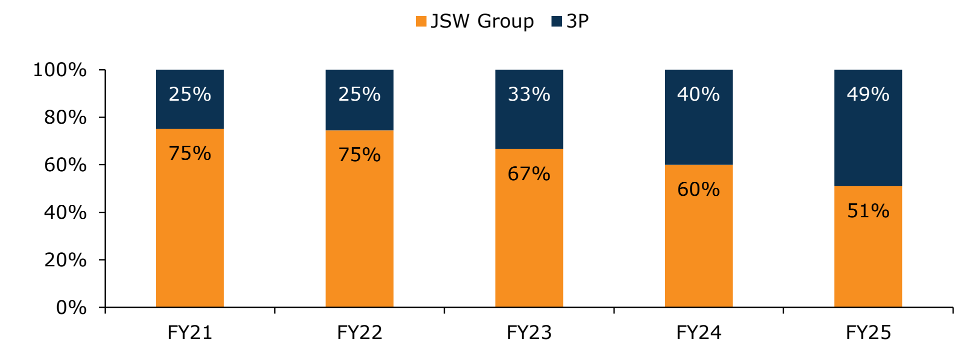
Exhibit 176: Coastal shipping traffic from Mahanadi Coal (MCL) to grow 2.2x from FY22 to FY30



Source: Ministry of Coal, Emkay Research

JSW Infra operates strategically positioned coal terminals, including the Paradip East Quay Coal Terminal (30mntpa capacity) dedicated to exporting and coastal movement of domestic coal, along with terminals at Ennore and Mangalore on both eastern and western coasts. This east-west positioning allows the company to capture both the loading (eastern coast) and destination (western/southern coast) segments of the coastal coal trade. Further, this initiative of the GoI aids in improving third-party cargo's share in JSW Infra's revenue.

Exhibit 177: JSW Infra's improving share of 3P cargo volumes over the years



Source: Company, Emkay Research

Greenfield assets – Strong value proposition sans execution risks

JSW Infra has outlined a robust roadmap to expand its cargo handling capacity to 400mntpa by FY30, up from 177mntpa in FY25. A crucial component of this growth is the development of new greenfield assets, rather than solely relying on brownfield improvements. JSW Infra continues to derisk these greenfield assets by harnessing synergies with the Group entities as well as targeting the rich hinterland of Karnataka and Maharashtra. Owing to an existing take-and-pay contract for the slurry pipeline, we expect the ramp up at Jatadhar port to be fairly quick, with Keni benefiting from the upcoming expansions at JSW Steel's Vijaynagar expansion and pellet plants in Odisha. We thus do not expect a structural decline in the company's return profile owing to these greenfield projects, as threshold RoCE seems achievable with reasonable 3P cargo. Additionally, brownfield expansions at Jaigarh and Dharamtar continue to provide stable high-volume growth, anchored by JSW Group's steel and energy needs, with Jaigarh increasingly diversifying into third-party logistics.

Exhibit 178: Greenfield assets offer immense growth potential sans execution risk, on the back of Group support and a rich hinterland

Ports	Group Cargo contribution	3P Cargo Potential	Competitive Intensity	Execution Risk
Jatadhar	🚢🚢🚢	🚢🚢	🚢🚢🚢	🚢
Keni	🚢🚢	🚢🚢🚢	🚢	🚢
Murbe	🚢	🚢🚢🚢	🚢🚢🚢	🚢🚢
Jaigarh	🚢🚢🚢	🚢🚢	🚢	🚢
Dharamtar	🚢🚢🚢	🚢	🚢	🚢

Source: Company, Emkay Research; Note: Higher number of ships denote high exposure to the metric

Key greenfield projects include Jatadhar (Odisha), which offers high group cargo volume from JSW Steel but faces high competition; Murbe (Maharashtra), a high-potential third-party gateway with no captive reliance but higher execution risk, and Keni (Karnataka)- a strategic deep-water port with low competition and medium group cargo contribution.

Jatadhar

Jatadhar Port is a large-scale, greenfield project, an all-weather, multi-cargo port located on the Jatadhari Muhan river in Odisha. Commissioned in two phases, the port will initially handle 30mntpa of cargo and later expand to a total capacity of 52mntpa for both captive and third-party cargo, serving as a crucial logistics hub for the region and directly supporting the raw material requirements of JSW Steel's Vijayanagar plant. With an estimated capex of Rs30bn, construction is on track to be completed by Mar-27.

Exhibit 179: Jatadhar Port – Profile

Particulars	Details
Location	Odisha
Capacity	Phase 1: 30mntpa Phase 2: 22mntpa
Commissioning timeline	FY27
Royalty (Rs/tonne)	25-35
Type of cargo	Coal, Iron ore
Key Customers	Coal India JSW Steel
Competition	Paradip, Gopalpur

Source: Company, Emkay Research

In Jul-24, the company also added the slurry pipeline business to its portfolio (acquired from JSW Utkal Steel) for the transportation of iron ore slurry (capacity of 30mntpa) from Nuagaon to Jagatsinghpur in Odisha, connecting it to the Jatadhar port. The company has a long-term **'take or pay' agreement** in place with JSW Steel (18mntpa), ensuring steady cargo flows through the pipeline into the Jatadhar port. The company has begun construction work, with completion expected around Mar-27, at a total estimated capex of ~Rs40bn.

Further, JSW Steel is developing two iron ore pellet plants, with 8mntpa capacity each, at the Paradip site in Odisha, scheduled for commissioning in FY28. The commissioning of two iron ore pellet plants in Odisha will significantly boost JSW Infra's cargo handling volume, as the slurry pipeline will transport iron ore slurry from the Nuagaon/Joda mines in Keonjhar district to Jagatsinghpur, thus providing the raw material for production of steel pellets.

We expect the port to generate low-to-mid-teens ROCE even in the absence of any 3P cargo, assuming that JSW Steel utilizes the allocation of the take or pay contract with the slurry pipeline.

Exhibit 180: Jatadhar Port – Return profile

Particulars	Value	Comments
Type of contract	NA	
Capacity (mntpa)	30.0	
Expected volumes (mntpa)	18.0	Assuming the slurry pipeline volume passes through Jatadhar port
Realization (Rs/tonne)	500.0	Assumption
Revenue (Rs bn)	**9.0**	
EBITDA (Rs bn)	**5.4**	**Assuming EBITDA margin of 60%**
EBITDA margin	*60%*	
D&A (Rs bn)	1.5	Assumed 5% of capital employed
EBIT (Rs bn)	3.9	
RoCE (pre-tax)	**13%**	
Planned Capex (Rs bn)	30.0	As per company disclosures

Source: Company, Emkay Research

Owing to the lucrative take-or-pay contract signed for the slurry pipeline, we expect strong profitability and return profile for this project. We assume steady-state EBITDA margin of 70-75% with further room for upside should JSW Infra capture any 3P cargo (pipeline capacity of 24mntpa vs 18mntpa reserved for JSW Steel).

Exhibit 181: Slurry Pipeline – Return profile

Particulars	Value	Comments
Type of contract	Take or Pay	
Capacity (mntpa)	30.0	
Expected volumes (mntpa)	18.0	Take-or-pay contract of 18mntpa
Realization (Rs/tonne)	623.4	
Revenue (Rs bn)	**11.2**	**Fixed revenue from take or pay (Rs13.2bn, including GST)**
EBITDA (Rs bn)	**8.0**	
EBITDA margin	*71%*	
D&A (Rs bn)	2.0	Assumed 5% of capital employed
EBIT (Rs bn)	6.0	
RoCE (pre-tax)	**15%**	
Planned capex (Rs bn)	40.0	Per company disclosures

Source: Company, Emkay Research

Keni Port

Keni Port is a major greenfield project awarded under PPP by the Karnataka Maritime Board. The company won the bid to develop and operate Keni Port through a 30-year concession agreement (signed Nov-23), with a royalty of Rs17.25/mt (2% annual escalation) to the state government.

The initial planned capex for the 1st phase of the project is Rs41bn, with an estimated cargo handling capacity of 30mntpa (operationalization targeted by FY29). The port is designed for multi-cargo operations, with potential expansion up to 56.5mntpa depending on demand. It will handle bulk, break-bulk, liquid (LPG, LNG, chemicals, POL, crude), and container cargoes. The port will be capable of accommodating cape-sized vessels up to 200,000 tonnes.

Located strategically and designed to handle a wide range of cargo and vessels (up to Cape size), the port's mechanized handling system enables a quick TAT, and the planned rail line links in the Konkan region aid seamless cargo evacuation thereby facilitating 3P cargo.

Exhibit 182: Keni Port – Profile

Particulars- Keni Port	
Location	Karnataka
Capacity	Phase 1: 30mntpa Phase 2: 26.5mntpa
Commissioning timeline	FY29
Royalty (Rs/tonne)	17.25 (2% annual escalation)
Type of cargo	Multi-purpose (primarily coal)
Key customers	Cement, Steel, Power Plants (Captive + 3P)
Competition	Mormugao, NMPT, Krishnapatnam Port

Source: Company, Emkay Research

The port's location is meant to explicitly serve the industrial belt around Bellary–Hosapete–Hubballi–Kalaburagi and South Maharashtra, allowing JSW to stitch together mines, plants, ports, rail and last-mile logistics into end-to-end contracts rather than just port handling. Rail connectivity to the Konkan Railway near Ankola is planned, so cargo can move in integrated rakes between JSW/third-party plants and the port, supporting the group's stated goal of becoming a comprehensive logistics solutions provider rather than a pure port landlord. Karnataka's maritime perspective plan estimates current state hinterland potential at about 44mntpa, rising to ~117mntpa by CY35, highlighting a structural gap that Keni is specifically targeted to fill, and thereby underwrite volumes for JSW Infra over the life of the concession.

Traffic assessments indicate Keni's hinterland is dominated by coal and coke imports, used by regional steel, cement and power plants- which will be the primary beneficiaries once the port is operational. In addition, the port is expected to handle iron ore, limestone, and dolomite, as well as exports of finished steel products, giving JSW Infra a full raw-material-to-finished-steel logistics chain option for both the JSW Group and 3P customers.

The company successfully concluded the public hearing for Keni Port- marking an important step in the regulatory approval process.

Owing to the presence of several key industries and vast hinterland availability, we expect a steady-state EBITDA margin of 60% and a utilization of 70%, with further room for upside should JSW Infra capture any 3P cargo.

Exhibit 183: Keni Port – Return Profile

Particulars	Value	Comments
Type of contract	NA	
Capacity (mntpa)	30.0	
Expected volumes (mntpa)	21.0	Mostly Captive cargo (JSW Steel)- Assuming a 70% utilization
Realization (Rs/tonne)	600.0	Assumption
Revenue (Rs bn)	**12.6**	
EBITDA (Rs bn)	**7.6**	
EBITDA margin	*60%*	Assuming similar margins as Jaigarh port
D&A (Rs bn)	2.1	Assumed 5% of capital employed
EBIT (Rs bn)	5.5	
ROCE (pre-tax)	**13%**	
Planned Capex (Rs bn)	41.2	Per company disclosures

Source: Company, Emkay Research

Murbe Port

JSW Infra received the LoI from the Maharashtra Maritime Board in Oct-24 to develop the Murbe port (under PPP). The port is being developed under a 70-year concession, with a possible extension of an additional 20 years.

In close proximity to Maharashtra and Gujarat's industrial hubs, Murbe Port is planned as a "mega port," with an estimated capex of Rs42bn, and projected operationalization by FY30. Murbe Port offers the company a pricing and contractual advantage due to lower revenue-sharing mandates (Rs11/mt across cargo type), compared to some other projects in the region.

The formally identified hinterland includes the Maharashtra Industrial Development Corporation (MIDC) areas near Boisar, the Tarapur Industrial Area (TIA) in Maharashtra, and the Vapi and Valsad Industrial Areas (VIA) in Gujarat, all cited as cargo sources. Murbe's hinterland mix implies a diversified cargo slate rather than a single anchor commodity. Key segments likely to be benefited by this mix are:

- Industrial bulk: coal and petcoke for power and process industries in Tarapur, Vapi, and Valsad; limestone, clinker and cement for cement and construction clusters.
- Steel and metal products: imports of scrap, steel coils and plates, and exports of finished steel and metal goods from the MIDC/TIA clusters.
- Chemicals and pharma: raw materials and finished products for the Tarapur Industrial Area, which has a strong base of chemical and pharmaceutical units relying on EXIM logistics via Mumbai/JNPA today.
- Containerized cargo: higher-value manufactured goods, engineering products, textiles and plastics currently funnelled to JNPA, where congestion and distance raise logistics costs for northern Maharashtra and southern Gujarat units

Murbe's role is further strengthened by its planned direct linkage to the Western Dedicated Freight Corridor (WDFC), which materially enhances JSW Infra's integrated logistics proposition. The port is proposed to connect to the DFC at a control station south of Umroli via a dedicated 13 km multimodal corridor that will also house road and pipeline infrastructure, allowing high-volume, low-cost rail movement of both bulk and container cargo between Murbe and the Delhi–Mumbai industrial corridor.

Exhibit 184: Murbe Port – Profile

Particulars- Murbe Port	
Location	Maharashtra
Capacity	Phase 1: 33mntpa
Commissioning timeline	FY30
Royalty (Rs/tonne)	11 (escalation after 5 years)
Type of cargo	Multi-purpose
Key customers	Mostly 3P
Competition	Vadhavan, JNPA

Source: Company, Emkay Research

Murbe will operate in a competitive zone but with room for niche positioning. On the container and multi-cargo front, the main competitor is JNPA (Nhava Sheva), which is a large, established gateway for the same corridor but farther south and faces capacity and congestion pressures. Over the medium term, the planned Vadhvan mega-port nearby will add significant capacity to compete, though Murbe may come onstream earlier and target a more flexible, customer-centric, multi-cargo proposition for the immediate Palghar–Boisar–Vapi belt. This combination of a strong industrial hinterland, diversified cargo potential, and focused value-added logistics gives Murbe a clear role in JSW Infra's integrated logistics strategy despite the higher competitive intensity versus its more captive bulk ports.

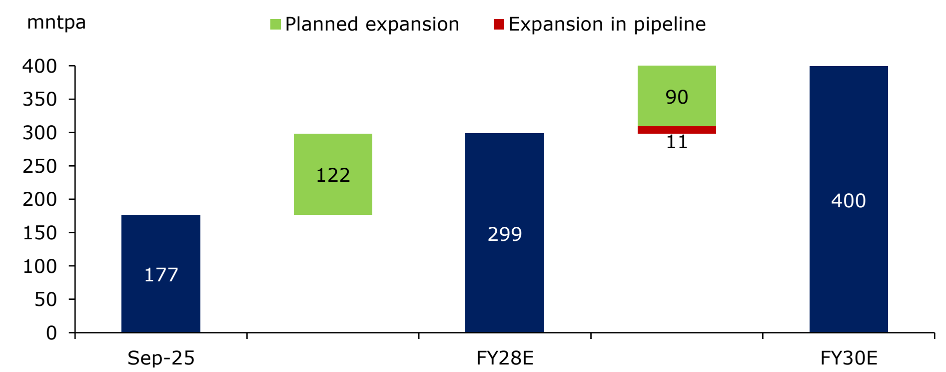
Pace of expansion to accelerate

JSW Infra has outlined an ambitious roadmap to attain 400mntpa capacity by 2030, implying ~2.3x the scale of current capacity. Given the demonstrated history of augmenting capacities (12% CAGR over FY20-25) and implementation visibility of over 80% of incremental capacity projects in the next two years itself, we ascribe minimal execution risk to the company's targets. While logistics business is currently in a nascent stage, inorganic foray (Navkar acquisition) provides a leg-up and following a similar strategy of offering services for captive consumption (JSW Group projects) provides significant opportunities to scale up profitably. Our estimates of group opportunities for logistics businesses suggest that the group would contribute ~Rs40bn in revenue for JSW Infra's logistics business by FY30E, as the management aims to capture 15% of the inbound and outbound logistics spends of JSW group.

Ports: Clear visibility on scaling up despite ambitious targets

JSW Infra currently operates 177mntpa of cargo-handling capacity across its port network and is executing an ambitious expansion plan to reach 400mntpa by FY30, implying an 18% CAGR. The expansion strategy involves a total capex commitment of Rs300bn during FY25-FY30, through brownfield expansions at Jaigarh, Dharamtar, and Goa, plus greenfield developments at Jatadhar, Keni, and Murbe. The management expects capex outlay of Rs40bn for ports in FY26 itself (H1 spends of Rs9bn) as multiple projects are in the final stages of commissioning.

Exhibit 185: JSW has outlined a clear roadmap to reach 400mntpa capacity by FY30



Source: Company, Emkay Research; Note: Green indicates planned expansion, while red indicates expansion aspirations. Additions by FY28 – JNPA Liquid Berths: 4.5mntpa, Tuticorin Bulk Terminal: 7.0mntpa, NMPT Container: 1.8mntpa, Kolkata Container: 6.3mntpa, Goa: 4.0mntpa, Jaigarh+Dharamtar: 36.0mntpa, Jaigarh LPG: 2.0mntpa, Jatadhar Port: 30.0mntpa, Slurry Pipeline: 30.0mntpa; Additions by FY30 – Keni: 30.0mntpa, Murbe: 33.0mntpa, Oman: 27.0mntpa

Oman: Fits existing framework of the company and of the Group

JSW Infra will hold 51% stake in a JV with Minerals Development Oman (MDO) to unlock Oman's vast mineral wealth, while securing crucial raw material supply chains for India's steel and cement industries. Through a 51% majority stake in a new Port SPV, the company will lead the development and operation of a 27mntpa capacity port in the Dhofar region, supported by a USD419mn total project outlay. This deal capitalizes on logistics efficiencies by using conveyor systems to transport limestone and gypsum directly from MDO-controlled mines to the port, significantly lowering costs. Targeting commercial operations by H1CY29, the project aligns with JSW's goal to reach 400mntpa capacity by 2030 and supports Oman's "Vision 2040" economic diversification away from oil. Our preliminary calculations suggest that the port would meet threshold IRR of the company (~15%) to be achieved within three years of commissioning of the project given the strong support of the Government and execution capabilities of JSW Infra.

Kolkata terminal: Step towards diversifying beyond bulk cargo

JSW Infra has secured a DBFOT contract to modernize and operate container berths at the Netaji Subhas Dock (NSD) under the Syama Prasad Mookerjee Port Authority (SMPK). The project, valued at Rs7.4bn, marks a strategic victory for JSW, as it expands its footprint in the East while increasing its share of container mix and growing its capacity closer to 1MTEUs annually. The project is expected to be completed by H1FY28.

Exhibit 186: Expansion plan timelines suggest minimal execution risks

Project name	Type of expansion	Tentative commissioning	Capacity adds (mntpa)	Expandable (Yes/No)?	Key customers
Jaigarh	Brownfield	FY28	15.0	NA	JSW Steel
Dharamtar	Brownfield	FY28	21.0	NA	JSW Steel
Jatadhar	Greenfield	FY28	30.0	Yes- further expandable to 52 mntpa	JSW Steel, Coal India
Slurry Pipeline	Greenfield	FY28	30.0	NA	JSW Steel (18mntpa Take-or-pay)
Kolkata Container	Greenfield	FY28	6.3	NA	3P
Keni	Greenfield	FY29	30.0	Yes- further expandable to 56.5 mntpa	Combination of JSW Group & 3P
Murbe	Greenfield	FY30	33.0	Yes- further expandable to 134 mntpa	Mostly 3P
Oman	Greenfield	FY30	27.0	NA	3P

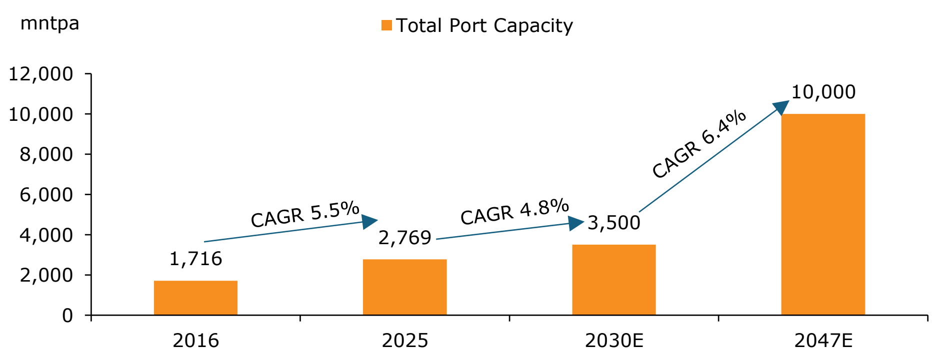
Source: Company, Emkay Research

Port privatization – An opportunity for private incumbents

The Indian government has positioned port privatization and PPP as a key cornerstone for achieving its ambitious maritime infrastructure goals under Sagarmala 2.0 and Maritime Amrit Kaal Vision 2047. With a USD82bn investment plan to expand port capacity by 2035, the government is actively promoting private sector participation, as evidenced in the PPP investments tripling from Rs13.3bn in FY23 to Rs39.9bn in FY25; the GoI plans to increase PPP-operated cargo handling capacity at major ports from 51% currently to 85% by 2030. JSW Infra, with its existing portfolio of seven terminals, has been an active participant in this privatization drive. We expect the company to be a key beneficiary of this drive as the government plans major greenfield projects like Vadhavan, Galathea Bay, etc, in the coming decade.

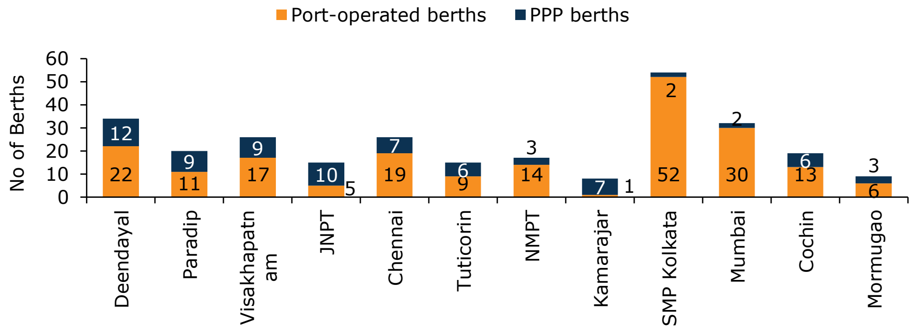
This privatization drive is aimed at reducing India's reliance on foreign transshipment hubs like Singapore and Colombo. The government has facilitated this transition through enabling policies – 100% FDI under automatic route, tax holidays, and the Indian Ports Act 2025, while 46 PPP projects worth USD7.2bn have been identified for major ports. With non-major private ports like Mundra, Krishnapatnam, and Pipavav already demonstrating superior efficiency (10-12-hour turnaround time versus 20-25 hours at older major ports), the privatization push seeks to bridge this performance gap, enhance capacity utilization, and position India among the top five shipbuilding nations globally while targeting a sub-one-day turnaround time at major ports by 2030.

Exhibit 187: Port capacity in India is estimated to see a 6.4% CAGR till 2047E



Source: Amrit Kaal 2047, Emkay Research

Exhibit 188: Port-operated vs PPP berths in major ports- expected to grow to 85% by 2030 and 100% by 2047



Source: MIV 2030, Emkay Research

Exhibit 189: Future PPP Investment Pipeline (FY26-31) worth USD2.2bn

Project Name	Port Name	Sector	Proposed year of award	Capacity (mntpa or equivalent)	Estimated Project Cost (Rs mn)	Cost per mntpa (Rs mn)
Integrated Development of Berth no 1–5 NSD and Outer Container Terminal at KDS on DBFOT mode	Syama Prasad Mookerjee Port (SMPA)	Berth	FY26	12	8,322.5	694
Concessioning of Berth No 9 through PPP	New Mangalore Port Authority (NMPA)	Berth	FY26	—	4,382.9 (tentative)	NA
Concessioning of Berth No 13 through PPP/Captive basis	New Mangalore Port Authority (NMPA)	Berth	FY26	2.8	719.8 (tentative)	257
Development of South Container Berth (SCB) on BOT mode	Paradip Port Authority (PPA)	Berth	FY26	0.2MTEU/year	477.0	NA
Development of New Dock Complex-3 (NDC-3) Berth on Captive Basis	Paradip Port Authority (PPA)	Berth	FY26	12 (Dry Bulk)	6,834.0	570
Outer Harbour Container Terminal Project, including dredging and breakwater at VOC Port (DBFOT)	VO Chidambaranar Port Authority (VoCPA)	Berth	FY26	80	70,559.5	882
Mechanization of CQ-I to SQB and Multipurpose Berths (BOT/Captive)	Paradip Port Authority (PPA)	Berth/Terminal facilities	FY26	10–18 range	4,510–9,820	512
Reconstruction of Berth 8 and Mechanization of Berths 7–8 at NSD	SMPA	Berth	FY26	6.1	6,990	1,146
O&M of EQ1–EQ10 and West Quay Berths (PPP)	VPA	Terminal/Berth	FY26	1–1.84	—	NA
Bulk Terminal on DBFOT mode	Kamarajar Port (KPL)	Berth	FY27	9	5,000	556
Modification of Iron Ore Terminal on DBFOT	KPL	Berth	FY27	12	3,000	250
Container and Coal Berths at Balagarh, WB	SMPA	Berth	FY27	2.7	4,072	1,508
KPD-II Multimodal Terminal at Kolkata Dock System	SMPA	Berth	FY27	DPR stage	3,000	NA
Berths 9 and 10 on DBFOT	SMPA	Berth	FY27	8	6,154.5	769
Outer Container Terminal	SMPA	Berth	FY27	6	9,312.9	1,552
New Dock Complex-4 (NDC-4) Captive	PPA	Berth	FY27	12 (Dry Bulk)	6,834	570
Concession of NSICT post-expiry (UOMT)	JNPA	Container Terminal	FY27	20.5	Pre-DPR	NA
General Cargo Berth-1	KPL	General Cargo Berth	FY27	3	2,210	737
Multipurpose Berth Off Tuna Tekra (BOT)	Deendayal Port Authority (DPA)	Berth	FY28	18.33	15,525.7	847
Development of Berth No 7 Multicargo	VoCPA	Berth	FY28	NA	Pre-DPR	NA
Berth No 9 Development	Mormugao Port Authority (MgPA)	Berth	FY29	—	2,000	NA
SMPA: Integrated Outer Terminal and Mechanization (Berths 1, 3, 14)	SMPA	Berths	FY30	10.4	7,200 / DPR stage	692
Berths 15 and 16 (Multipurpose Cargo)	DPA	Berth	FY30	NA	Pre-DPR	NA
Reconstruction and Liquid Bulk Terminal (Q2–Q3, Mattancherry Wharf)	CoPA	Berth	FY30	—	Pre-DPR	NA
Coastal Cargo Berth at Vasco Bay (DBFOT)	MgPA	Berth	FY31	2	2,000	1,000
Concession of NSIGT post-expiry (UOMT)	JNPA	Container Terminal	FY31	0.8 (10.3)	Pre-DPR	NA

Source: MoPSW, Emkay Research

Logistics: Similar playbook; inorganic route kickstarts ramp-up

JSW Infrastructure aims to achieve Rs80bn revenue target by: 1) capturing 15% of JSW Group's logistics spend, contributing around Rs40bn; 2) facilitating a natural transfer of volumes from ports to logistics, adding Rs20-30bn; and 3) expanding its pure-play logistics clientele, contributing an additional Rs10-20bn. Beyond Navkar Corporation, capex plans include adding 15-20 new Gati Shakti terminals, possible acquisitions in Domestic Container Freight Stations (DCFS) and Inland Container Depots (ICDs), leasing or purchasing rakes, and leveraging group assets. JSW Group currently accounts for 15% of Navkar's revenue, with the company aiming to increase this share further, indicating strong intra-group synergy and growth potential. This strategic approach supports JSW Infrastructure's broader vision to scale its logistics operations significantly.

The company's logistics expansion roadmap is anchored on three key pillars:

1. Leveraging the transformational acquisition of Navkar Corporation as a launchpad, to establish a pan-India network of 15-20 Gati Shakti Cargo Terminals, ICDs, Container Freight Stations, and Multi-Modal Logistics Parks over the next five years.
2. Building last-mile connectivity infrastructure that enhances the value proposition of its 400mntpa port capacity target, creating a vertically integrated supply-chain ecosystem and exploring synergistic opportunities at JSW Group's diverse business locations (in steel, cement, and paints) to establish railway sidings and dedicated freight corridors.
3. Pursuing an inorganic growth strategy by bidding on Gati Shakti Multi-Modal Cargo terminals and acquiring stressed logistics assets (ICDs, CFS).

With a planned outlay of Rs90bn by FY30, JSW Infra is targeting Rs80bn in revenues with EBITDA margins of 25%.

Captive business potential appears sizable

JSW Infra's logistics integration significantly benefits the JSW Group by creating a seamless end-to-end supply chain. This integration reduces logistics costs through efficient location advantages, state-of-the-art evacuation infrastructure, and enhanced connectivity, such as rail sidings and conveyor systems, leading to faster, reliable movement of raw materials and finished goods. The integrated logistics approach enhances flexibility and capacity, aligning with JSW Steel's capacity expansions and diversified raw material sourcing.

JSW Infra provides services beyond basic port operations, including cargo handling, warehousing, inland container depots, and last-mile rail connectivity, enabling seamless movement of bulk and containerized cargo from ports to industrial and consumer hubs. By leveraging operational synergies with the JSW Group, mechanized cargo facilities, and a pan-India asset network, JSW Infrastructure enhances efficiency, reduces logistics costs, and supports both captive and third-party clients. This integration positions JSW as a leading provider of comprehensive and cost-effective logistics solutions across India's trade ecosystem.

We believe JSW Cement's capacity expansion will create substantial captive cargo for JSW Infra across energy inputs (for production of cement) and distribution of finished goods. The recent policy revision by the India Railways which cut bulk cement freight rates to a flat Rs0.90/ton-km significantly enhances the cost-competitiveness of rail transport, allowing JSW Infra to offer superior logistics economics to the Group, while securing a captive, high-volume revenue stream.

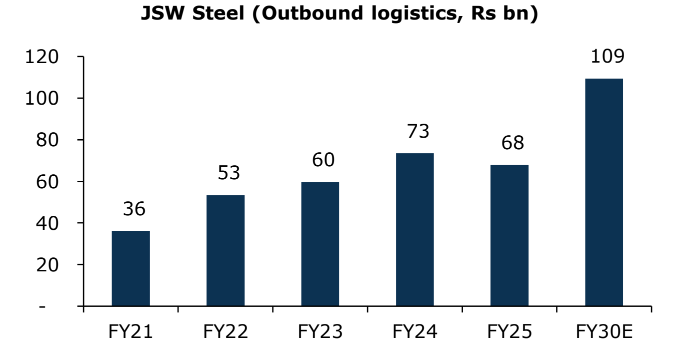
JSW Infra has been systematically building an integrated logistics ecosystem that positions it perfectly to capitalize on group synergies:

- **Multi-Modal Connectivity:** JSW Infra's focus on linking ports to rail and road freight corridors enables seamless first-mile and last-mile connectivity for JSW Cement's plants and distribution networks.
- **Port Hinterland Connectivity:** By developing rail sidings, dedicated freight corridors, and ICDs near JSW Cement's facilities, JSW Infra has the capability to create captive logistics chains that reduce dependency on third-party logistics providers and improve margins.

- **Warehousing and Value-Added Services:** JSW Infra's logistics expansion likely includes warehousing, bagging facilities, and cement handling infrastructure at port locations, enabling value-added services beyond basic cargo handling.

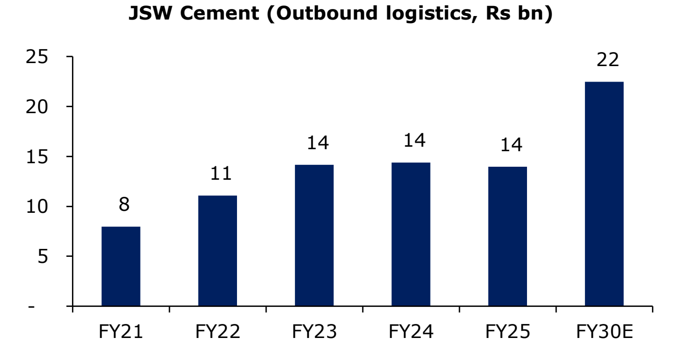
Considering the JSW Group's steel & cement businesses, we derive the potential TAM for the JSW Infra logistics unit. While only outbound logistics spends are available for group entities, the management suggests that an equal TAM is available in the inbound logistics spends. Our estimation of total TAM for group logistics thus stands at ~Rs260bn for FY30 (outbound at ~Rs132bn).

Exhibit 190: We estimate JSW Steel's logistics spends at Rs109bn by FY30, assuming 10% CAGR over FY25-30E ,(below historical)



Source: Company, Emkay Research

Exhibit 191: Similarly, JSW Cement's logistics spends are estimated at ~Rs22bn during FY25-30E, at 10% CAGR



Source: Company, Emkay Research

Exhibit 192: Addressable Group logistics spends for JSW Infra's logistics segment

Particulars	Amount (Rs bn)	Details
JSW Steel	110	FY30 outbound Logistics (estimated 10% CAGR for FY25-30)
JSW Cement	23	FY30 outbound Logistics (estimated 10% CAGR for FY25-30)
Total outbound logistics	**132**	
Total inbound logistics	132	Assumed similar spends as that for outbound logistics
Total Group logistics spend	**264**	**Total addressable Group logistics spends for JSW Infra**
15% share of the above spends	40	50% of FY30 logistics revenue target to be met by captive consumption

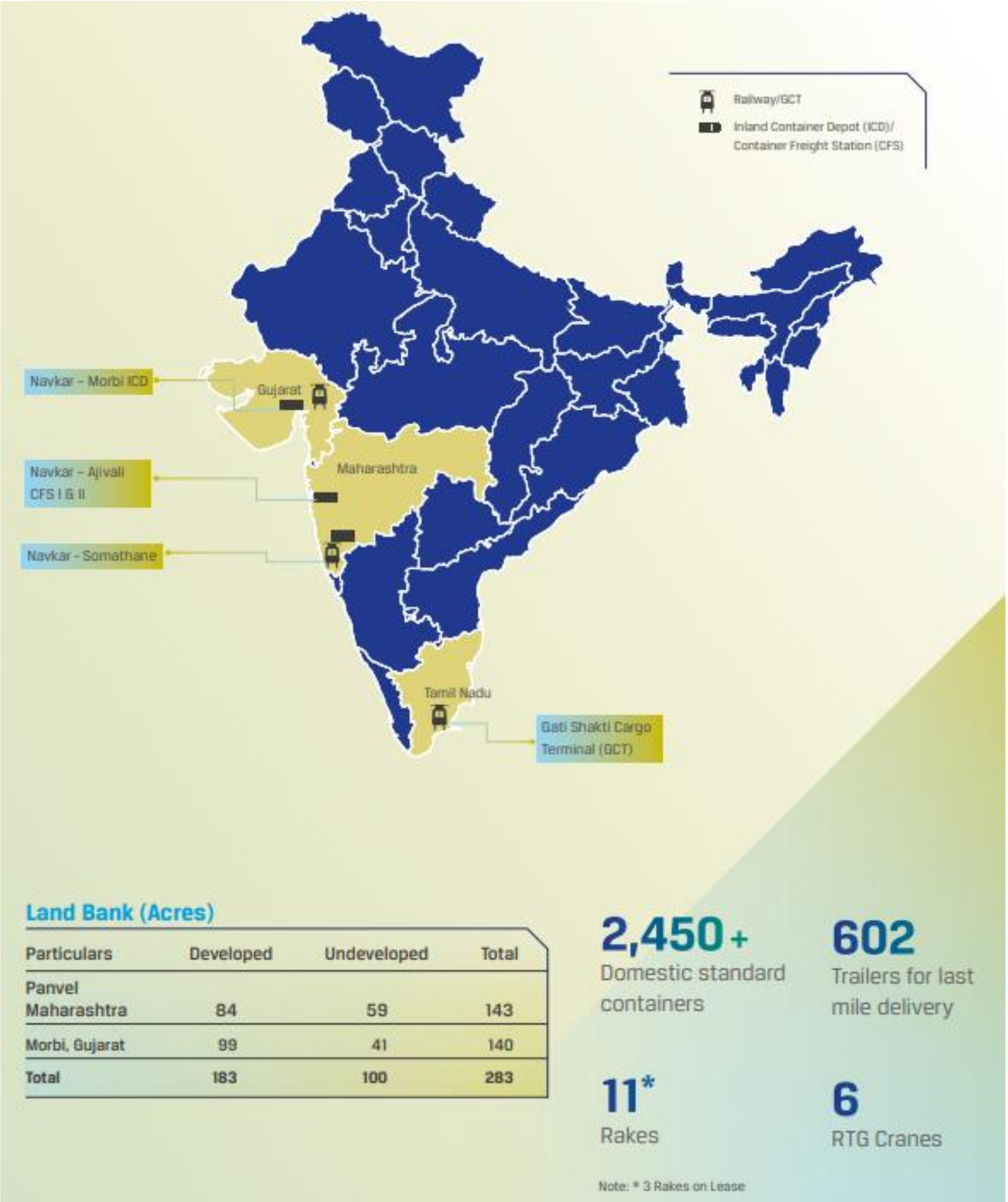
Source: JSW Group financials, Emkay Research

Navkar's acquisition accelerates scale-up

JSW Infra completed the acquisition of Navkar Corp in Jul-24 (at an EV of Rs16bn, implying an EV/EBITDA of 26.6x on a trailing basis)– marking the company's foray into logistics and VAS, and taking a step toward becoming a one-stop integrated logistics supply chain provider, thereby increasing consumer stickiness. The acquisition provides the following synergies to JSW Infra:

- **Last-mile connectivity:** The acquisition facilitates the business to offer improved port connectivity and streamlined supply-chain solutions to customers. This addresses the critical gap between port operations and inland distribution, creating a seamless logistics chain.
- **Strategic presence:** Navkar's assets are strategically located in Western India's industrial heartland – Maharashtra and Gujarat, which are key regions for JSW Infra's port operations. This provides direct connectivity to major industrial zones and manufacturing hubs.

Exhibit 193: Navkar Corporation – A strong base for JSW Infra to build and efficiently scale up its logistics business



Source: Company, Emkay Research

The acquisition of logistics assets like Navkar Corporation and rail sidings like Kudathini near key JSW industrial hubs strengthens this network, enabling smooth handling of bulk, break-bulk, and containerized cargo. The company's balanced East-West coast presence, combined with expanding inland logistics capabilities and access to Navkar's 283-acre land bank, provides a structural moat that enables it to offer end-to-end supply chain solutions, making it a compelling play on India's multimodal infrastructure transformation and the government's Maritime India Vision 2030.

Strengthening presence in rail logistics

JSW Infra is acquiring three group rail logistics companies for an enterprise value of Rs12bn to rapidly scale its rail rake platform, deepen multimodal logistics capabilities, and deliver EPS-accretive, annuity-like earnings growth over the medium term.

Exhibit 194: Value accretive acquisition aligns with the company's long-term vision

Transaction Details

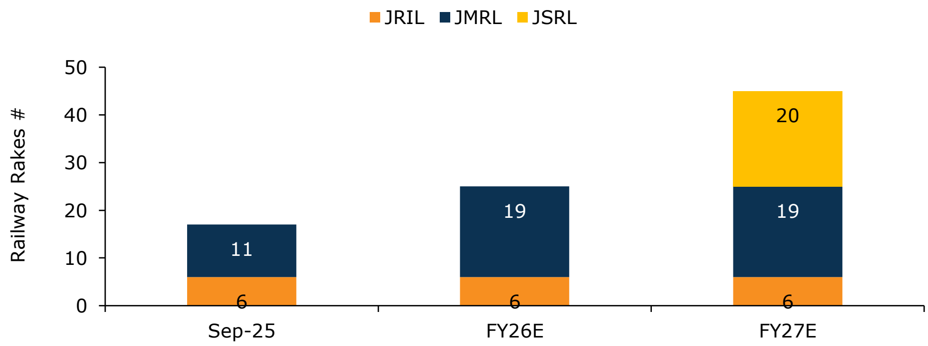
Particulars	INR Crores	Remarks
Equity Value	666	
Add: Existing Net Debt	331	*as of 30th Sep 2025*
Add: Additional Debt	215	*Delivery of additional Rakes*
Enterprise Value	**1212***	***incl. working capital of ₹112cr***
EBITDA- FY27E	150	*Based on operational 25 Rakes*
EV/EBITDA (x)	**8.1**	

- FY28E EBITDA at around ₹250 crore
- EPS Accretive- Railway rakes business PAT of ₹60 crore in FY27 and ₹90 crore in FY28

Source: Company, Emkay Research

JSW Infra, via its wholly owned subsidiary JSW Port Logistics, has signed a share purchase agreement to acquire 100% equity in JSW Rail Infra Logistics (JRIL), JSW Minerals Rail Logistics (JMRL) and JSW (South) Rail Logistics (JSRL) from JSW Shipping & Logistics for an enterprise value of Rs12bn, subject to working capital adjustments (Rs1.1bn). Post-closure, the three entities will become step-down wholly owned subsidiaries and grant JSW Infra access to 21 operational rakes (as of Nov-25) with 4 more under delivery, per Indian Railways' GPWIS and LSFTO schemes, backed by long-term licenses. The company highlights that the transaction will be EPS-accretive from inception, comes with 10-year contracts with marquee clients such as JSW Steel and Bhushan Power and Steel, and is expected to generate annualized EBITDA of ~Rs1.5bn by FY27, implying an EV/EBITDA of ~8.1x.

Exhibit 195: Number of railway rakes for the acquired entities – Current and projections



Source: Company, Emkay Research

Alignment with JSW Infra's logistics expansion

The acquisition directly supports JSW Infra's stated strategy of building an "end-to-end multimodal logistics platform" integrating ports, terminals, ICD/CFS assets and rail connectivity. It follows the CY24 acquisition of Navkar Corporation, which marked JSW Infra's entry into inland container logistics and last-mile connectivity, thereby making this deal the rail-leg complement to ports and ICDs.

By acquiring operating rake entities with valid GPWIS and LSFTO licenses and approved routes, JSW Infra gains immediate operational readiness as opposed to building a rail business from scratch in a constrained licensing environment. This enhances connectivity between JSW Infra's ports and key consumption/production centers, particularly for mineral and bulk cargo, and opens up third-party business in mineral-rich regions beyond the JSW Group's captive volumes.

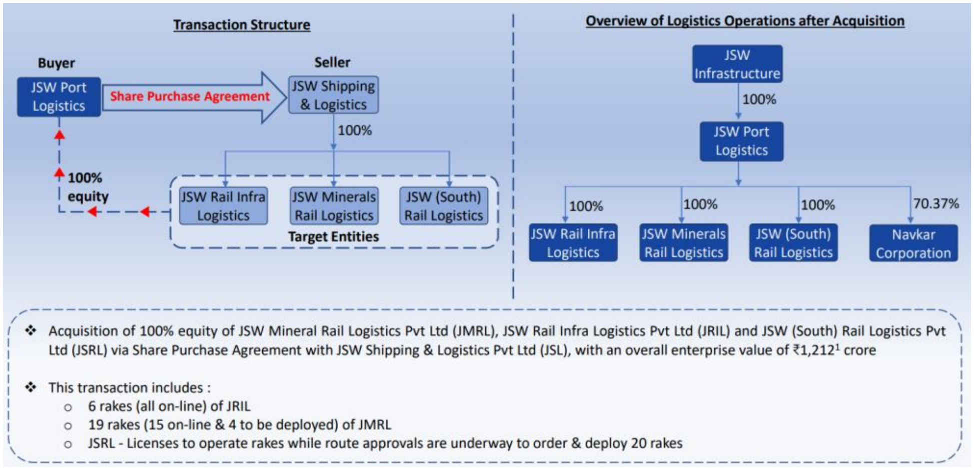
Strategic and operational rationale

- **Strengthened multimodal platform**: Integrating rakes with existing ports and recently acquired ICD/CFS capacity allows JSW Infra to offer door-to-door logistics solutions (port–rail–inland at Paradip and Goa) to steel, cement and other customers, improving stickiness and share of wallet.
- **Entry barriers via schemes and moratorium**: Access to GPWIS and LSFTO licenses and extension of the moratorium on new GPWIS licenses till Feb-27 provide a head start and exclusive access to GPWIS licensed entities- thereby limiting competitive entry.
- **Contracted volume and visibility**: 10-year contracts with anchor clients such as JSW Steel and BPSL give strong revenue visibility, supporting the annuity-like character of earnings from the rake business.

Scaling up from 25 to 45 rakes by FY27 and targeting 110 rakes by FY30 positions JSW Infra to capture a rising share of India's growing rail freight pie, in line with the Ministry of Railways' projections on volume and modal share. Focus on bulk commodities also complements JSW Infra's core port cargo profile, reinforcing its positioning as an integrated bulk and container logistics provider.

The management's timeline, which targets approvals by Q4FY26 and full integration by Q1FY27, suggests that the accretive impact of the transaction will materialize at the start of FY27, creating a potential valuation uplift upon completion. We will incorporate this acquisition post the receipt of regulatory approvals.

Exhibit 196: Transaction Structure



Source: Company, Emkay Research

Key port assets

JSW Infra, India's second-largest private port operator, has a current total cargo handling capacity of 177mntpa (as of FY25). Its portfolio consists of 10 port concessions strategically distributed across India's West and East coasts. Key assets include the flagship Jaigarh Port and Dharamtar Port in Maharashtra, along with terminals at major ports like Paradip (Iron Ore and Coal), Ennore (Coal and Bulk), Mangalore (Container and Coal), and Goa. The company also has an international presence, with liquid storage terminals in Fujairah, UAE. JSW has outlined an ambitious plan to expand its capacity to 400mntpa by FY30 through both greenfield and brownfield projects.

Exhibit 197: Overview of port assets

Particulars (FY25)	Capacity (mntpa)	Volume (mntpa)	Utilization	Contribution mix (% of domestic)		
				Volume	Revenue	EBITDA
JSW Infra (Standalone)		3.3				
Jaigarh Port	55.0	19.9	36%	18%	32%	44%
Dharamtar Port	34.0	23.1	68%	21%	11%	15%
Paradip East Quay Terminal	30.0	18.9	63%	17%	11%	10%
Paradip Iron Ore Terminal	10.0	11.4	114%	10%	10%	8%
Ennore Coal Terminal	9.6	10.2	106%	9%	10%	5%
South West Port	11.0	6.4	58%	6%	8%	6%
Mangalore Coal Terminal	8.1	6.3	78%	6%	7%	7%
PNP Port	8.0	5.5	69%	5%	7%	2%
Mangalore Container Terminal	4.2	2.4	57%	2%	2%	1%
Ennore Bulk Terminal	2.0	2.1	105%	2%	2%	1%
JNPA Liquid Terminal	4.5	0.2	4%	0%	0%	0%
Total Domestic	**176.4**	**109.7**	**62%**	**100%**	**100%**	**100%**

Source: Company, Emkay Research

Exhibit 198: Summary of port assets

Port/Terminal	Jaigarh port	Dharamtar port	South West Port	Paradip Iron Ore terminal	Paradip coal terminal	New Mangalore Container terminal	New Mangalore Coal terminal	Ennore coal terminal	Ennore bulk terminal
Port type	Non-Major	Non-Major	Major	Major	Major	Major	Major	Major	Major
Hinterland	Maharashtra	Maharashtra	Goa	Odisha	Odisha	Karnataka	Karnataka	Tamil Nadu	Tamil Nadu
Installed capacity (mntpa)	55	34	11	10	30	4	8	10	2
Bulk handling (mntpa)	15	5	3	2	2	2	2	2	2
Bulk handling equipment at yard (no of)	80	-	12	4	6	7	7	26	6
Storage area (sq mtr)	4,48,126	-	44,618	82,125	1,45,325	65,000	92,640	1,36,800	75,750
Commissioning year	2010	2012	2004	2019	2021	2022	Acquired in 2020	Acquired in 2020	Acquired in 2020
Concession end year	2058	2044	2029	2045	2047	2050	2047	2038	2045
Maximum draft (meters)	18	5	14	16	15	14	14	16	15
Berth length (mtr)	2,319	771	450	370	686	350	315	348	270
Number of berths	7	5	2	1	2	1	1	1	1
Tankages (mnt)	56,000	-	-	-	-	-	-	-	-
Tariff fixation	Commercially negotiated	Commercially negotiated	Post fiscal 2022 – WPI linked	Fixed at bidding and WPI linked	Fixed at bidding and WPI linked	Fixed at bidding and WPI linked	Fixed at bidding and WPI linked	Fixed by the operator	Fixed by the operator
Royalty	Separate for captive and 3P customers*	As per Scale of Rates (commodity-wise)	18% of gross revenue excluding berth hire income	21% of gross revenue	31.7% of gross revenue	Rs951/TEU	31% of gross revenue	52.52% of gross revenue	36% of gross revenue
Access to state/national highways	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Conveyors	Yes	Yes	-	-	-	-	-	-	-
Railway lines	-	-	Yes	Yes	Yes	Yes	Yes	-	Yes
Coastal shipment	Yes	Yes	-	-	Yes	-	-	-	-

*Source: JSW Infra RHP, Emkay Research; *Note for Jaigarh port, royalty is calculated - JSW Energy: Rs15/ton in the first year of operations, subject to revisions by the Maharashtra Maritime Board; Other customers: Rs3/ton in the first year of operations, escalated by 20% annually till the 15th year of operation; from the 16th year of operations, escalated by 3% every 5th financial year*

Jaigarh Port, Maharashtra

Jaigarh Port, commissioned in 2009 and located in Ratnagiri district, Maharashtra, is JSW's largest port by installed cargo capacity, currently operating with seven berths and a 17.5mt draft – one of the deepest in India. The port is characterized as an all-weather one with 24x7 operation and is highly mechanized, handling diverse cargo including LNG, LPG, dry bulk, liquid bulk, and container shipments. Notably, Jaigarh hosts India's first FSRU-based LNG terminal, commissioned in May-18, with plans to expand LPG, propane, and butane handling capacity up to 2mntpa by FY28E.

Serving a large hinterland including parts of Maharashtra, Goa, and Karnataka, Jaigarh port benefits from advanced mechanization for efficient vessel turnaround. The port's modern infrastructure and capacity for the largest vessels provide customers with a fast turnaround and reliable cargo handling; the port is well positioned to become the preferred facility for Maharashtra and Karnataka. Operated under a 50-year license from the Maharashtra Maritime Board, the facility offers additional support services and can trans-ship cargo, including direct conveyor delivery to the adjacent JSW Energy power plant. The port's strategic infrastructure and expansion plans position it as a preferred logistics hub for industrial and energy companies across western India.

Exhibit 199: Jaigarh port's details

Particulars	Details
Installed capacity (mntpa)	55
Cargo type	LNG, LPG, molasses, sugar, steel coil, bauxite, fly ash, coal, iron ore, limestone, fertilizers, coated pipes, rock phosphate, sulfur, steel coil, containers, gypsum, and edible oil. Coal comprises of i) thermal coal; and ii) other than thermal coal (which includes coking coal, steam coal, and others)
Draft (meters)	17.5
Maximum vessel size	210,000 DWT
Number of berths	7
Total berth length (meters)	2,319
Cranes, ship unloaders/ barge loaders	4 mobile harbor cranes, 6 barge loaders, and 5 ship unloaders

Source: JSW Infra RHP, Emkay Research

JSWIN has an exclusive license to design, finance, construct, operate, maintain, and manage the Jaigarh port complex under the terms of its concession agreement. The company paid a one-time license fee of Rs1mn and is obligated to pay recurring royalties on cargo handled. For JSW Energy, the initial 4mntpa of cargo incurred a royalty fee of Rs15 per mntpa in the first year, subject to revisions by the Maharashtra Maritime Board. For cargo from other customers, the royalty starts at Rs3 per tonne in the first year, and escalates by 20% annually until the fifteenth year, after which it increases by 3% every fifth financial year. This structure ensures long-term revenue sharing, aligned with operational growth and volume increases.

Exhibit 200: Jaigarh – Financial performance

Particulars	FY20	FY21	FY22	FY23	FY24	FY25
Capacity (mntpa)	50	50	50	55	55	55
Cargo volume (mntpa)	10.4	9.2	14.0	20.2	21.5	19.9
Utilization	21%	18%	28%	37%	39%	36%
Revenue (Rs mn)	5,983	6,633	9,194	12,039	12,985	12,194
Realization (Rs/MT)	577	718	657	595	604	613
EBITDA (Rs mn)	2,948	3,320	4,924	7,038	8,109	7,615
EBITDA margin	49%	50%	54%	58%	62%	62%
PAT (Rs mn)	187	882	1,611	4,281	4,728	4,936

Source: Company, Emkay Research

The port has seen a steady uptick in its operations, registering a revenue CAGR of 13% over FY20-25, led by volume CAGR of 11% and largely flat realizations. With broadly stable capacities (5mnt addition in FY23), utilization has inched up to 36% in FY25, from 21% in FY20, leading to EBITDA margins expanding to ~63% in FY25, from 49% in FY20. A key driver of this "hidden" efficiency is the transshipment operation: ~15mntpa of cargo annually are offloaded at Jaigarh and then shuttled in smaller batches to the nearby Dharamtar port, to feed JSW Steel's Dolvi plant, effectively handling more volume than what the headline utilization figures might suggest.

Dharamtar Port, Dolvi, Maharashtra

Dharamtar Port, situated on Amba River in Raigad district and about 23 nautical miles from Mumbai, is an all-weather riverine facility, primarily serving JSW Steel's Dolvi plant and JSW Cement's local operations. Its inland location provides insulation from coastal weather disruptions. The port handles bulk and break-bulk cargo—such as iron ore, coal, fluxes, clinkers, slag, and finished steel—using mechanized conveyor systems and barge unloaders. It benefits from its proximity to major transport hubs, including Mumbai Harbor, JNPT, NH-66, and Konkan railway, with almost all cargo evacuated using conveyor systems directly linked to the Dolvi plant.

The port operates primarily as a captive facility, dedicated to serving the nearby Dolvi plant. While the current agreement with the Maharashtra Maritime Board (MMB) permits up to 25% of capacity for third-party cargo, the port's main strategic advantage lies in its direct integration with the factory. A key feature of this setup is the system of direct conveyor belts connecting the port to the plant. This infrastructure ensures seamless, efficient transportation of raw materials from the waterfront directly to the production site. The port is currently under a 30-year lease and is undergoing significant expansion. Plans are in place to extend the quay length to 1,750 meters, which will increase total potential capacity to approximately 34mnt, supporting the growing demands of the Dolvi facility.

Exhibit 201: Dharamtar port profile

Particulars	Details
Installed capacity (mntpa)	34
Cargo type	Iron-bearing raw material, coal-bearing raw material, fluxes, clinker, cement, HR coil, sheets, CR coils, other steel products, and slag
Draft (meters)	5 meters at berth pocket and 3.5 meters at the Amba river channel
Maximum vessel size	8,000 DWT
Number of berths	5
Total berth length (meters)	771
Cranes, ship unloaders/ barge loaders	5 barge unloaders

Source: JSW Infra RHP, Emkay Research

Exhibit 202: Dharamtar – Financial performance

Particulars	FY20	FY21	FY22	FY23	FY24	FY25
Capacity (mntpa)	34	34	34	34	34	34
Cargo volume (mntpa)	12.8	12.9	17.2	24.0	25.1	23.1
Utilization	38%	38%	51%	71%	74%	68%
Revenue (Rs mn)	1,643	1,662	2,921	4,393	4,485	4,212
Realization (Rs/MT)	128	129	170	183	179	182
EBITDA (Rs mn)	928	847	1,647	2,671	2,788	2,590
EBITDA margin	*56.5%*	*50.9%*	*56.4%*	*60.8%*	*62.2%*	*61.5%*
PAT (Rs mn)	498	668	1,196	2,302	2,686	2,248

Source: Company, Emkay Research

Ahead, the company targets capacity expansion at the Jaigarh and Dharamtar ports by 15mntpa and 21mntpa, respectively, with an estimated capex of Rs23.6bn on the back of expansion of JSW Steel’s Dolvi plant by 5mntpa (targeting completion by Mar-27).

South West Port, Goa

South West Port, acquired by the JSW Group in 2002 and operated since 2004, is situated within the sheltered Mormugao harbor in Goa. It supports JSW Steel’s logistics for its Karnataka facility, handling primarily thermal coal imports and exporting steel coils. The port operates two fully mechanized bulk cargo berths with advanced cargo handling equipment, including ship unloaders, mobile cranes, and mechanized in-motion wagon loading systems connected by conveyors. The port benefits from direct railhead access and connectivity to major highways (NH66 and NH748), facilitating efficient cargo movement. Inland waterways via the Zuari and Mandovi rivers link the port with mines and plants in the hinterland.

The port, which was prioritizing the completion of a large-covered shed, is now substantially complete and is pivotal for environmental compliance. This strategic upgrade is designed to restore the port's handling capacity from a restricted 8.5mntpa toward its installed potential of 14–15mntpa (currently 11mntpa), directly serving the increasing demand from JSW Steel’s Vijayanagar plant in the Bellary-Hospet hinterland. Rather than relying solely on new unloading equipment, the covered shed enables the port to mitigate coal dust pollution, which was the primary cause of its previous regulatory caps, thereby unlocking immediate operational efficiency and volume growth in a region where every additional ton of capacity is effectively pre-booked by the steel plant's expanding raw material needs.

Exhibit 203: South West port profile

Particulars	Details
Installed capacity (mntpa)	8.5
Cargo type	Coal, steel, limestone and other dry bulk. Coal comprises i) thermal coal; and ii) other than thermal coal (which includes coking coal, steam coal and others)
Draft (meters)	14 meters
Maximum vessel size	Handymax and Panamax vessel up to 100,000 DWT
Number of berths	2
Total berth length (meters)	450
Bulk handling equipment (MHCs and ship unloaders)	3

Source: JSW Infra RHP, Emkay Research

Exhibit 204: Southwest port – Financial performance

Particulars	FY20	FY21	FY22	FY23	FY24	FY25
Capacity (mntpa)	8.5	8.5	8.5	8.5	8.5	11.0
Cargo volume (mntpa)	6.6	6.8	6.9	7.1	7.2	6.4
Utilization	78%	80%	81%	83%	85%	58%
Revenue (Rs mn)	2,028	2,444	2,583	2,792	2,986	2,954
Realization (Rs/MT)	307	358	373	395	415	462
EBITDA (Rs mn)	462	853	895	877	849	1,122
EBITDA margin	*22.8%*	*34.9%*	*34.7%*	*31.4%*	*28.4%*	*38.0%*
PAT (Rs mn)	255	407	426	585	625	1,352

Source: Company, Emkay Research

Paradip Coal Exports Terminal, Odisha

The Paradip East Quay Coal Terminal is a fully-mechanized coal handling facility developed by JSW Infra at Paradip Port in Odisha under a 30-year BOT concession agreement signed with Paradip Port Trust in May-16. JSW Infra invested ~Rs13bn to establish this cape-compliant terminal, which commenced commercial operations in 2021. The terminal has a cargo handling capacity of 30mntpa and is designed to handle capsize vessels, providing JSW Infrastructure with a competitive edge in serving both group companies and external customers. With the capacity to unload 25 rakes per day and load two vessels simultaneously, the terminal capitalizes on Paradip Port's attractive sea route for coal movement and addresses the growing demand for domestic coal as thermal power plants shift away from expensive imported coal.

JSW Infra is required to pay Paradip Port Trust a sum of Rs23mn annually, subject to an escalation of 2% (compounded annually), as consideration for use of the project site as a bare licensee. The company's recurring royalty obligations comprise monthly royalty fees equivalent to 31.7% of its gross revenue.

Exhibit 205: Paradip Coal Terminal profile

Particulars	Details
Installed capacity (mntpa)	30
Cargo type	Coal
Draft (meters)	15 meters at berth pocket
Maximum vessel size	110,000 DWT
Number of berths	2
Total berth length (meters)	686
Bulk handling equipment (MHCs and ship unloaders)	3

Source: JSW Infra RHP, Emkay Research

Exhibit 206: Paradip Coal Terminal – Financial performance

Particulars	FY22	FY23	FY24	FY25
Capacity (mntpa)	30	30	30	30
Cargo volume (mntpa)	0.3	12.0	16.8	18.9
Utilization	1%	40%	56%	63%
Revenue (Rs mn)	96	2,384	3,611	4,156
Realization (Rs/MT)	341	198	215	220
EBITDA (Rs mn)	-79	773	1,537	1,716
EBITDA margin	*-82.4%*	*32.4%*	*42.6%*	*41.3%*
PAT (Rs mn)	-662	-516	11	268

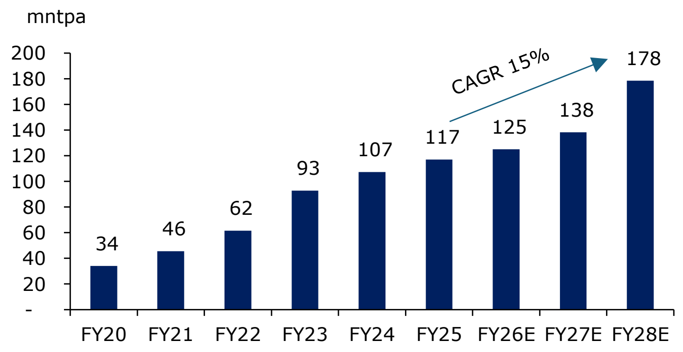
Source: Company, Emkay Research

Financial analysis

Focus on port expansion to sustain volume trajectory; logistics to further boost revenue growth

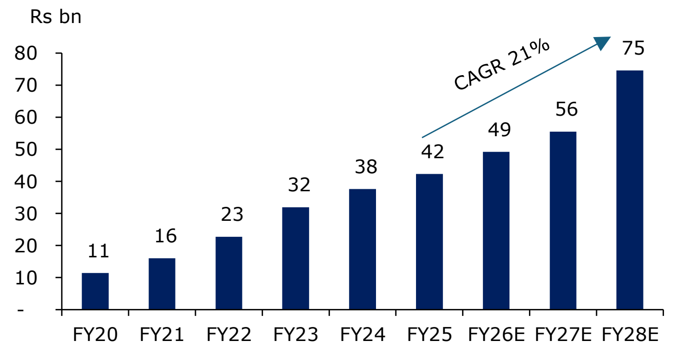
We expect port volumes to clock a CAGR of 15% over FY25-28E, as the company focuses on integrating brownfield expansions (Dharamtar, Jaigarh) as well as greenfield set-ups (Kolkata terminal, Jatadhar, and Slurry Pipeline). With visibility on over 80% of upcoming projects and a demonstrated history of augmenting capacities, we expect JSW Infra to clock revenue/EBITDA/PAT CAGR of 26%/24%/14%, respectively, over FY25–28E, underpinned by both captive and non-captive throughput. Strong cash generation, fundamentals, and a potential equity infusion in FY27E would provide meaningful balance-sheet headroom to support the planned ~Rs40bn capex outlay till FY29 and beyond, in our view.

Exhibit 207: Port volumes to grow at 15% CAGR



Source: Company, Emkay Research

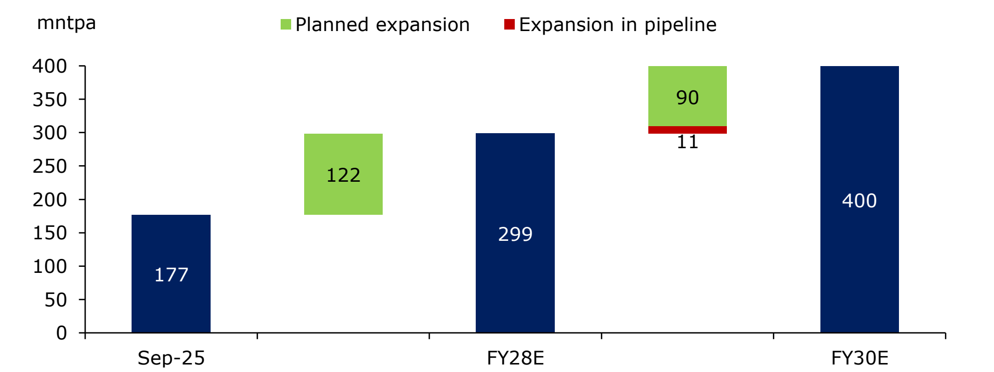
Exhibit 208: Port revenues to be driven by volumes



Source: Company, Emkay Research

JSW Infra aims to more than double its cargo-handling capacity from roughly 170mntpa to 400mntpa by FY30, driven by a massive capex plan of ~Rs300bn. This aggressive volume expansion thesis relies on a dual strategy of executing brownfield expansions at existing key sites like Jaigarh and Dharamtar, while simultaneously developing greenfield ports at locations such as Keni and Murbe to capture new regional demand. To reduce reliance on group-captive cargo, the company is actively diversifying its customer base, targeting a balanced 50:50 mix of third-party versus group cargo; it is also integrating end-to-end logistics solutions, bolstered by acquisitions like Navkar Corporation, to transform into a comprehensive logistics player.

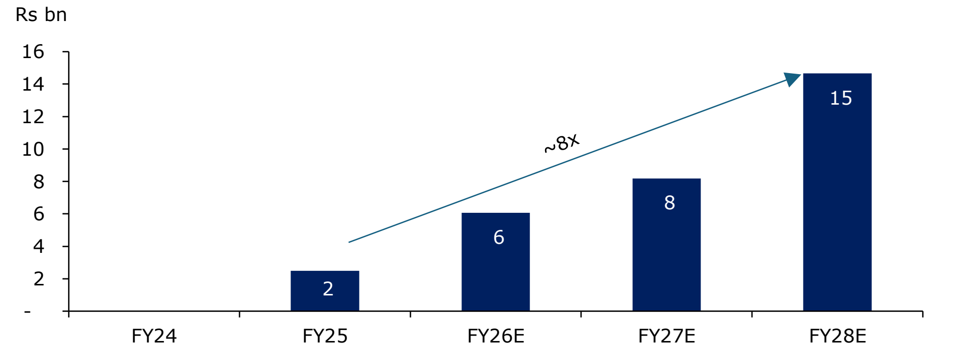
Exhibit 209: JSW Infra targets 400mntpa capacity by FY30



Source: Company, Emkay Research; Note: Green indicates planned expansion, while orange indicates expansion aspirations; Additions (mntpa) by FY28 – JNPA Liquid Berths: 4.5, Tuticorin Bulk Terminal: 7.0, NMPT Container: 1.8, Kolkata Container: 6.3, Goa: 4.0, Jaigarh + Dharamtar: 36.0, Jaigarh LPG: 2.0, Jatadhar Port: 30.0, Slurry Pipeline: 30.0; Additions by FY30 – Keni: 30.0, Murbe: 33.0, Oman: 27.0

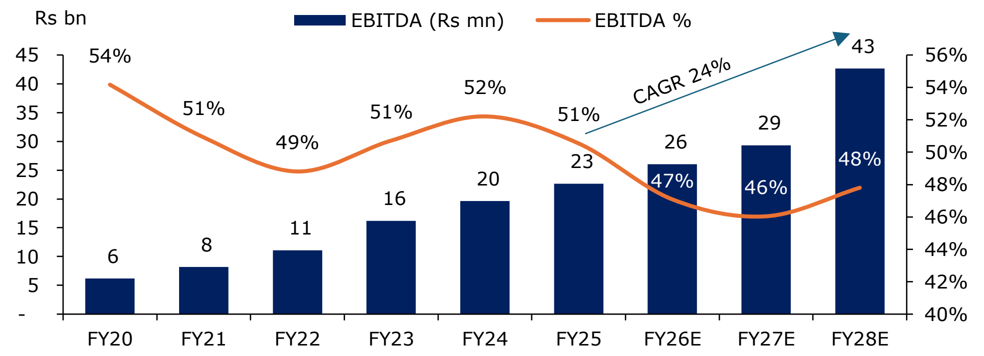
JSW Infra's strategic roadmap to FY30 involves transforming from a pure-play port operator into an integrated logistics behemoth; this growth is to be anchored by a "pit-to-port" strategy that leverages hinterland availability to secure cargo volumes at the source. By establishing a grid of logistics centers, including Inland Container Depots (ICDs) and rail terminals acquired through entities like Navkar Corporation, the company is effectively extending its reach into India's industrial heartlands. This hinterland presence acts as a critical feeder network for its brownfield expansions (eg Jaigarh, Dharamtar) and upcoming greenfield ports (eg Keni, Jatadhar), ensuring high capacity utilization and sticky cargo volumes by controlling the entire supply chain from inland aggregation points to coastal export hubs.

Exhibit 210: We estimate non-port revenue to grow ~8x of FY25 revenue



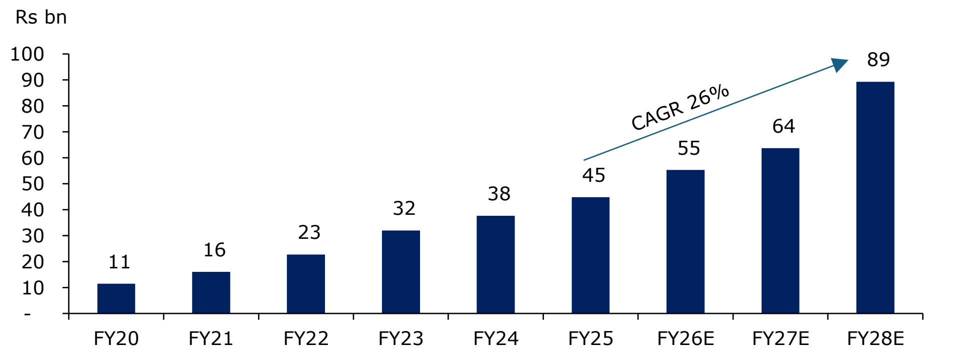
Source: Company, Emkay Research

Exhibit 211: With growth in lower-margin logistics outpacing ports, we estimate margins to be optically lower ahead



Source: Company, Emkay Research

Exhibit 212: We expect consolidated revenue CAGR of 26% over FY25-28E, predominantly driven by expansion in logistics

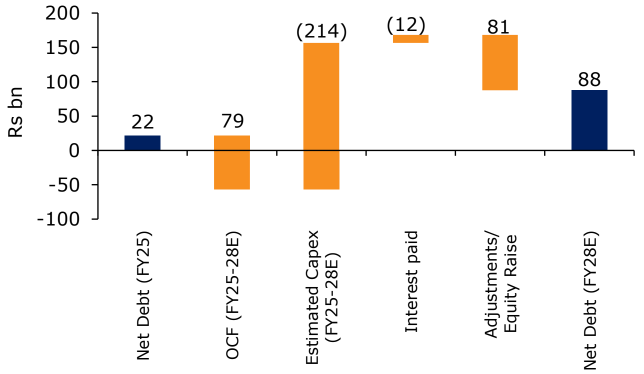


Source: Company, Emkay Research

Balance sheet strength, strong cash conversion key to future growth

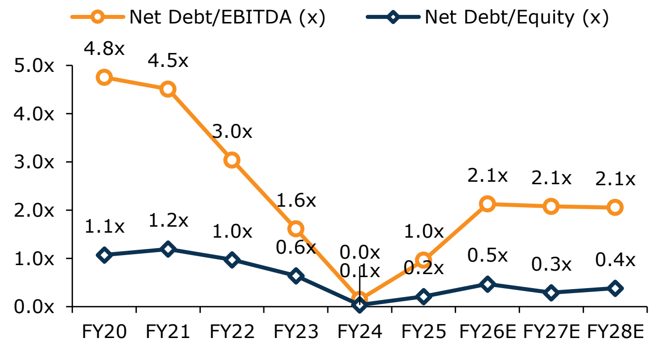
Based on JSW Infra's strategic roadmap, the thesis for the FY30E growth plan centers on aggressive capacity expansion to 400mntpa (up from 177mntpa in Q2FY26), driven by a cumulative capex of Rs213bn over FY25-28E which is to be used for both greenfield and brownfield expansions. The balance sheet expansion is projected to be funded through a balanced mix of internal accruals and external capital, where ~Rs78bn in cumulative OCF covers ~35% of the capex requirement. While cumulative borrowings of Rs58bn will increase gross debt (to fund the asset base expansion), the simultaneous equity infusion via a Rs70bn QIP would significantly strengthen the net worth, ensuring that gearing ratios remain healthy (likely below 2.5x net debt/EBITDA).

Exhibit 213: Internal accruals should support expansion plans to allow the company to maintain a robust gearing ratio…



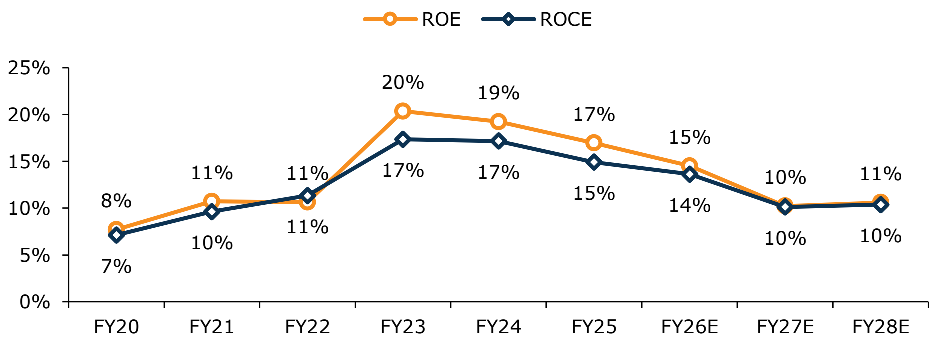
Source: Company, Emkay Research

Exhibit 214: Despite the expansion pipeline, the company's gearing will be within the target ratio of 2.5x



Source: Company, Emkay Research

Exhibit 215: Return ratios to be subdued, given the expansion plans during FY25-28E and key projects operationalizing from FY29



Source: Company, Emkay Research

Valuation and Risks

Valuation

We value JSW Infra on SoTP basis valuing the existing ports and logistics assets on an EV/EBITDA basis. We assume that port concessions are likely to be renewed at the end of their concession life given the significant advantage an existing port operator enjoys in generating strong throughput and margins, owing to the regular capex investments made vs a new entrant. Additionally, authorities may not be too keen to pay back the depreciated replacement value of the port assets should they choose not to renew the concession in the absence of a strong upside (sizable increase in royalty payouts vs the existing port concession agreement). For upcoming ports (beyond FY28), we assign 1.2x value to the planned investments given the minimal execution risks and group support aiding fast execution and ramp-up.

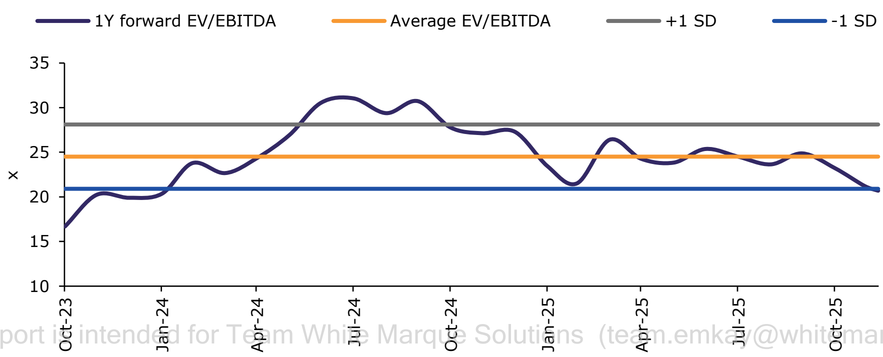
We initiate coverage on JSW Infra with ADD and TP of Rs300, implying a 9% upside. Our Dec-26E TP implies 18x EV/EBITDA (based on Dec-27E consolidated EBITDA). This optically higher multiple seems justified given the massive capacity ramp-up and robust growth visibility over volume uptick on the back of Group's upcoming projects. We also expect the logistics division to witness hyper growth as the company adopts a similar playbook as it did with its ports business. Logistics integration, further, bodes well for customer stickiness and increasing share of 3P cargo. Strong cash conversion with operating cash flow to EBITDA consistently exceeding 85% along with high earnings visibility and robust balance sheet should support the elevated multiples, in our view. We forecast revenue/EBITDA/PAT CAGR of 26%/24%/14% respectively over FY25–28E.

Exhibit 216: We value JSW Infra at Rs300/share

Rs bn	Dec-27E EBITDA	Multiple (x)	EV	Equity value	Value/sh (Rs)
Ports	36	15	558	558	240
Logistics	3	20	64	64	30
New projects (beyond FY28)		**1.2**	**101**	**101**	**45**
Keni port		1.2	49	49	22
Murbe port		1.2	51	51	22
Net Debt				(62)	
Total (Consolidated)	**40**	**18**	**709**	**648**	**300**
Current shares O/S				**2.1**	
Potential dilution (to reach 75% shareholding)				0.2	
Diluted shares O/S				**2.3**	

Source: Company, Emkay Research

Exhibit 217: Given the brief trading history, historical valuation bands have limited utility in case of JSW Infra



Source: Company, Emkay Research

Exhibit 218: Emkay estimates vs consensus

(Rs mn)	Emkay			BBG			Difference		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Sales	**55,252**	**63,692**	**89,235**	**53,795**	**64,838**	**88,932**	**2.7%**	**-1.8%**	**0.3%**
EBITDA	**26,016**	**29,325**	**42,659**	**25,860**	**30,408**	**42,219**	**0.6%**	**-3.6%**	**1.0%**
Margin	47.1%	46.0%	47.8%	48.1%	46.9%	47.5%			
PAT	**15,063**	**15,779**	**22,025**	**15,260**	**16,462**	**21,518**	**-1.3%**	**-4.2%**	**2.4%**

Source: Company, Emkay Research

Exhibit 219: Global valuation

Company name	Mcap (USD mn)	EV (USD mn)	Net debt (USD mn)	FY25-28E CAGR			EV/EBITDA			PER			RoE		
				Sales	EBITDA	PAT	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Adani Ports	35,992	41,158	5,166	18%	18%	16%	16.3x	14.2x	12.3x	24.9x	21.1x	18.8x	19%	19%	19%
JSW Infra	6,212	6,565	354	26%	24%	14%	24.1x	21.4x	14.7x	37.3x	40.3x	28.9x	15%	10%	11%
Gujarat Pipavav	1,014	902	(111)	12%	13%	14%	12.9x	11.8x	9.7x	20.8x	19.3x	15.8x	20%	21%	25%
India Ports Average				**19%**	**18%**	**15%**	**17.7x**	**15.7x**	**12.2x**	**27.6x**	**26.8x**	**21.1x**	**18%**	**17%**	**18%**
CONCOR	4,269	3,958	(311)	11%	15%	11%	16.8x	14.1x	12.1x	27.0x	22.8x	12.0x	11%	12%	13%
Gateway Distriparks	333	430	97	12%	8%	55%	7.9x	7.2x	6.6x	11.8x	10.3x	9.5x	11%	12%	12%
Transport Corporation of India	893	892	(1)	56%	58%	90%	15.8x	14.0x	4.4x	17.4x	15.5x	13.6x	19%	18%	17%
India Logistics Average				**26%**	**27%**	**52%**	**13.5x**	**11.7x**	**7.7x**	**18.7x**	**16.2x**	**11.7x**	**14%**	**14%**	**14%**
GMR Airports	11,482	15,396	3,914	25%	23%	NM	24.5x	21.3x	18.2x	NM	NM	NM	NM	NM	NM
IRB Infrastructure	2,795	4,694	1,898	9%	16%	-38%	10.8x	9.8x	9.2x	21.6x	18.2x	16.5x	6%	6%	7%
Powergrid	27,284	40,684	13,400	8%	7%	6%	9.2x	8.6x	8.0x	15.7x	14.6x	14.0x	17%	16%	16%
ITD Cementation	1,575	1,603	29	22%	24%	36%	13.5x	10.4x	8.7x	25.6x	18.6x	15.1x	26%	28%	26%
GR Infraprojects	1,083	1,500	416	11%	9%	7%	11.1x	9.2x	8.1x	12.8x	11.1x	10.0x	9%	10%	10%
India Infrastructure Average				**15%**	**16%**	**3%**	**13.8x**	**11.9x**	**10.4x**	**18.9x**	**15.6x**	**13.9x**	**14%**	**15%**	**15%**
Shanghai International	18,308	22,417	4,110	3%	11%	0%	9.5x	9.2x	NA	9.3x	9.1x	NA	9%	9%	NA
China Merchants Port Holding Int	8,599	13,307	4,708	5%	2%	2%	13.8x	13.2x	13.1x	9.2x	8.6x	NA	7%	7%	7%
Port of Tauranga	2,971	3,270	299	10%	14%	18%	21.4x	19.1x	17.7x	34.6x	30.7x	28.4x	6%	7%	8%
International Container Terminal	20,823	24,373	3,550	11%	12%	15%	10.8x	9.9x	9.7x	19.0x	16.7x	15.6x	52%	48%	43%
Westports Holdings Bhd	4,726	4,834	108	9%	11%	11%	11.1x	10.4x	9.9x	17.6x	16.5x	16.1x	26%	25%	29%
Global Ports/Logistics Average				**8%**	**10%**	**9%**	**13.3x**	**12.4x**	**12.6x**	**17.9x**	**16.3x**	**20.0x**	**20%**	**19%**	**22%**

Source: Company, Bloomberg, Emkay Research; Market data as on 11-Dec-25; For international companies, FY25/26/27/28 stands for CY24/25/26/27

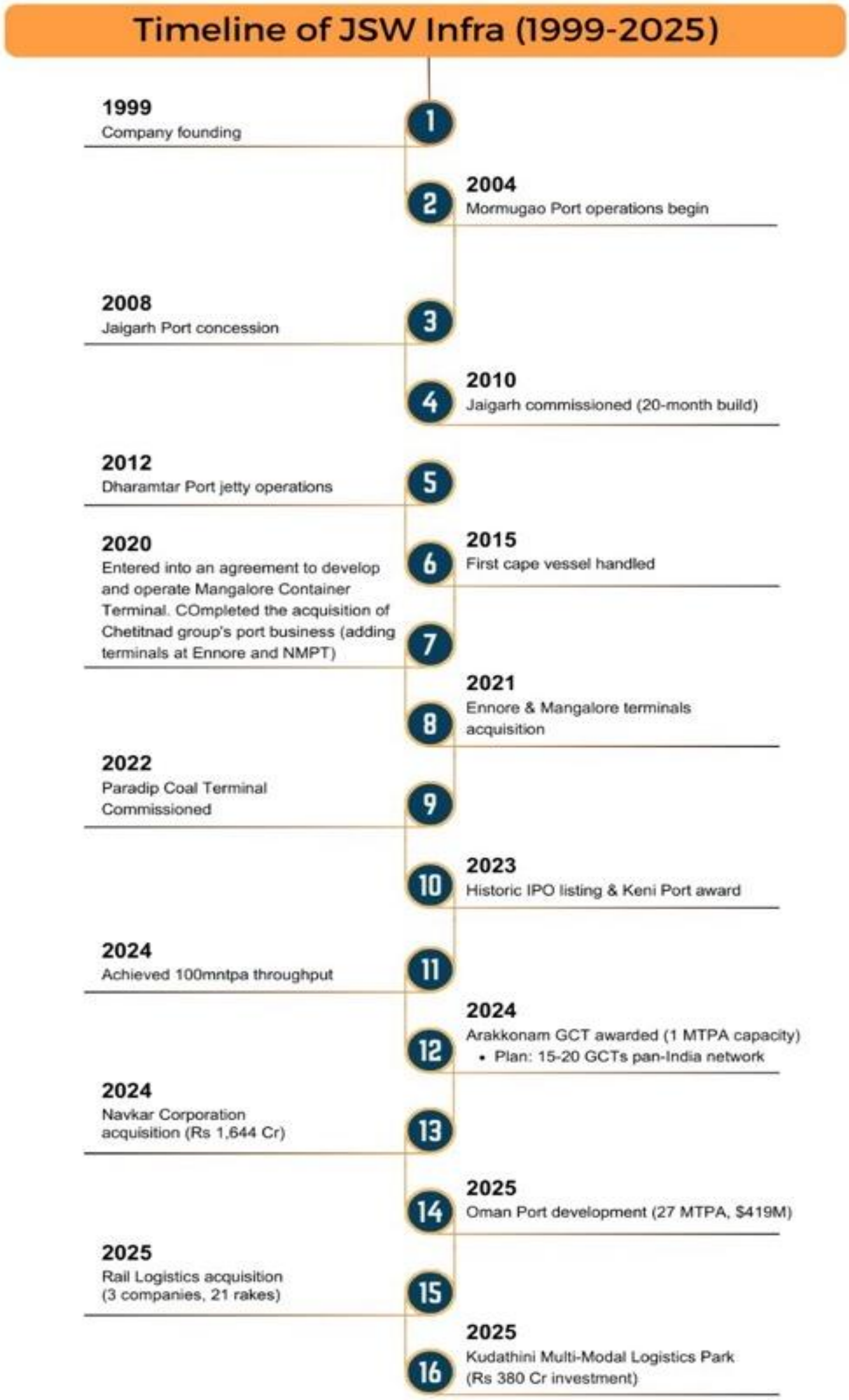
Risks

- **High dependence on the JSW Group**: Roughly half of JSW Infra's volumes and a similar share of revenue are contributed by JSW Steel, JSW Energy, and other group entities. So any slowdown, capex delay, or market-share loss at these businesses Is likely to directly impact port throughput and earnings.
- **Heavy capex pipeline**: The management has planned capex of around Rs300bn in ports and ~Rs90bn in logistics, over FY25–30, with a step up in commissioning after FY27; any delay, cost overrun, or land or environmental clearance issue could push back the sharp ramp up in EBITDA that underpins FY28–30 estimates.
- **Logistics scale-up uncertainty**: The logistics business is expected to see revenue growth to ~Rs70–80bn by FY30 with 18–25% EBITDA margin, from a small base and via a largely greenfield/inorganic build-out; under-execution would dilute consolidated margins and returns.
- **Concession / regulatory exposure**: The portfolio is a mix of non-major ports and major-port terminals with long but finite concession lives and revenue-share/royalty structures; adverse changes in tariff frameworks, renewal terms, or delays in environmental and coastal regulation clearances can impair project IRR.
- **Competition from other ports (incl. Vadhavan)**: The planned Vadhavan major port and other PPP terminals, especially near JSW's Murbe project, could intensify competition for container and POL cargo and pressure volumes and realizations at certain assets.
- **Premium valuation already discounts long-term growth**: JSW Infra trades at a substantial premium to domestic and global port peers on FY26-27E P/E and EV/EBITDA, with much of the implied upside resting on FY30-type earnings; any cut to volume, logistics, or margin assumptions, or delay in the Jatadhar/Keni/slurry pipeline, could trigger a meaningful de-rating.

About the company

JSW Infra is India's second-largest private port operator with 177mntpa of operational capacity across 12 ports and terminals in India and a liquid terminal in Fujairah, UAE, backed by the USD24bn JSW Group. The company has transitioned from a largely captive handler for JSW Steel and group entities to a more diversified platform, with 3P cargo now contributing nearly half the volumes, materially de-risking revenue concentration. Its strategy is to scale-up into a fully integrated ports-and-logistics franchise by a) expanding port capacity to 400mntpa by FY30 through brownfield expansions and greenfield developments at Keni, Murbe and Jatadhar, and a 30mntpa slurry pipeline in Odisha and b) building end-to-end connectivity via the Navkar logistics acquisition, and multi-modal rail-linked assets. This capex-heavy growth is underpinned by long-term visibility from JSW Group's anchor cargo, rising 3P share, and a strong balance sheet, positioning the company as a leverageable play on India's port-led trade and infrastructure upcycle.

Exhibit 220: JSW Infra – Timeline



Source: Company, Emkay Research

Exhibit 221: JSW Infra's management team and the Board of Directors

Key personnel	Designation	Education	Experience
Sajjan Jindal	Chairman, Managing Director	Mechanical Engineer	As Chairman and Managing Director of the JSW Group, he has transformed the conglomerate into a USD24bn enterprise with diversified interests in steel, energy, cement, infrastructure, paints, sports, and electric vehicles. Under his leadership, JSW Steel became India's largest steel company, while JSW Infra successfully completed its IPO in 2023. Jindal's leadership has earned him numerous accolades, including "Business Leader of the Decade" at the 15th AIMA Managing India Awards in 2025, "EY Entrepreneur of the Year" in 2023, and "CEO of the Year" by Business Standard in 2019. He made history as the first Indian to serve as Chairman of the World Steel Association for 2021-22, reflecting his international standing in the steel industry. Beyond business, he founded the JSW Foundation, which has impacted over 2mn lives through socio-economic development initiatives.
Rinkesh Roy	Joint MD, CEO	Master's in Public Management from Harvard Kennedy School	He assumed the current role in Nov-24. He holds a Master's degree in public management from Harvard Kennedy School and completed a fellowship at the Lee Kuan Yew School of Public Policy at the National University of Singapore. With over 30 years of experience in railway operations, shipping, ports, and logistics, Roy previously served as an Indian Railway Traffic Service (IRTS) officer from 1992 until his voluntary retirement in Jul-23.
Nagarajan Jambunathan	CFO	Chartered Accountant, Cost Accountant	With over 24 years of experience in mergers and acquisitions, strategic finance, project finance, treasury, business planning, and financial accounting, he brings deep expertise across metals, energy, and infrastructure sectors. Prior to joining JSW Infra, Jambunathan spent 15 years with JSW Steel, serving as CFO of Bhushan Power and Steel (2022-2025) and CFO of JSW Ispat Special Products (2019-2022). He also worked as a senior member of JSW Steel's M&A team. Prior to the JSW Group, he gained experience at Reliance Industries and Hindalco Industries.
Lalit Singhvi	Non-executive Director	Chartered Accountant	Singhvi has been associated with JSW Infra since January 2015 and played a crucial role in the company's phenomenal growth, including its IPO in 2023. With ~39 years of rich experience across finance, commercial, strategy, and management roles, Singhvi previously held various leadership positions at reputed groups including Vedanta, Aditya Birla, and Suhail Bahwan, both within India and internationally. He also serves on the boards of Navkar Corporation and JSW Port Logistics.
Arun Sitaram Maheshwari	Non-executive Director	Management Graduate	With over three decades of experience with JSW group, he has expertise in steel, commodities, and infrastructure. Previously, as Joint Managing Director and CEO of JSW Infra, he spearheaded the company's transformation into a 170mntpa multi-commodity port and infrastructure leader and India's second-largest commercial port company. He was instrumental in cementing the company's position as a key player in the industry. He is Whole Time Director of JSW Steel Limited and on Board of JSW Steel Coated Products Limited

Source: Company, Emkay Research

JSW Infrastructure: Consolidated Financials and Valuations

Profit & Loss

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**37,629**	**44,761**	**55,252**	**63,692**	**89,235**
Revenue growth (%)	17.8	19.0	23.4	15.3	40.1
EBITDA	**19,646**	**22,621**	**26,016**	**29,325**	**42,659**
EBITDA growth (%)	21.3	15.1	15.0	12.7	45.5
Depreciation & Amortization	4,365	5,466	6,211	8,517	11,949
EBIT	**15,281**	**17,156**	**19,805**	**20,808**	**30,710**
EBIT growth (%)	24.3	12.3	15.4	5.1	47.6
Other operating income	-	-	-	-	-
Other income	2,694	3,530	2,801	3,127	2,214
Financial expense	3,325	2,657	3,571	3,392	3,562
PBT	**14,650**	**18,028**	**19,035**	**20,542**	**29,362**
Extraordinary items	0	0	0	0	0
Taxes	3,043	2,814	3,712	4,417	6,900
Minority interest	(48)	(184)	(260)	(347)	(437)
Income from JV/Associates	-	-	-	-	-
Reported PAT	**11,559**	**15,030**	**15,063**	**15,779**	**22,025**
PAT growth (%)	56.2	30.0	0.2	4.8	39.6
Adjusted PAT	**11,559**	**15,030**	**15,063**	**15,779**	**22,025**
Diluted EPS (Rs)	**6.0**	**7.3**	**7.2**	**6.8**	**9.5**
Diluted EPS growth (%)	45.9	21.0	(0.5)	(6.0)	39.6
DPS (Rs)	**0**	**0.6**	**0.7**	**1.0**	**1.3**
Dividend payout (%)	**0**	**7.7**	**9.7**	**14.0**	**13.7**
EBITDA margin (%)	52.2	50.5	47.1	46.0	47.8
EBIT margin (%)	40.6	38.3	35.8	32.7	34.4
Effective tax rate (%)	20.8	15.6	19.5	21.5	23.5
NOPLAT (pre-IndAS)	**12,106**	**14,478**	**15,943**	**16,334**	**23,493**
Shares outstanding (mn)	1,923	2,067	2,081	2,321	2,321

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	4,103	4,147	4,147	4,147	4,147
Reserves & Surplus	76,161	92,822	106,428	194,102	213,111
Net worth	**80,264**	**96,969**	**110,575**	**198,249**	**217,258**
Minority interests	2,047	7,919	7,919	12,919	12,919
Non-current liab. & prov.	(1,916)	(3,375)	(3,375)	(3,375)	(3,375)
Total debt	**43,807**	**46,588**	**61,588**	**81,588**	**111,588**
Total liabilities & equity	**128,913**	**153,193**	**181,799**	**294,473**	**343,482**
Net tangible fixed assets	46,552	63,680	96,063	161,472	200,402
Net intangible assets	-	-	-	-	-
Net ROU assets	4,576	4,452	4,452	4,452	4,452
Capital WIP	1,089	18,586	31,451	63,133	68,787
Goodwill	6,970	7,126	7,126	7,126	7,126
Investments [JV/Associates]	-	1,300	1,300	1,300	1,300
Cash & equivalents	**7,234**	**6,113**	**2,534**	**16,915**	**20,146**
Current assets (ex-cash)	46,648	35,274	23,258	25,154	28,448
Current Liab. & Prov.	6,108	11,502	12,550	13,244	15,343
NWC (ex-cash)	**40,540**	**23,771**	**10,708**	**11,910**	**13,105**
Total assets	**128,913**	**153,193**	**181,799**	**294,473**	**343,482**
Net debt	2,905	21,768	55,346	60,966	87,735
Capital employed	128,913	153,193	181,799	294,473	343,482
Invested capital	**113,771**	**114,865**	**134,184**	**200,796**	**240,920**
BVPS (Rs)	41.7	46.9	53.1	85.4	93.6
Net Debt/Equity (x)	-	0.2	0.5	0.3	0.4
Net Debt/EBITDA (x)	0.1	1.0	2.1	2.1	2.1
Interest coverage (x)	5.4	7.8	6.3	7.1	9.2
RoCE (%)	**17.2**	**14.9**	**13.6**	**10.1**	**10.4**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	11,956	14,499	16,234	17,416	27,148
Others (non-cash items)	-	-	-	-	-
Taxes paid	(2,476)	(2,736)	(3,712)	(4,417)	(6,900)
Change in NWC	(24,164)	15,310	13,063	(1,202)	(1,194)
Operating cash flow	**18,032**	**21,004**	**20,367**	**23,706**	**34,565**
Capital expenditure	(22,713)	(40,827)	(51,458)	(105,608)	(56,532)
Acquisition of business	0	(1,300)	0	0	0
Interest & dividend income	-	-	-	-	-
Investing cash flow	**(42,047)**	**(16,969)**	**(33,657)**	**(102,482)**	**(54,318)**
Equity raised/(repaid)	507	44	0	74,100	0
Debt raised/(repaid)	1,370	2,781	15,000	20,000	30,000
Payment of lease liabilities	198	179	0	0	0
Interest paid	(3,325)	(2,657)	(3,571)	(3,392)	(3,562)
Dividend paid (incl tax)	0	(1,155)	(1,457)	(2,205)	(3,017)
Others	26,289	(4,406)	(260)	4,653	(437)
Financing cash flow	**25,039**	**(5,213)**	**9,712**	**93,156**	**22,984**
Net chg in Cash	1,024	(1,178)	(3,578)	14,380	3,231
OCF	18,032	21,004	20,367	23,706	34,565
Adj. OCF (w/o NWC chg.)	42,196	5,695	7,304	24,908	35,759
FCFF	(4,681)	(19,822)	(31,091)	(81,902)	(21,967)
FCFE	(8,006)	(22,480)	(34,662)	(85,295)	(25,529)
OCF/EBITDA (%)	91.8	92.9	78.3	80.8	81.0
FCFE/PAT (%)	(69.3)	(149.6)	(230.1)	(540.6)	(115.9)
FCFF/NOPLAT (%)	**(38.7)**	**(136.9)**	**(195.0)**	**(501.4)**	**(93.5)**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	45.6	37.7	37.9	40.3	28.9
EV/CE(x)	4.2	3.9	3.5	2.1	1.8
P/B (x)	6.6	5.8	5.2	3.2	2.9
EV/Sales (x)	14.1	13.2	11.3	9.8	7.0
EV/EBITDA (x)	27.0	26.0	24.1	21.4	14.7
EV/EBIT(x)	34.7	34.3	31.6	30.1	20.4
EV/IC (x)	4.7	5.1	4.7	3.1	2.6
FCFF yield (%)	(0.9)	(3.4)	(5.0)	(13.1)	(3.5)
FCFE yield (%)	(1.4)	(3.9)	(6.0)	(14.8)	(4.4)
Dividend yield (%)	0	0.2	0.3	0.3	0.5
DuPont-RoE split					
Net profit margin (%)	30.7	33.6	27.3	24.8	24.7
Total asset turnover (x)	0.4	0.3	0.3	0.3	0.3
Assets/Equity (x)	1.7	1.5	1.6	1.5	1.5
RoE (%)	**19.2**	**17.0**	**14.5**	**10.2**	**10.6**
DuPont-RoIC					
NOPLAT margin (%)	32.2	32.3	28.9	25.6	26.3
IC turnover (x)	0.4	0.4	0.4	0.4	0.4
RoIC (%)	**13.1**	**12.7**	**12.8**	**9.8**	**10.6**
Operating metrics					
Core NWC days	393.2	193.8	70.7	68.3	53.6
Total NWC days	**393.2**	**193.8**	**70.7**	**68.3**	**53.6**
Fixed asset turnover	0.5	0.5	0.4	0.3	0.4
Opex-to-revenue (%)	11.7	10.5	9.0	8.4	6.9

Source: Company, Emkay Research

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Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.
CIN - L67120MH1995PLC084899
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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SESHADRI KUMAR SEN

Digitally signed by SESHADRI KUMAR SEN
Date: 2025.12.15 11:12:56 +05'30'