



# FPO INSIGHTS

## adani

Adani Enterprises Ltd

**Issue Dates - Opens: 27-01-2023 | Closes: 31-01-2023**

<b>IPO Note</b>	<ul style="list-style-type: none"> <li>▪ One of India's Top Business Houses</li> <li>▪ Indian MNC engaged in multiple business ventures</li> <li>▪ Businesses include mining services, edible oil and food, water, data-centre, agro, integrated resource management, solar manufacturing, defence and aerospace, airports, road, metro and rail</li> <li>▪ Increasing Debt</li> <li>▪ CIBIL has filed a suit against independent-non-executive director</li> </ul>
<b>Rating</b>	★★★★ (GOOD)

### FPO SNAPSHOT

Issue Size	₹ 20,000 Crores
Issue Type	Fresh Issue
Fresh Issue	₹ 20,000 Crores
Face Value Per Share	₹ 1
Price Band Per Share	₹ 3112 - ₹ 3276
Retail Discount per share	₹ 64
Staggered Payment	50% on application, 50% on call
Minimum Lot Size	4 shares
Listing On	BSE & NSE
Registrar to the Issue	Link Intime India Private Ltd

# FPO SNAPSHOT – Adani Enterprises Ltd

<b>About the Company</b>	<ul style="list-style-type: none"> <li>▪ Incorporated on March 2, 1993</li> <li>▪ Member of Adani Group – among India’s Top Business Houses</li> <li>▪ One of India’s Largest Listed Business Incubators in terms of Market Cap</li> <li>▪ Driven by Philosophy of incubating businesses in 4 core sectors – <b>Energy and Utility, Transportation and Logistics, Consumer and Primary Industry</b></li> <li>▪ Company is setting up a Green Hydrogen Ecosystem, develop data centres with an aim to retain and drive India’s internet derived data, developing infrastructure projects that enhance water-treatment and use efficiency</li> <li>▪ Currently, develop operate and manage 7 operational airports across the cities of Mumbai, Ahmedabad, Lucknow, Mangluru, Jaipur, Guwahati, Thiruvananthpuram and 1 green-field airport in Navi Mumbai</li> <li>▪ Manufactures, Markets and Brands Food Products in FMCG Segment</li> <li>▪ Offers mining services involving contract mining, development production related services and other mining services to mining customers.</li> <li>▪ Offer integrated resource management services of coal, recently acquired commercial mines to conduct commercial mining activities</li> <li>▪ Intend to manufacture petrochemicals, copper and similar metals and manufacture strategic, military and defense products that enhance India’s self-reliance</li> <li>▪ Emerged as an incubator by investing, maturing and eventually demerging various diversified businesses</li> <li>▪ Have incubated 6 decacorn businesses and listed them since inception, including demerger route – Adani Ports and SEZ, Adani Power, Adani Transmission, Adani Green Energy, Adani Total Gas and Adani Wilmar</li> <li>▪ Market Cap of Adani Group as of Dec 31, 2022 = ₹ 18402 billions</li> </ul>																																										
<b>Competitive Strengths</b>	<ul style="list-style-type: none"> <li>▪ A business incubator with a demonstrated track record of incubating sustainable infrastructure businesses in India with a focus on enhancing stakeholder value</li> <li>▪ Demonstrated track record and expertise in project execution and management</li> <li>▪ Tapping on the growing green hydrogen potential in India to build a fully-integrated green hydrogen ecosystem in India</li> <li>▪ Airport assets of national importance are strategically located and are supported by a stable regulatory framework and concession term</li> <li>▪ Robust environmental, social and governance (“ESG”) focus enhancing value in a responsible way</li> <li>▪ One of the leading global player in integrated resource management</li> <li>▪ Experienced Promoters and Strong Leadership</li> </ul>																																										
<b>Financials (₹ in Crores)</b>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Mar-2020</th> <th>Mar-2021</th> <th>Mar-2022</th> <th>Sep-2021</th> <th>Sep-2022</th> <th>Y-o-Y *</th> </tr> </thead> <tbody> <tr> <td>Rev. frm Operations</td> <td>43,403</td> <td>39,537</td> <td>69,420</td> <td>25,797</td> <td>79,019</td> <td>206%</td> </tr> <tr> <td>EBITDA as stated</td> <td>2,968</td> <td>3,259</td> <td>4,726</td> <td>2,210</td> <td>4,100</td> <td>86 %</td> </tr> <tr> <td>EBITDA Margin</td> <td>6.8%</td> <td>8.2%</td> <td>6.8%</td> <td>8.6%</td> <td>5.2%</td> <td></td> </tr> <tr> <td>Profit After Tax</td> <td>1,040</td> <td>1,046</td> <td>788</td> <td>460</td> <td>901</td> <td>96%</td> </tr> <tr> <td>PAT Margin</td> <td>2.4%</td> <td>2.6%</td> <td>1.1%</td> <td>1.8%</td> <td>1.1%</td> <td></td> </tr> </tbody> </table> <p><b>Debt to Equity = 0.82 (as on Sept 30, 2022)</b>  * = Y-o-Y Growth calculation based on Sept-2021 &amp; Sept-2022 Numbers</p>	Particulars	Mar-2020	Mar-2021	Mar-2022	Sep-2021	Sep-2022	Y-o-Y *	Rev. frm Operations	43,403	39,537	69,420	25,797	79,019	206%	EBITDA as stated	2,968	3,259	4,726	2,210	4,100	86 %	EBITDA Margin	6.8%	8.2%	6.8%	8.6%	5.2%		Profit After Tax	1,040	1,046	788	460	901	96%	PAT Margin	2.4%	2.6%	1.1%	1.8%	1.1%	
Particulars	Mar-2020	Mar-2021	Mar-2022	Sep-2021	Sep-2022	Y-o-Y *																																					
Rev. frm Operations	43,403	39,537	69,420	25,797	79,019	206%																																					
EBITDA as stated	2,968	3,259	4,726	2,210	4,100	86 %																																					
EBITDA Margin	6.8%	8.2%	6.8%	8.6%	5.2%																																						
Profit After Tax	1,040	1,046	788	460	901	96%																																					
PAT Margin	2.4%	2.6%	1.1%	1.8%	1.1%																																						
<b>Valuation</b>	<ul style="list-style-type: none"> <li>▪ <b>Based on Annualized FY23 Earnings, fully diluted paid up equity capital Asking P/E = 390</b></li> </ul>																																										
<b>Peers</b>	<ul style="list-style-type: none"> <li>• No Listed Peers</li> </ul>																																										
<b>Promoters</b>	<ul style="list-style-type: none"> <li>▪ Gautam S Adani and Rajesh S Adani</li> </ul>																																										
<b>Objects</b>	<ul style="list-style-type: none"> <li>▪ Funding Capex Requirements in Subsidiaries</li> <li>▪ Repayment of Borrowings</li> <li>▪ General Corporate Purposes</li> </ul>																																										
<b>Risk Factors</b>	<ul style="list-style-type: none"> <li>▪ One of the Independent and Non-executive Directors, V. Subramanian, has been named in the CIBIL suit filed accounts list. In the event his name features in the wilful defaulter list, the company may be required to reconstitute their Board. Any such event may result in an adverse impact on the Offer, the company’s reputation and operations.</li> </ul>																																										

## DISCLAIMER

The information provided by or in this newsletter is generally from the press reports, electronic media, research websites and other media. It also includes information from interviews conducted, analysis, views expressed by our research team. Investors should not rely solely on the information contained in this publication and must make their own investment decision based on their specific objectives and financial positions and using such independent advisor as they believe necessary. The material and the information provided herein are not and should not be construed as an advice to buy or sell any of the securities named in this newsletter. SIHL may or may not hold positions in any of the securities named in this newsletter as a part of its business. Past performance is not necessarily an indication of future performance. SIHL does not assure for accuracy and correctness of information of reports in this newsletter.

