adani™

Ref No: APSEZL/SECT/2014-15/44

January 30, 2015

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: 532921

National Stock Exchange of India Limited
Exchange plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051

Scrip Code: ADANIPORTS

Subject: Outcome of Board Meeting

Pursuant to Clause 36 of the Listing Agreement, we wish to inform you that the Board of Directors of the Company at its meeting held today approved the Composite Scheme of Arrangement with respect to *inter alia* Demerger of Port Undertaking of Adani Enterprises Limited, Holding Company to the Company and Consequential Restructure of Share Capital and various other matters consequential or otherwise integrally connected therewith., including reduction of share capital and restructuring of share capital in form of utilization of securities premium.

Key highlights of the scheme are as under:

- **Brief Details:**

  - Demerger of the Port Undertaking of AEL comprising the undertaking, businesses, activities, operations, assets (moveable and immoveable) and liabilities pertaining to the Belekeri port and the shareholding of AEL in APSEZ into APSEZ;

  - The shareholding of AEL in APSEZ shall be cancelled on the Scheme being made effective and APSEZ shall issue new Equity Shares to the equity shareholders of AEL in the ratio of 14123 Equity Shares in APSEZ for every 10000 equity shares held by such equity shareholder of AEL in AEL as of the 'Record Date' to be determined for the purpose of the Scheme; and

  - The appointed date for the Scheme, being the date on which the Port Undertaking shall vest in the APSEZ, has been fixed at April 1, 2015.

Adani Ports and Special Economic Zone Ltd. AHMEDABAD

Adani Ports and Special Economic Zone Ltd
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Gujarat, India

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CIN : L63090GJ1998PLC034182
Registered Office: Adani House, Nr Mithakhali Circle, Navrangpura, Ahmedabad 380 009, Gujarat, India

➢ **Rationale:**

a. Each of the businesses has tremendous growth and profitability potential. The demerger would enable enhanced focus of management in these businesses there by facilitating the management to efficiently exploit opportunities for each of these businesses.

b. The proposed segregation will create enhanced value for shareholders and allow a focus strategy in operations, which would be in the best interest of all the stakeholders and the persons connected with AEL, APSEZ, APL and ATL.

c. The proposed demerger will also enable investors to hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles.

d. The demerger will also provide scope for independent collaboration and expansion.

➢ **Swap Ratio - on Record Date**

14123 equity shares of APSEZ for 10000 equity shares of AEL

➢ **Valuation and Fairness Opinion**

1) Valuation Report of M/s. B S R & Associates LLP
2) Fairness Opinion issued by M/s. Axis Capital Limited

The Media Release for the scheme of arrangement is enclosed herewith.

Kindly take the same on record.

Thanking you,

Yours faithfully
For Adani Ports and Special Economic Zone Limited

Dipti Shah
Company Secretary

Encl.: a/a

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Media Release

Adani Group announced Scheme of Arrangement

Ahmedabad, January 30, 2015: The board of directors of Adani Ports and Special Economic Zone Ltd. (APSEZL) today unanimously approved the scheme of demerger of the diversified businesses of its parent company, Adani Enterprises Ltd.

Key Highlights of the Scheme from APSEZ's perspective

- Demerger of the Port Undertaking of AEL comprising the undertaking, businesses, activities, operations, assets (moveable and immoveable) and liabilities pertaining to the Belekeri port and the shareholding of AEL in APSEZ into APSEZ;

- The shareholding of AEL in APSEZ shall be cancelled on the Scheme being made effective and APSEZ shall issue new Equity Shares to the equity shareholders of AEL in the ratio of 14,123 Equity Shares in APSEZ for every 10,000 equity shares held by such equity shareholder of AEL in AEL as of the 'Record Date' to be determined for the purpose of the Scheme; and

- The appointed date for the Scheme, being the date on which the Port Undertaking shall vest in the APSEZ, has been fixed at April 1, 2015.

Rationale for the Scheme

- Simplified corporate structure providing the shareholders of AEL direct shareholding in APSEZ;

- Increased free float in APSEZ

Expected Timelines

The demerger is expected to close by December 31, 2015. It may however be noted that this is only an indicative timeline and is subject to timely receipt of all applicable regulatory and statutory approvals.

Transaction Advisory, Recommendations and Fairness Opinion

The Boards, including the independent directors of AEL and APSEZ have approved the proposed Scheme and recommended the same in the interest of their respective shareholders.

Adani Ports and Special Economic Zone Ltd.
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M/s B S R & Associates LLP provided to the Boards of AEL and APSEZ their recommendation on the 'Demerger Share Entitlement Ratio' for consideration by the respective Boards.

The Board of Directors of AEL received opinion from JM Financial Institutional Securities Limited on the fairness of the Demerger Share Entitlement Ratio, from a financial point of view. JM Financial was the lead financial and transaction advisor. Macquarie Capital was the advisor for the transaction.

The Board of Directors of APSEZ received opinion from Axis Capital Limited, on the fairness of the Demerger Share Entitlement Ratio, from a financial point of view.

The Board of Directors of APSEZ received opinion from Dhruva Advisors LLP and GK Choksey & Co. from a Taxation point of view.

The Board of Directors of AEL received opinion from Ms. Singhi & Co. from a Legal point of view.

Approvals

The Scheme is subject to the approval from:

- BSE Limited and the National Stock Exchange of India Limited;
- Securities and Exchange Board of India;
- Simple majority of the public shareholders of each of AEL and APSEZ in terms of the applicable SEBI regulations, circulars and guidelines
- Shareholders and creditors of each of AEL and APSEZ
- Hon'ble High Court of Gujarat; and
- Such other regulatory and statutory approvals as may be required.

About The Adani Group

The Adani Group is one of India's leading business houses with revenue of over $9.4 billion.

Founded in 1988, Adani has grown to become a global integrated infrastructure player with businesses in key industry verticals - resources, logistics and energy. The integrated model is well adapted to the infrastructure challenges of the emerging economies.

The Group has also made significant inroads in the agri-infrastructure business by setting up grain storage silos and cold storage facilities, catering to storage of apples from Himachal Pradesh. We are a market leader in edible oil business with our Fortune brand of oil leading the pack.

We live in the communities where we operate and take our responsibility to society, seriously. Through Adani Foundation, we ensure development and progress is sustainable and inclusive; not just for the people living in these areas, but the environment on the whole. At Adani, we believe in delivering benefits that transcend our immediate stakeholders.

Resources means obtaining coal from mines and trading; in future it will also include oil and gas production.

Adani is developing and operating mines in India, Indonesia and Australia as well as importing and trading coal from many other countries. Currently, we are the largest coal importers in India. We also have extensive interests in oil and gas exploration. Our extractive capacity has increased threefolds to 4 MMT in 2014 and we aim to extract 200 MMT per annum by 2020, thereby making Adani one of the largest mining groups in the world.

Logistics denotes a large network of ports, Special Economic Zone (SEZ) and multi-modal logistics - railways and ships.

Adani owns and operates six ports and terminals – Mundra, Dahej and Hazira in Gujarat, Dhamra in Orissa, Mormugao in Goa and Visakhapatnam in Andhra Pradesh, India. Mundra Port, which is the largest port in India, benefits from deep draft, first-class infrastructure and SEZ status. It crossed the 100 MMT mark of cargo handling in FY14. Adani is also developing ports at Tuna Tekra, Kandla in Gujarat and Ennore in Tamil Nadu, India.

Energy involves power generation & transmission and gas distribution.

Adani is the largest private thermal power producer in India with an installed capacity of 9,280 MW. Our three power projects are spread out across the states of Gujarat, Maharashtra & Rajasthan.

We also provide a range of reliable and environment friendly energy solutions, in the form of CNG and PNG. In fact, the above-mentioned installed capacity also includes a 40 MW solar plant at Bitta, Gujarat.

To learn more visit www.adani.com

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