



Ports and  
Logistics

Ref No: APSEZL/SECT/2020-21/183

March 3, 2021

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: ADANI PORTS**

Dear Sir/Madam,

**Sub: Intimation under Regulations 29(1)(d) & 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).**

Dear Sir,

With reference to above, we would like to inform that the Board of Directors of Adani Ports and SEZ Limited (“**Company**”) at the meeting held today, has approved the following:

1. The Board of Directors of the Company based on the recommendations of the Audit Committee and the Committee of Independent Directors has considered and approved the Composite Scheme of Arrangement between Adani Ports and Special Economic Zone Limited (“**APSEZ**”) and Brahmi Tracks Management Services Private Limited (“**Brahmi**”) and Adani Tracks Management Services Private Limited (“**Adani Tracks**”) and Sarguja Rail Corridor Private Limited (“**Sarguja**”) and their respective shareholders and creditors (**the 'Scheme'**) under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (“**the Act**”). Further, the Board has given authorization to file the Scheme along with relevant disclosures, documents, certifications and undertakings with the stock exchanges.

Adani Ports and Special Economic Zone Ltd  
Adani Corporate House, Shantigram,  
Nr. Vaishno Devi Circle, S. G. Highway,  
Khodiyar, Ahmedabad - 382421  
Gujarat, India  
CIN: L63090GJ1998PLC034182

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**The Scheme, inter alia, provides for:**

- a) amalgamation of Brahmi with APSEZ with effect from the Appointed Date 1, i.e. April 1, 2021, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act;
- b) amalgamation of Adani Tracks with Sarguja with effect from the Appointed Date 2 i.e. April 2, 2021, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act; and
- c) transfer of the Mundra Rail Business (Divestment Business Undertaking) as a going concern on a Slump Sale basis, with effect from the Appointed Date 2 i.e. April 2, 2021, by APSEZ to Sarguja for a lump sum consideration under Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(42C) of the IT Act.
- d) Various other matters consequential or otherwise integrally connected herewith.

**Valuation Reports and Fairness Reports:**

- 1) Valuation report dated March 3, 2021 issued by BDO India LLP, a registered valuer pursuant to Section 247 of the Act, and Valuation report dated March 3, 2021 issued by Deutsche Bank (collectively "Valuation Report-1"), stipulating inter alia the methodology adopted and the valuation arrived at in relation to the Amalgamation of Brahmi into APSEZ.
- 2) Fairness opinion dated March 3, 2021 issued by J. P. Morgan and JM Financial Limited, SEBI registered Merchant Bankers, to the APSEZ, providing its opinion on the fairness opinion on the Share Exchange Ratio recommend in the Valuation Report-1.

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- 3) Valuation report dated March 3, 2021 ("Valuation Report-2") issued by Y. K. Mehta & Associates, Chartered Accountant, a registered valuer pursuant to Section 247 of the Act, stipulating inter alia the methodology adopted and the valuation arrived at in relation to the Mundra Rail Business.
- 4) Fairness opinion dated March 3, 2021 issued by Vivro Financial Services Private Limited, a SEBI registered merchant banker, to the APSEZ, providing its opinion on the fairness opinion on the lump sum consideration as recommended in the Valuation Report-2.

The Scheme is subject to receipt of approvals of shareholders and creditors of companies involved and approval of other regulatory authorities as may be required, including those of the National Stock Exchange of India Limited, BSE Limited, Securities and Exchange Board of India and the National Company Law Tribunal, Ahmedabad bench ("NCLT").

The details as per Regulation 30 of the Listing Regulations read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 is annexed herewith as **Annexure -A**.

2. To acquire 31.50% stake of Gangavaram Port Limited ("**GPL**") from the Warburg Pincus (Windy Lakeside Investment Ltd), existing shareholder of GPL. The details as required under SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 are annexed herewith as **Annexure-B**.

Investor Presentation on the same is enclosed herewith. Further, the Company will hold conference call with the Investors on March 3, 2021.

Further, pursuant to Regulation 29(1)(d) and other applicable provisions of the SEBI Listing Regulations, we would like to inform you that a meeting of the Board of Directors of the Company is scheduled to be held on March 6, 2021 to, *inter alia*, consider a proposed fund raising through an issuance of equity shares of the Company by way of a preferential issue in accordance with the provisions of the

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Companies Act, 2013, as amended, SEBI Listing Regulations, as amended and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and other applicable law, subject to approval of the members of the Company and other regulatory approvals, and or, statutory approvals, as applicable.

The Board of Directors would also consider convening an extra-ordinary general meeting / postal ballot process to seek approval of the shareholders in respect of the aforesaid proposal of fund raising, as required.

Further, as per the Company's Code of Conduct for Prohibition of Insider Trading, the trading window for dealing in the securities shall remain closed till the end of 48 hours from the conclusion of the meeting of the Board and shall open on Wednesday, March 10, 2021.

The meeting commenced at 5:30 p.m. and concluded at 8:00 p.m.

This is for your information and records.

Thanking you,

Yours faithfully,

**For Adani Ports and Special Economic Zone Limited**

**Kamlesh Bhagia**  
**Company Secretary**



Encl: a/a

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**Annexure – A**

The details as per Regulation 30 of the Listing Regulations read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015:

Sr. No.	Particulars	Description															
1	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	<p>This Scheme is a Composite Scheme of Arrangement ("Scheme") involving:</p> <p>a) Adani Ports and Special Economic Zone Limited ("APSEZ")</p> <p>b) Brahmi Tracks Management Services Private Limited ("Brahmi")</p> <p>c) Adani Tracks Management Services Private Limited ("Adani Tracks"); wholly owned subsidiary of APSEZ.</p> <p>d) Sarguja Rail Corridor Private Limited ("Sarguja"); wholly owned subsidiary of Brahmi.</p> <p>Set out below is the net-worth and total income as on March 31, 2020 of the entities involved in the Scheme:</p> <p style="text-align: right;">(Amount in INR Crores)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Total Income</th> <th>Net Worth</th> </tr> </thead> <tbody> <tr> <td>APSEZ</td> <td>7,546.25</td> <td>19,204.63</td> </tr> <tr> <td>Brahmi</td> <td>-</td> <td>0.00</td> </tr> <tr> <td>Adani Tracks</td> <td>-</td> <td>0.05</td> </tr> <tr> <td>Sarguja</td> <td>438.77</td> <td>326.84</td> </tr> </tbody> </table> <p>Annual Turnover of the Mundra Rail Business of APSEZ (FY 2019-20): Rs. 365.48 crores.</p> <p>Percentage to total turnover (Rs. 7,546.25 crores): 4.84%</p>	Particulars	Total Income	Net Worth	APSEZ	7,546.25	19,204.63	Brahmi	-	0.00	Adani Tracks	-	0.05	Sarguja	438.77	326.84
Particulars	Total Income	Net Worth															
APSEZ	7,546.25	19,204.63															
Brahmi	-	0.00															
Adani Tracks	-	0.05															
Sarguja	438.77	326.84															
	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	<p>Yes. The transaction would fall within related party transactions under the Listing Regulations. The transaction shall not attract compliance with the requirements of Section 188 of the Companies Act, 2013 pursuant to the clarifications provided in General Circular No. 30/2014 dated July 17, 2014.</p> <p>The consideration for the Scheme will be discharged on an 'arm's length' basis.</p>															

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		The Scheme is, inter alia, subject to approvals of majority of the public shareholders in terms of the SEBI Circular.	
3	Area of business of the entity(ies)	<b>Company</b>	<b>Business</b>
		APSEZ	APSEZ is India's largest multi-port operator and developer with presence in various parts of India. It is a developer of multi product Special Economic Zone at Mundra, Gujarat. APSEZ's business constitutes the Mundra Rail Business and the other Business.
		Brahmi	Brahmi has been incorporated with the object to carry on the business of development, establishment, construction, repairing, operations, maintenance leasing, consultancy and management and/or other services of any type in connection with setting up railway tracks, railway sidings, railway locomotives and management of railway projects or facility including without limitation to act as managers, administrators, executors, receivers, operators, custodians, nominees, promoters, developers, agents, attorneys, representatives, counselors, consultants and advisers of railway projects
		Adani Tracks	Adani Tracks has been incorporated with an object to carry on the business of development, establishment, construction, repairing, operations, maintenance leasing, consultancy and management and/or other services of any type in connection with setting up railway tracks, railway sidings, railway locomotives and management of railway projects or facility including without limitation to act as managers, administrators, executors, receivers, operators, custodians, nominees, promoters, developers, agents, attorneys, representatives, counselors, consultants and advisers of railway projects.
		Sarguja	Sarguja has inter alia, developed, operates and maintains 70 kms of (Private Siding) Common Rail Corridor, a railway siding from Parsa East & Kanta Basan and Kente Extension coal blocks to nearest Indian railway line i.e. Surajpur Road railway station covering a distance of 70 kms, located in the northern central part of Hasdeo Arand Coalfield in Sarguja district of Chhattisgarh.

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4	Rationale for Scheme	<p>(a) Over the years, there has been growth in the logistic sector. The Government of India has also come out with various public private participation schemes to efficiently meet the increasing demand in the logistics sector. With Dedicated Freight Corridor implementation, the rail share is expected to increase meaningfully. Thus, there is a significant opportunity in developing the rail assets considering the growth demand and infrastructure build requirement.</p> <p>(b) It is the objective of APSEZ to (i) consolidate the rail assets under one entity which will diligently work for the development, maintenance and operation of existing and new railway lines across the country; (ii) tap private partnership opportunity for developing the first mile – last mile connectivity and increasing the network capacity for rail transport; and (iii) create center of excellence to bring best practices, operational efficiency, technology integration and common skill set.</p> <p>(c) The Scheme will result in, inter alia, the following benefits:</p> <ul style="list-style-type: none"> <li>(i) Sarguja track footprint will supplement to Adani Ports &amp; Logistics strategy of providing end-to-end logistics for hinterland cargo movement.</li> <li>(ii) consolidation of the rail business, productive utilization of combined resources, operational and administrative efficiencies, economics of scale, reduction in overheads and other expenses, reduction in the multiplicity of legal and regulatory compliances, and consequential creation of greater value for shareholders and all other stakeholders.</li> <li>(iii) availability of expanded business pre-qualifications, increased net worth to enable to bid for larger and more complex rail infrastructure projects and provide better access to the funds for growth opportunities.</li> <li>(iv) benefit from the complimentary skills of the combined management team, which in turn would enhance the overall corporate capability, provide focused strategic leadership and facilitate better supervision of the business.</li> </ul>
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# adani

## Ports and Logistics

5	In case of cash consideration- amount or otherwise share exchange ratio	<ol style="list-style-type: none"> <li>100 APSEZ Shares, credited as fully paid-up, for 708 equity shares of the face value of Rs. 2/- (Rupees two) each fully paid-up held by such member in Brahmi ("<b>Share Exchange Ratio 1</b>"). APSEZ Shares to be issued by APSEZ to the shareholders of Brahmi.</li> <li>100 Sarguja Shares, credited as fully paid-up, for every 2,522 equity shares of the face value of Rs. 10/- (Rupees ten) each fully paid-up held by such member in Adani Tracks ("<b>Share Exchange Ratio 2</b>"). Sarguja Shares to be issued by Sarguja to the shareholders of Adani Tracks.</li> <li>Sarguja shall pay a lump sum consideration of Rs. 188.65 crores (Rupees one hundred eighty eight cores and sixty five lakhs only) to APSEZ for transfer and vesting of the Mundra Rail Business of APSEZ in Sarguja by way of Slump Sale basis.</li> </ol>																			
6	Brief details of change in shareholding pattern (if any) of entities.	<p>Change in shareholding of APSEZ</p> <table border="1" data-bbox="656 947 1417 1129"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Pre Scheme</th> <th colspan="2">Post Scheme</th> </tr> <tr> <th>No. of shares</th> <th>% share holding</th> <th>No. of shares</th> <th>% share holding</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>129,49,91,018</td> <td>63.74</td> <td>136,55,65,906</td> <td>64.95</td> </tr> <tr> <td>Public</td> <td>73,67,60,743</td> <td>36.26</td> <td>73,67,60,743</td> <td>35.05</td> </tr> </tbody> </table>	Category	Pre Scheme		Post Scheme		No. of shares	% share holding	No. of shares	% share holding	Promoter	129,49,91,018	63.74	136,55,65,906	64.95	Public	73,67,60,743	36.26	73,67,60,743	35.05
Category	Pre Scheme			Post Scheme																	
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### Annexure-B

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 are given as under: -

SN	Particulars	Details
a)	Name of the target entity, details in brief such as size, turnover etc.	Gangavaram Port Limited ("GPL") is engaged in the business of handling various types of Dry bulk and Break bulk cargo.  GPL is a multi-cargo facility and handled 34.8 MMT of cargo in FY 20. It has a capacity of 64 MMT. The operational revenue for financial year 2019-20 was Rs. 1,082 Crores.
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired?  If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No
c)	Industry to which the entity being acquired belongs	GPL belongs to Port Sector.
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The investment is in line with Company's strategy of East Coast to West Coast parity and will provide an access to growth from new hinterland markets as it has coverage in resource rich and industrial belt in Eastern, Central & Southern India.
e)	Brief details of any governmental or regulatory approvals required for the acquisition	The acquisition is subject to approvals under applicable laws, including approval of the Competition Commission of India.
f)	Indicative time period for completion of the acquisition	The transaction is expected to be completed within 45 days

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g)	Nature of consideration - whether cash consideration or share swap and details of the same	The consideration is in the form of cash.
h)	Cost of acquisition or the price at which the shares are acquired	The proposed acquisition of equity stake is Rs. 1,954.26 Crore.
i)	Percentage of shareholding / control acquired and / or number of shares acquired	31.50% shares of GPL.
j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	GPL was incorporated on 27 <sup>th</sup> September, 2001 and is engaged in the business of handling various types of Dry bulk and Break bulk cargo.  Revenue for FY 2017 – 18 : Rs. 766 crore Revenue for FY 2018 – 19 : Rs. 964 crore Revenue for FY 2019 – 20 : Rs. 1,082 crore



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## **Adani Ports and SEZ Limited**

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**APSEZ Initiates Consolidation of Rail Track Assets**

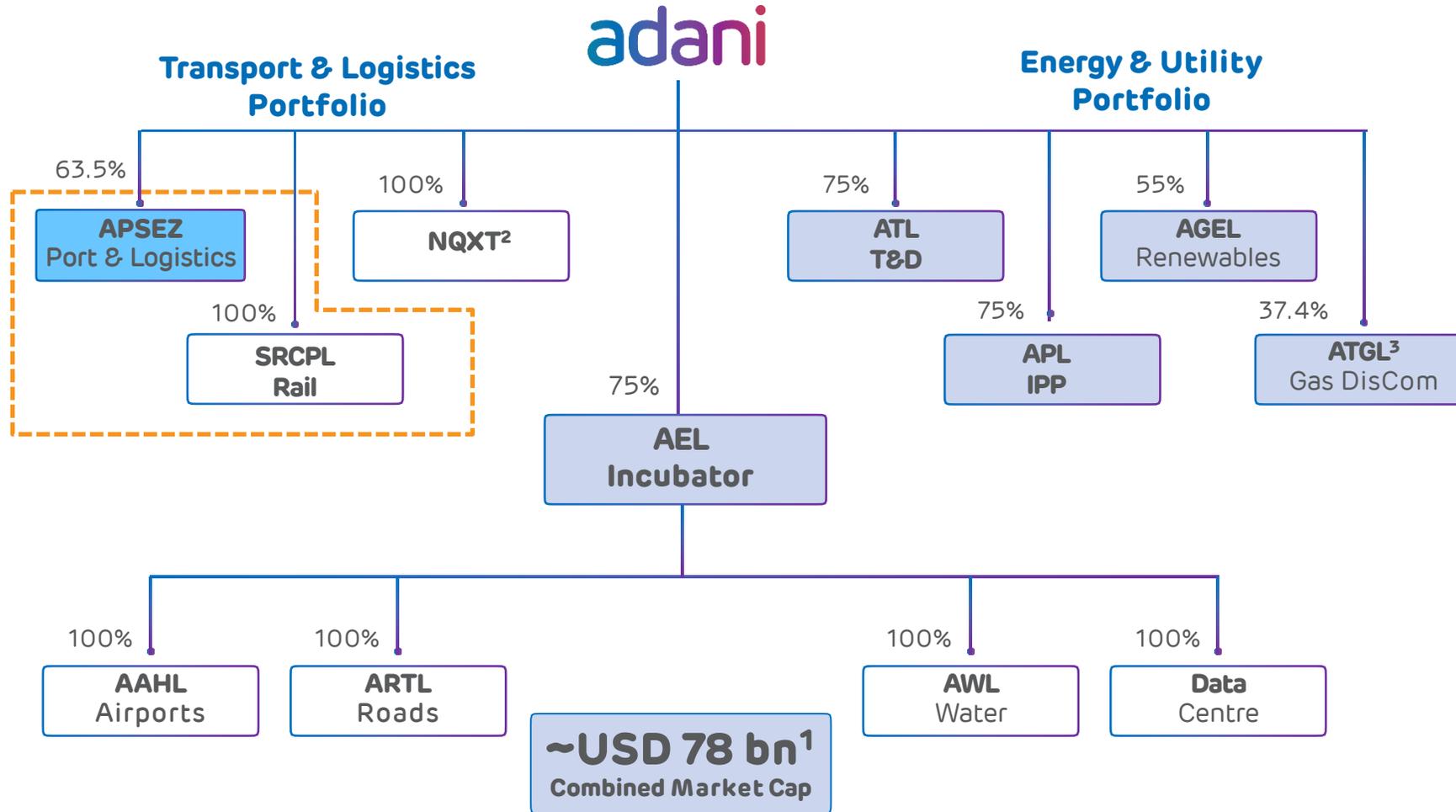
March, 2021

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- **G** • **Compliance & Transaction Timelines**
- **H** • **Annexure**

# Adani Group : A world class infrastructure & utility portfolio



## Adani

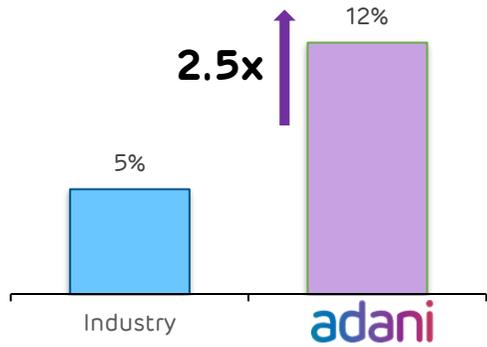
- **Marked shift from B2B to B2C businesses –**
- **ATGL** – Gas distribution network to serve key geographies across India
- **AEML** – Electricity distribution network that powers the financial capital of India
- **Adani Airports** – To operate, manage and develop eight airports in the country
- **Locked in Growth –**
  - Transport & Logistics - Airports and Roads
  - Energy & Utility – Water and Data Centre (JV with EdgeConneX)

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group.

1. As on Feb 26, 2021, USD/INR – 73.4 | Note - Percentages denote promoter holding  
 2. NQXT – North Queensland Export Terminal | Light blue color represent public traded listed verticals  
 3. ATGL – Adani Total Gas Ltd

# Adani Group : Decades long track record of industry best growth rates across sectors

Port Cargo Throughput (MT)



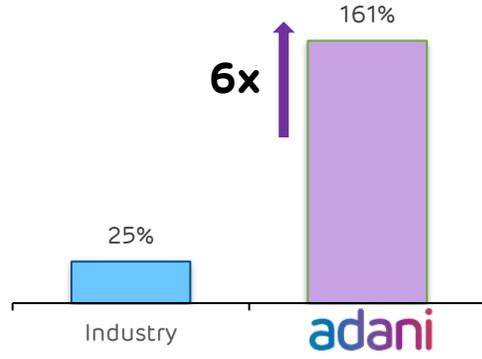
2014	972 MT	113 MT
2020	1,339 MT	223 MT



**APSEZ**

Highest Margin among Peers globally  
**EBITDA margin: 70%**<sup>1,2</sup>  
 Next best peer margin: 55%

Renewable Capacity (GW)



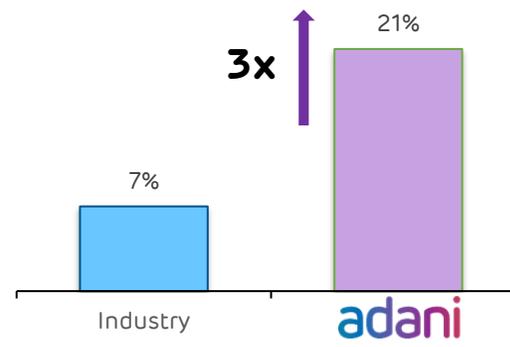
2016	46 GW	0.3 GW
2020	114 GW	14.2 GW <sup>6</sup>



**AGEL**

World's largest developer  
**EBITDA margin: 89%**<sup>1,4</sup>  
 Among the best in Industry

Transmission Network (ckm)



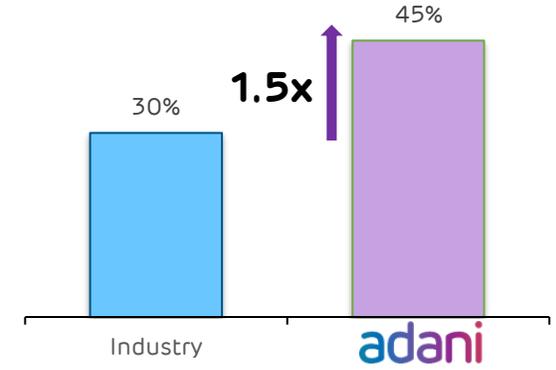
2016	320,000 ckm	6,950 ckm
2020	423,000 ckm	14,837 ckm



**ATL**

Highest availability among Peers  
**EBITDA margin: 92%**<sup>1,3,5</sup>  
 Next best peer margin: 89%

CGD<sup>7</sup> (GAs<sup>8</sup> covered)



2015	62 GAs	6 GAs
2020	228 GAs	38 GAs



**ATGL**

India's Largest private CGD business  
**EBITDA margin: 31%**<sup>1</sup>  
 Among the best in industry

Transformative model driving scale, growth and free cashflow

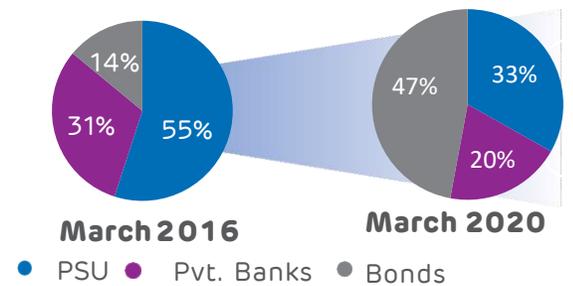
**Note:** 1 Data for FY20; 2 Margin for ports business only, Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power sales 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD – City Gas distribution GAs 8. Geographical Areas - Including JV | Industry data is from market intelligence

# Adani Group : Repeatable, robust & proven transformative model of investment



Activity	Origination	Site Development	Construction	Operation	Capital Mgmt
	<ul style="list-style-type: none"> <li>Analysis &amp; market intelligence</li> <li>Viability analysis</li> <li><b>Strategic value</b></li> </ul>	<ul style="list-style-type: none"> <li>Site acquisition</li> <li>Concessions and regulatory agreements</li> <li><b>Investment case development</b></li> </ul>	<ul style="list-style-type: none"> <li>Engineering &amp; design</li> <li>Sourcing &amp; quality levels</li> <li><b>Equity &amp; debt funding at project</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Life cycle O&amp;M planning</b></li> <li>Asset Management plan</li> </ul>	<ul style="list-style-type: none"> <li>Redesigning the <b>capital structure</b> of the asset</li> <li><b>Operational phase funding consistent with asset life</b></li> </ul>

Performance	India's Largest Commercial Port (at Mundra)	Longest Private HVDC Line in Asia (Mundra - Mohindergarh)	648 MW Ultra Mega Solar Power Plant (at Kamuthi, TamilNadu)	Energy Network Operation Center (ENOC) enables centralized continuous monitoring of solar and wind plants across India on a single cloud-based platform	In FY20 seven international bond issuances across the yield curve totalling~USD4Bn
	<p>Highest Margin among Peers</p> <p>Highest line availability</p> <p>Constructed and Commissioned in nine months</p>	<p>Highest line availability</p>	<p>Constructed and Commissioned in nine months</p>	<p>Energy Network Operation Center (ENOC) enables centralized continuous monitoring of solar and wind plants across India on a single cloud-based platform</p>	<p>All listed entities maintain liquidity cover of 1.2x- 2x as a matter of policy.</p>

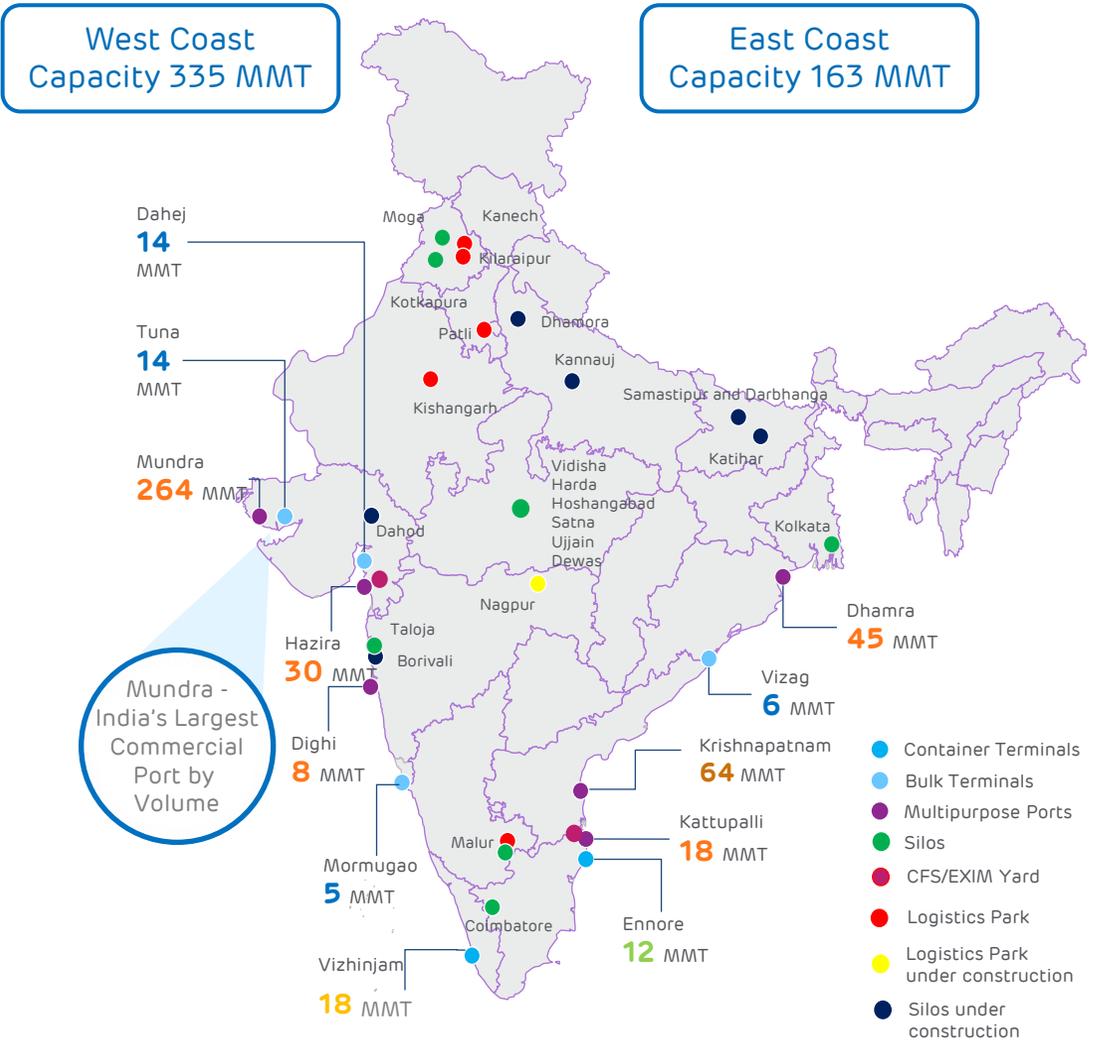


1. FY20 data for commercial availability declared under long term power purchase agreements;

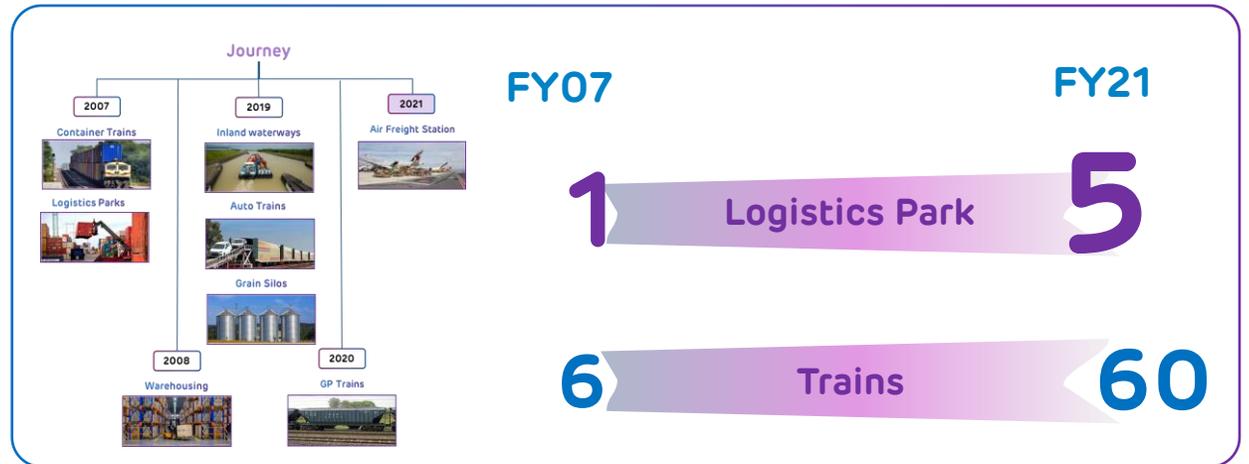
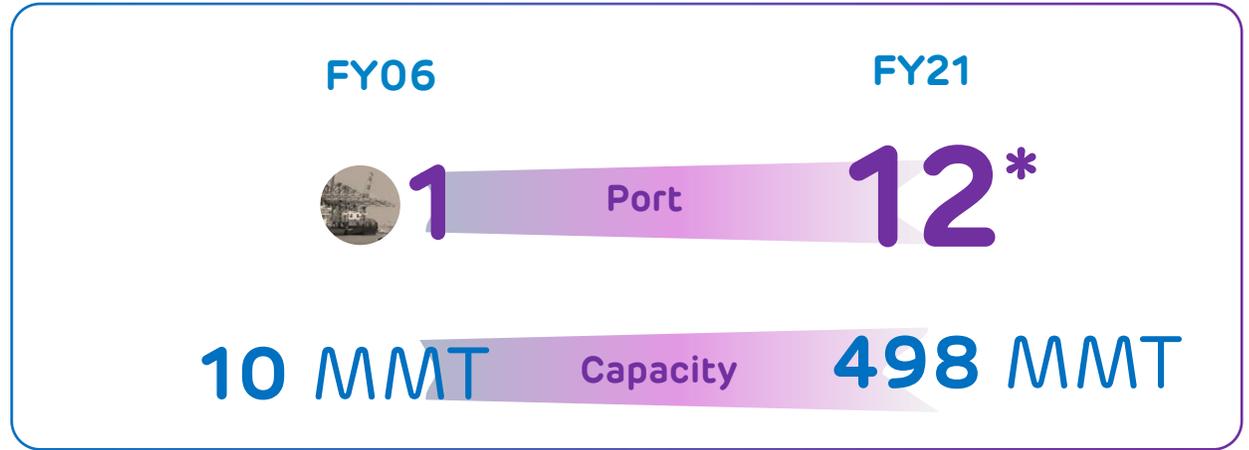
## APSEZ : Company Profile

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# APSEZ : Largest network of ports in India



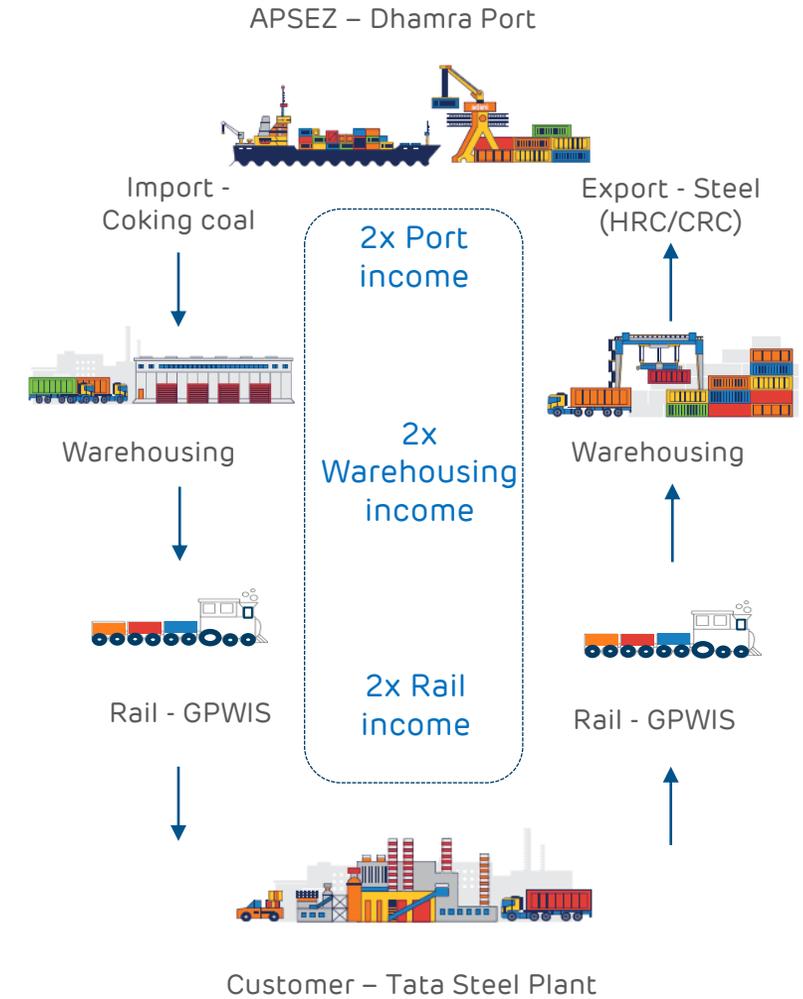
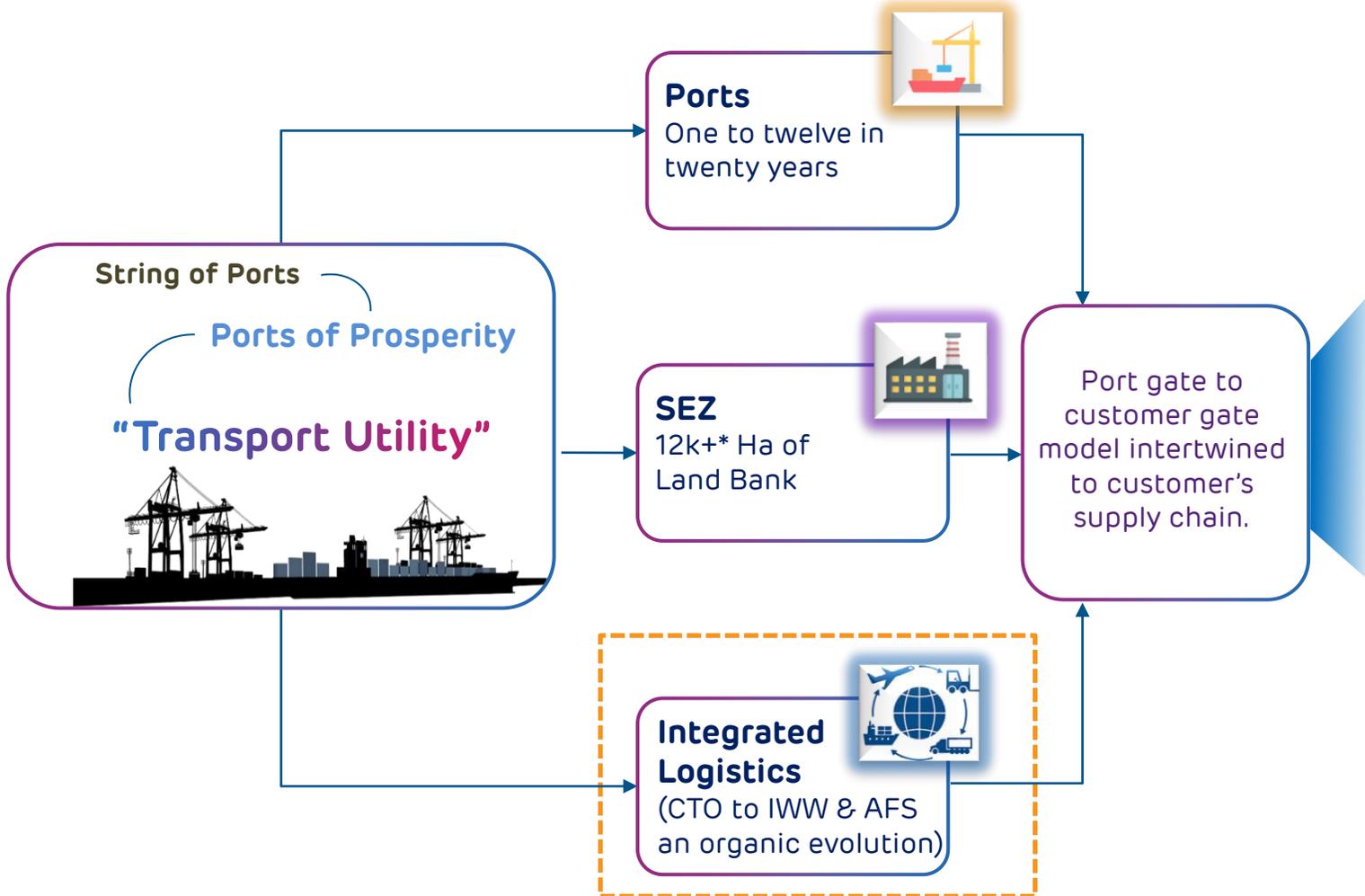
## Evolution of APSEZ



12 ports serving vast economic hinterland of the country

\*Ports in India | In addition, Myanmar under construction | Does not include Gangavaram

# APSEZ : Largest private transport utility



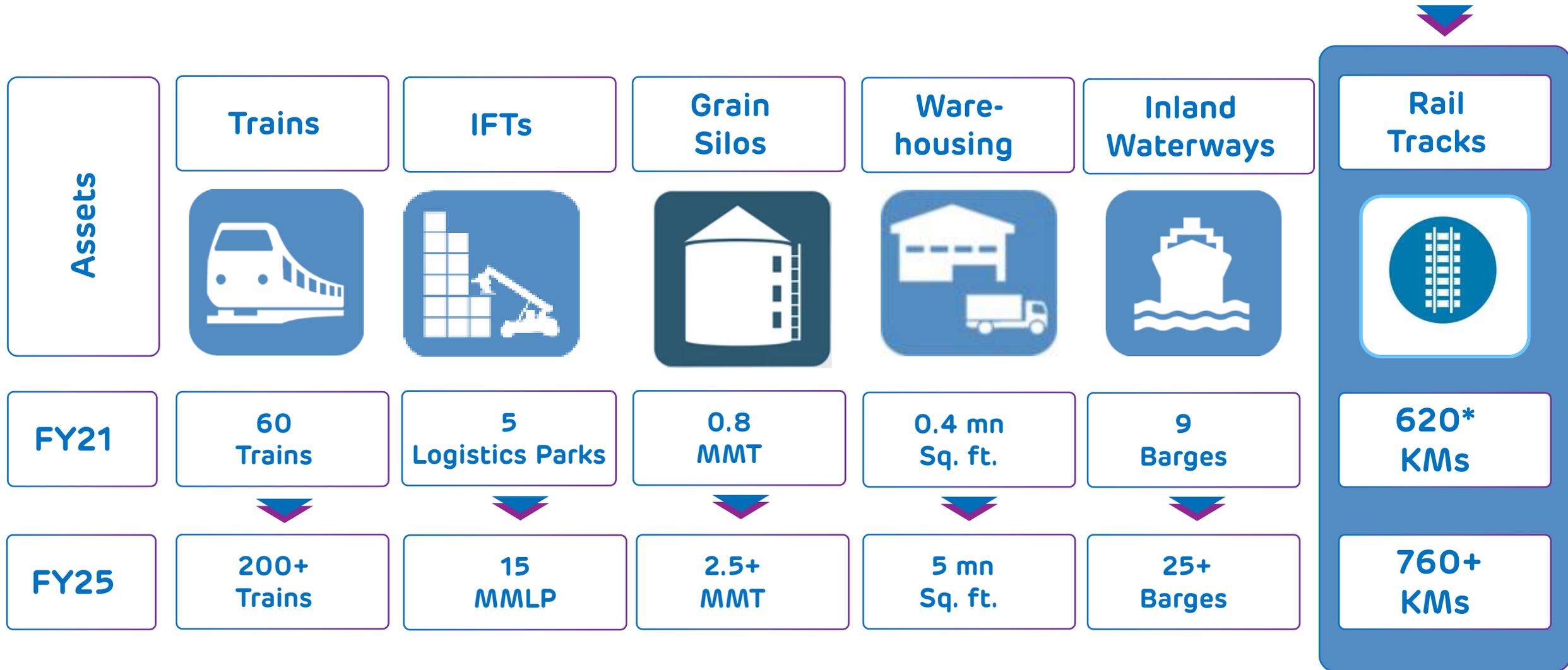
An integrated approach through Ports, SEZ and Logistics enables presence across value chain

\* Includes both SEZ and non SEZ land

## APSEZ : Integrated Logistics Platform

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# APSEZ : Integrated logistics platform addressing customer needs



IFT : Inland Freight Terminals | MMLP – Multi Modal Logistics Parks  
\* Including rail tracks with APSEZ having minority interests

# APSEZ : Investing in the ecosystem of Integrated Transport Utility



Consolidating Rail tracks under one platform and synergize with APSEZ

## APSEZ : Adani Track Management Services (ATMSPL)

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## APSEZ : Objective of Adani Track Management Services

Creation of Investment platform for strategic investment in rail track assets

Extend new business by participating in Indian Railways PPP projects

Growth opportunities through providing adjacent services viz. GPWIS

Center of excellence for rail assets having:

- Best practices & operational efficiency
- Technology integration and
- Common Skillset

New PPP projects to be bid through ATMSPL platform

# APSEZ : Existing Rail assets that will be part of ATMSPL

## Operational Rail Asset under APSEZ

Details	Mundra Rail	Dhamra Rail	Krishnapatnam Railway Co.	Kutch Rail	BDRCL
Rail Line	74 Km (Mundra - Adipur)	68.5 Km (Dhamra - Bhadrak)	113 Km (K'patnam to Obulavaripalli)	301 Km (Palanpur – Gandhidham section)	63 Km (Bharuch - Dahej)
Capex/Investment (Fair Market Value*)	Capex - INR 594 Cr	Capex - INR 1,518 Cr	Capex - INR 1,700 Cr (Debt INR 1,075 Cr)	INR 40 Cr, 20% Equity Stake (INR 250 Cr *)	INR 17.3 Cr., 11.17% Equity Stake (INR 22.5 Cr*)
Other Details	Land - Owned + Long Term Lease	Land - Leased from Govt under concession	Adani KPL - 12.96% RVNL - 49.76% SDC^ - 20.0% AP Govt. – 5.60% Others – 11.68%	COD - 2006	COD - 2012

Details	Kattupalli	Dighi Roha Rail Ltd.	Hazira Rail
Rail Line	6 Km (Kattupalli to Ennore)	34 Km (Dighi to Roha)	36.5 Km (Hazira Port -to Gothangam)
Capex	Capex - INR 55 Cr	Capex - INR 1,100 Cr	Capex ~INR 1,600 Cr
Equity Participants	Adani Ports (MIDPL) 100%	Dighi Port Ltd –63% RVNL - 26% MMB – 11%	Govt of Gju (Asso) – 51% Private : 49%



**Future Rail Asset**

# APSEZ : Expansion possibility in new projects by Indian Railways

## Cargo Demand Forecast as per National Rail Plan

Commodity	Contribution to Rail Cargo	Existing Rail Cargo MT/Yr	Existing Rail Share in Transport	Expected Rail Share 2031*	Expected Rail MT/Yr 2031*
Balance of Goods	7%	81	4%	22%	770
Cement	10%	116	37%	51%	415
Coal	48%	558	65%	74%	1,111
Container	5%	58	24%	48%	262
Fertilizer	4%	47	87%	90%	115
Food Grains	4%	47	16%	32%	133
Iron Ore	12%	140	65%	82%	309
Pig Iron	5%	58	49%	71%	153
Petroleum Products	4%	47	18%	47%	296
Steel RM	2%	23	56%	60%	57
<b>Total</b>	<b>100%</b>	<b>1,163</b>	<b>31%</b>	<b>44%</b>	<b>3,621</b>

With DFC implementation and privatization, Rail share expected to increase meaningfully

## Indian Railway is planning to invest INR >3 Lakh Cr to construct the new Rail lines in India over the next 12 Years

Category	No of identified projects by IR	Proposed Length in Kms	Total Investment (INR Cr)	Completed Length in Kms	Total invested Amount (INR Cr)	Ongoing Length in Kms	Total Investment Remaining (INR Cr)
<b>New lines</b>	<b>188</b>	21,295	387,000	2,622	85,536	18,673	301,464
Gauge conversion	55	7,275	56,135	3,573	19,640	3,702	36,495
Doubling	255	20,500	232,000	2,784	48,342	17,716	183,658
<b>Total</b>	<b>498</b>	<b>49,070</b>	<b>675,135</b>	<b>8,979</b>	<b>153,518</b>	<b>40,091</b>	<b>521,617</b>

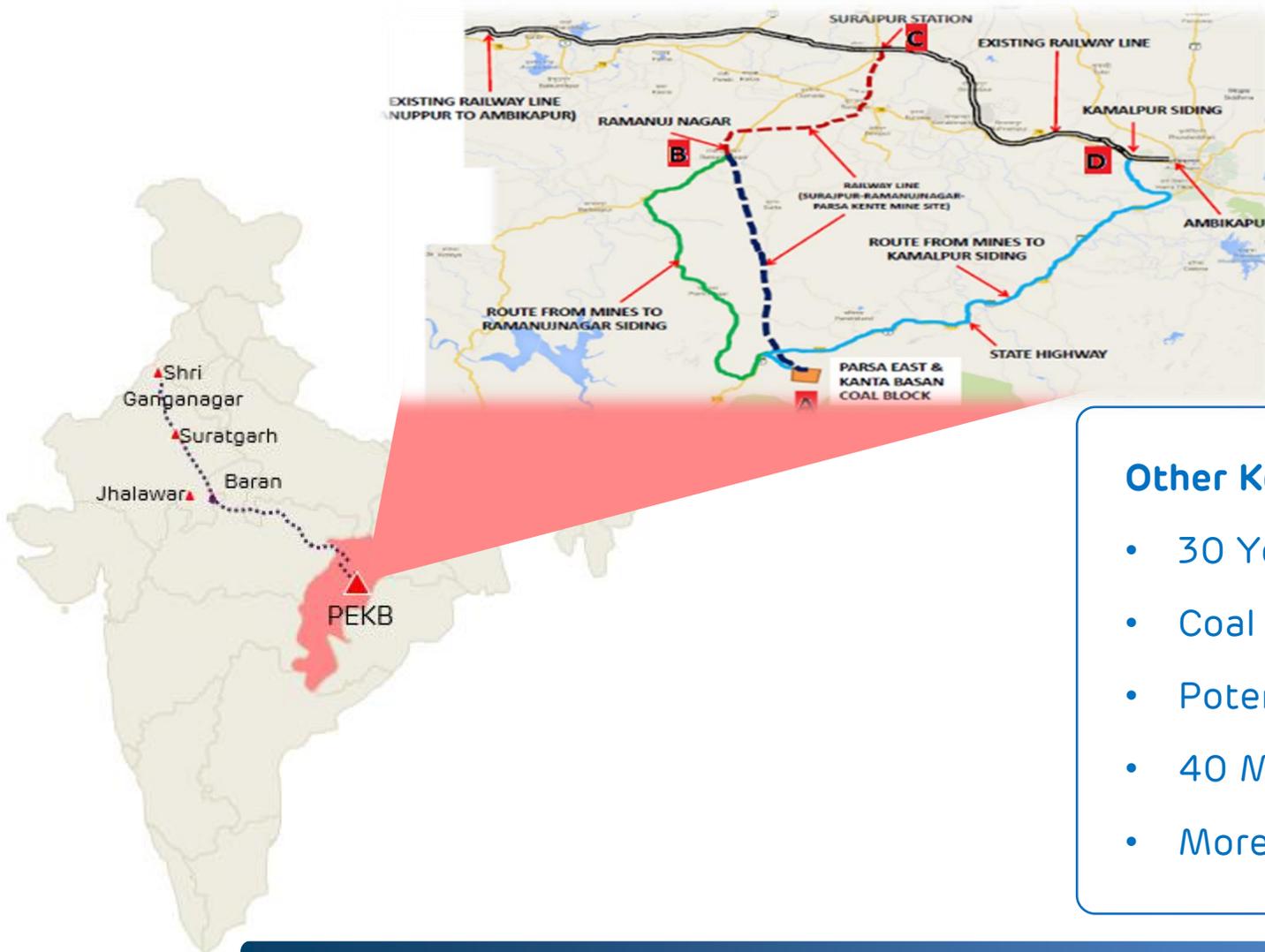
Source: [National Rail Plan – June 2020](#)

\*Scenario 3b: Enhancement of Average Speed to 50 KMPH with 30% less Tariff on selected items

## **SRCPL : Sarguja Rail Corridor Private Limited**

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# APSEZ : Sarguja rail corridor brief highlights of the project

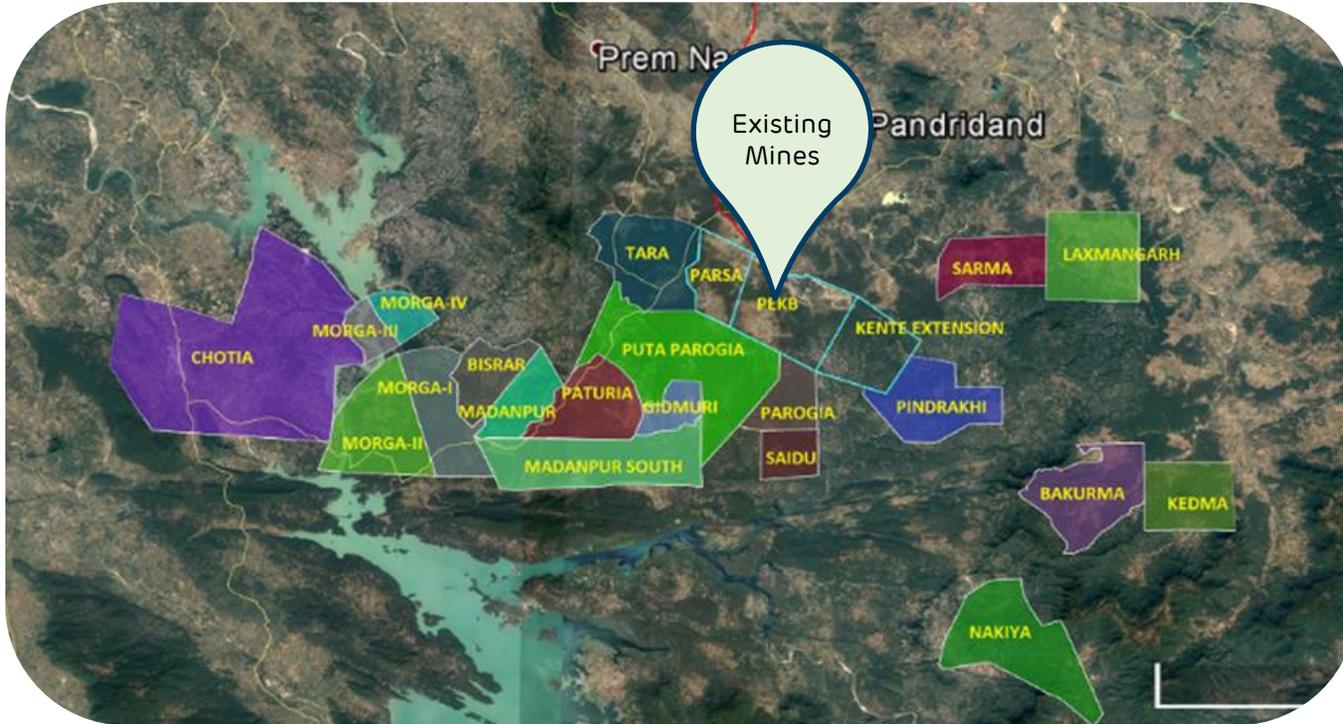


- Asset Details:**
- Track length - 70 KM
  - Capacity to handle 16 rakes per day
  - 50 Years land lease - Till 2065

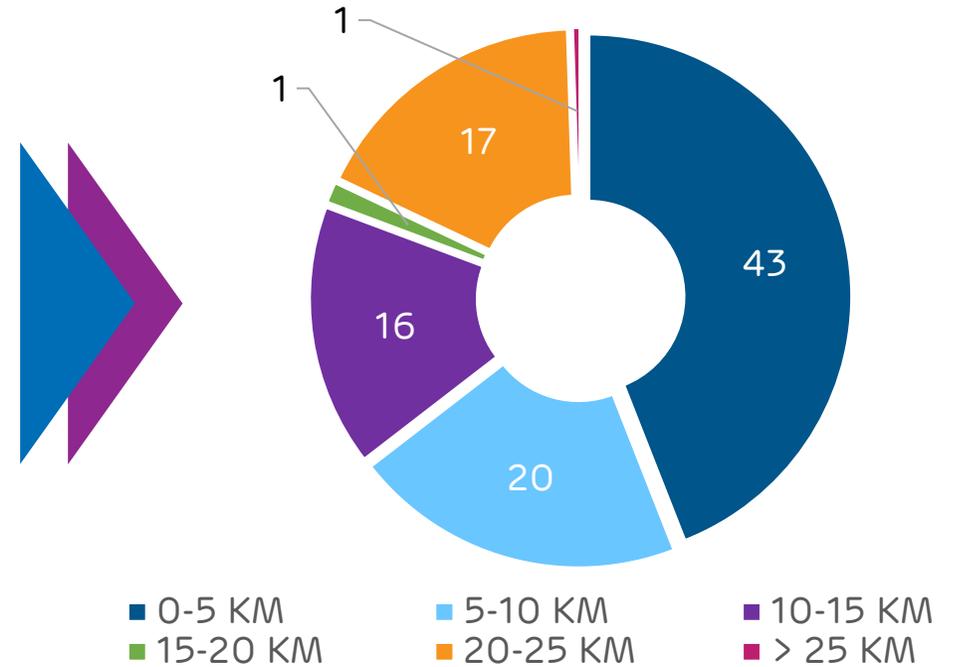
- Other Key features**
- 30 Years TAUA\* with RRVUNL –Till 2044
  - Coal Reserve of more than 4 Bn MT in the region
  - Potential annual throughput of ~100 MMT
  - 40 MMT p.a. visibility - near to mid term
  - More than 85% EBIDTA margin business

Current capacity and future potential are key elements of growth with capex

# APSEZ : Sarguja rail corridor hinterland potential



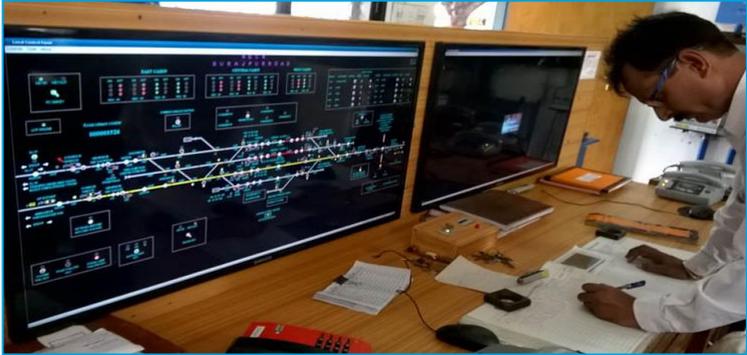
Peak Basin Throughput- 97 MMTPA



- Average grade of coal in range of G8\* to G11\* against G13-G15\* in GP and Talcher
- Coal grade suitable for Sponge Iron and Cement production as well
- Competitive logistics cost compared to the mines in the Southern region

\*G8-G11 GCV 5200-4000 KCal, G13-G15 – GCV 2800-3700 KCal

# APSEZ : Sarguja rail corridor facility snapshot



## Valuation methodology and Investment Case

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## SRCPL : Evaluation process and due diligence

In order to evaluate the opportunity, Executive Committee formed  
Committee members included (detailed profile in slide 33)

- Mr. G. K. Pillai (Chairman of the Audit Committee)
- Mr. P. S. Jayakumar
- Mrs. Nirupama Rao

EC appointed the following agencies to evaluate and carry out due diligence

- BDO Valuers and Deutsche Bank for valuation
- JM Financial and JP Morgan as fairness opinion provider
- Tax, F&A due diligence by E&Y

## SRCPL : Key valuation assumptions

Particulars	Key Assumptions
Capacity	Currently serving one operating mine – PEKB (15 MTPA per year) Further extendable to 40 MTPA
Coal Demand	<ul style="list-style-type: none"> <li>RRVUNL : 19 MTPA at current PLF, estimated requirement 35 MTPA at 85% PLF. Annual Contracted capacity of 15.93 MTPA with SRCPL</li> <li>Power Plants within 700km: 95 MTPA excluding captive allocated mines in Jharkhand, MP, UP</li> <li>Private Power Plants excluding FSA and captive mines: 49 MTPA in Gujrat, MP, Rajasthan and UP</li> </ul>
Coal Supply	<ul style="list-style-type: none"> <li>PEKB (Operational), Parsa and Kente Extension : 29 MTPA</li> <li>Rich mining base of 97 MTPA with better grade coal</li> </ul>
Land Lease	<ul style="list-style-type: none"> <li>50 Years of clear land access - No Right of Way exposure</li> </ul>
The only alternative	<ul style="list-style-type: none"> <li>Viable, cost effective and less polluting compared to other mode of transport - Road</li> </ul>

Valuer	Method	Discount rate	EV
Deutsche Bank	DCF	WACC 11%	Range with Midpoint value INR 5,931 cr.
BDO	DCF	WACC 10.5% 10.18% & 14%	INR 5,977 cr.

## SRCPL : SRCPL share swap estimation based on APSEZ shares

### Proposed Transaction

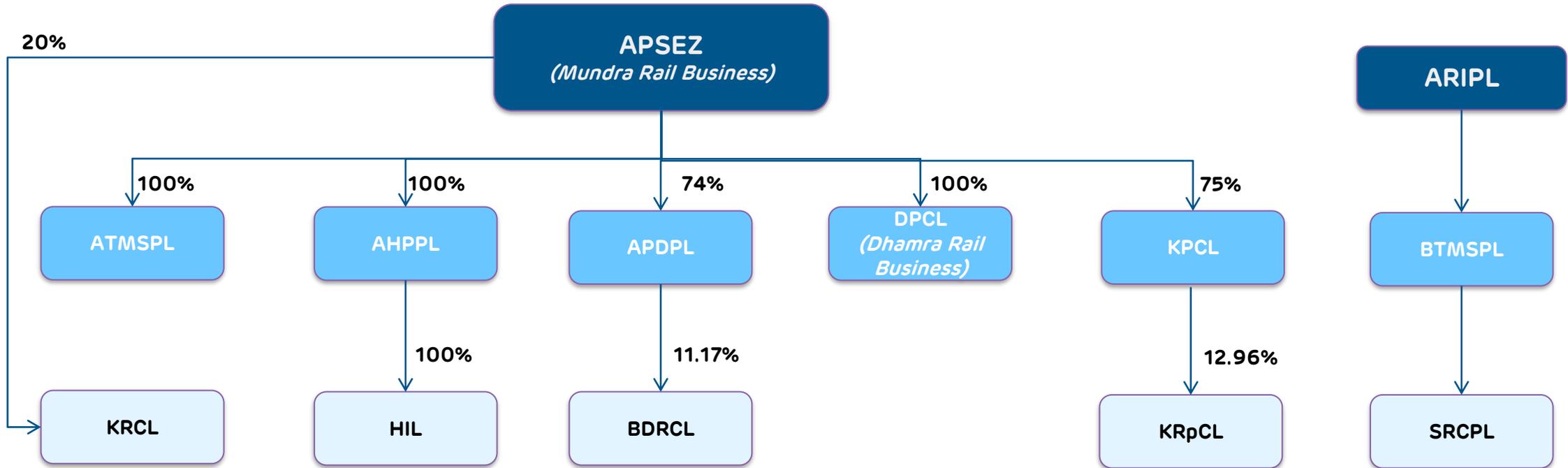
Particulars	in Rs. cr
Enterprise Value (DCF)	5,977
Net Debt at SRCPL	934
Equity Value of SRCPL	5,043
BTMSPL Debt	278
Equity Value of BTMSPL	4,765
Per share Equity value of BTMSPL	95
APSEZ volume weighted average price per share for swap ratio	675
No. of new APSEZ shares to be issued (in cr)	7.06
SRCPL FY 22 Projected EBIDTA	520
Resultant EV/EBIDTA Multiple (no.of times)	11.49

### Impact of the Transaction on APSEZ

Particulars	Net Profit (in Rs. cr)	No of Shares (in Rs. cr)	EPS (INR / Share)
FY22 E (BBG Cons.) <b>without SRCPL</b>	6,281	203	30.91
FY22 E (BBG Con.) <b>with SRCPL</b>	6,524	210	31.03
FY22 E (Analyst Cons.) <b>without SRCPL</b>	6,274	203	30.88
FY22 E (Analyst Cons.) <b>with SRCPL</b>	6,517	210	31.00

The consolidation of SRCPL is EPS accretive from first year

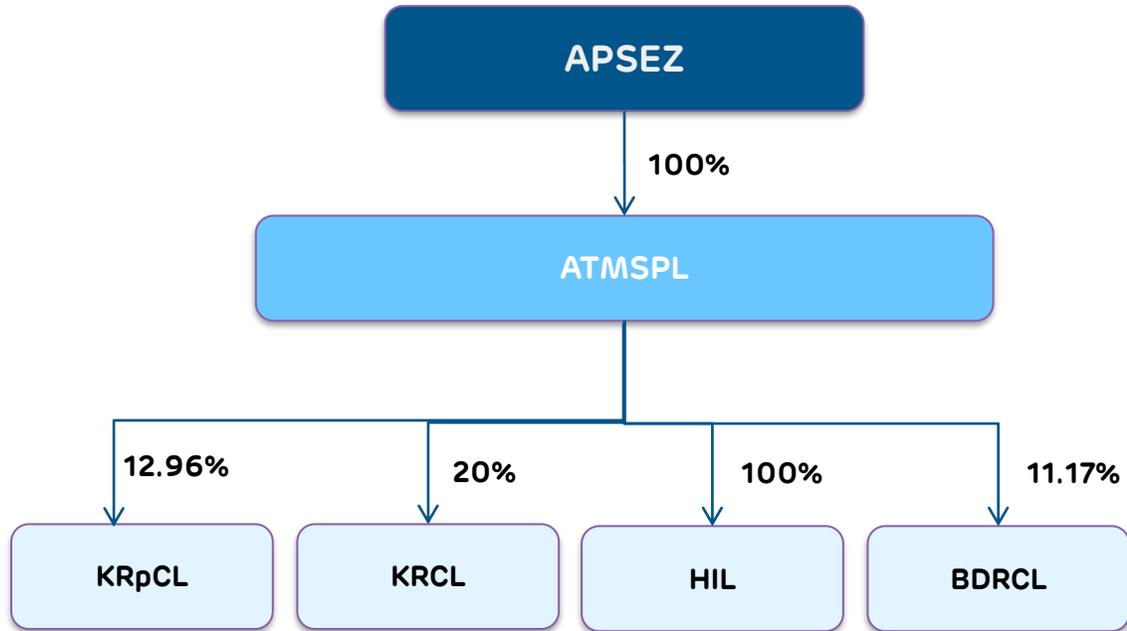
# APSEZ : Existing legal entity structure



ATMSPL : Adani Tracks Mgt. Services Pvt Ltd | AHPPL : Adani Hazira Port Pvt. Ltd. | APDPL : Adani Petronet (Dahej) Port Pvt Ltd | DPCL : The Dhamra Port Company Limited | KRCL : Kutch Railway Company Ltd.  
 HIL : Hazira Infrastructure Limited | BDRCL : Bharuch Dahej Railway Company Limited | KPCL : Krishnapatnam Port Company Limited (w.e.f 01.10.2020) | KRpCL : Krishnapatnam Railway Co. Ltd  
 SRCPL : Sarguja Rail Corridor Pvt Ltd | BEPL : Brahmi Build Estate Pvt. Ltd | ARIPL : Adani Rail Infra Pvt Ltd

Combine the strengths to create a Rail Track infrastructure platform

## APSEZ : Proposed legal entity structure



- BTMSPL (parent of SRCPL) to be merged with APSEZ and APSEZ to issue fresh equity shares to ARIPL<sup>1</sup>
- Slump sale of Mundra undertaking to ATMSPL
- ATMSPL to be merged with SRCPL; SRCPL to be renamed to ATMSPL
- Slump sale of Dhamra rail undertaking to ATMSPL
- Sale of equity holdings (KRCL, HIL, BDRCL, KRpCL) by respective APSEZ step down subsidiaries to ATMSPL

ATMSPL : Adani Tracks Mgt. Services Pvt Ltd | AHPPL : Adani Hazira Port Pvt. Ltd. | APDPL : Adani Petronet (Dahej) Port Pvt Ltd | DPCL : The Dhamra Port Company Limited | KRCL : Kutch Railway Company Ltd.  
HIL : Hazira Infrastructure Limited | BDRCL : Bharuch Dahej Railway Company Limited | KPCL : Krishnapatnam Port Company Limited (w.e.f 01.10.2020) | KRpCL : Krishnapatnam Railway Co. Ltd  
SRCPL : Sarguja Rail Corridor Pvt Ltd | BEPL : Brahmi Build Estate Pvt. Ltd | ARIPL : Adani Rail Infra Pvt Ltd

<sup>1</sup>Post transaction ARIPL will not have any rail business.

## APSEZ : SRCPL investment case

All rail assets under one entity, no competing business within the group

Significant growth potential available as business is yet to mature

Secured long term contracts with sovereign equivalent counterparty providing earnings stability

Cross-selling opportunity to deploy GPWIS rakes with customers linked to the mining basin

Improved inter-company capabilities for development, O & M efficiency with high EBIDTA margins

## Compliance & Transaction Timelines

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## APSEZ : Compliance with RPT policy and process followed

Internal business team to review the opportunity and submit proposal	Proposal submitted
Formation of Executive Committee - (3 members - including Audit committee chairman)	Mr. G. K. Pillai (Chairman of the Audit Committee) Mr. P. S. Jayakumar Mrs. Nirupama Rao
Appointment of external agency for valuation – on recommendation of EC. Leading domestic or global investment bank.	2 Valuers – BDO (Registered Valuer) and Deutsche Bank 2 Fairness opinion – JM Financial and JP Morgan Finance, Accounts and Tax DD – Ernst & Young Legal (Scheme) - Singhi & Singhi
Executive Committee to provide opinion to the Audit Committee and Board of Directors	02 March 2021
If the transaction value is more than 5% of APSEZ market cap, majority of independent director to approve the transaction	03 March 2021

## APSEZ Transaction: Timelines & next steps

### Final Approval of the transaction by Majority of the Minority Shareholders - as part of NCLT process

#### Stock Exchange Process 35 Days

- Verification of documents by stock exchanges & submission to SEBI for comments – **5 Days**
- Compliance report by the Company to stock exchanges and their submission to SEBI – **23 Days**
- Deemed Approval - SEBI to provide comments to stock exchanges & stock exchanges to forward the same to the Company – **7 Days**

#### NCLT Process 86 Days

- Application to NCLT after SEBI approval & approval NCLT for shareholder and creditors meeting – **11 Days**
- Intimation of meeting & postal ballot, & NCLT convened meeting – **40 Days**
- Result of meeting & filing of petition with NCLT for approval – **7 Days**
- Admission of petition and final hearing by NCLT for order – **28 Days**

#### Issuance of Shares & Related Compliance 35 Days

- Filing of NCLT approved Scheme with Stock Exchange & ROC – **3 Days**
- Finalizing Record Date, passing necessary resolution, & filing corporate action for allotment – **15 Days**
- Application of Listing of shares, ROC Filing & Stock Exchange approval for trading – **17 Days**

# Annexures

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## APSEZ and SRCPL details

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# APSEZ : SRCPL Historical financials

## Profit and Loss Statement

Particulars	FY18	FY19	FY20	FY21E
Cargo (MMT)	3.6	10.6	14.4*	15.4*
Revenue - operating	50	368	417	456
EBIDTA	34	325	357	395
EBIDTA %	68%	88%	86%	87%
PAT	(25)	68	82	121

## Balance Sheet

Particulars	FY18	FY19	FY20	FY21E
N.C. Assets	1448	1545	1494	1501
Current Asset	247	366	573	586
Net Worth	150	244	327	467
Debt	1478	1626	1666	1562
Other liability	67	41	74	58

\* Includes rejects | FY 21 numbers are estimated basis 9 months actual and 3 months projection

## APSEZ : Profiles of executive committee members



**Mr. Gopal Krishna Pillai** is an independent Director of our Company. He is a former Indian Administrative Services officer. He holds a master's degree in science from the Indian Institute of Technology, Chennai. He started his career as sub-collector, Quilon and worked in revenue administration. He has previously held various government positions including special secretary for industries, especially the traditional industries of cashew, coir and handlooms; secretary, health and as principal secretary to the chief minister of Kerala, department of Commerce, Ministry of Commerce and Industry. He was the chairman of the Board of Approvals of SEZ from 2006 to 2009.

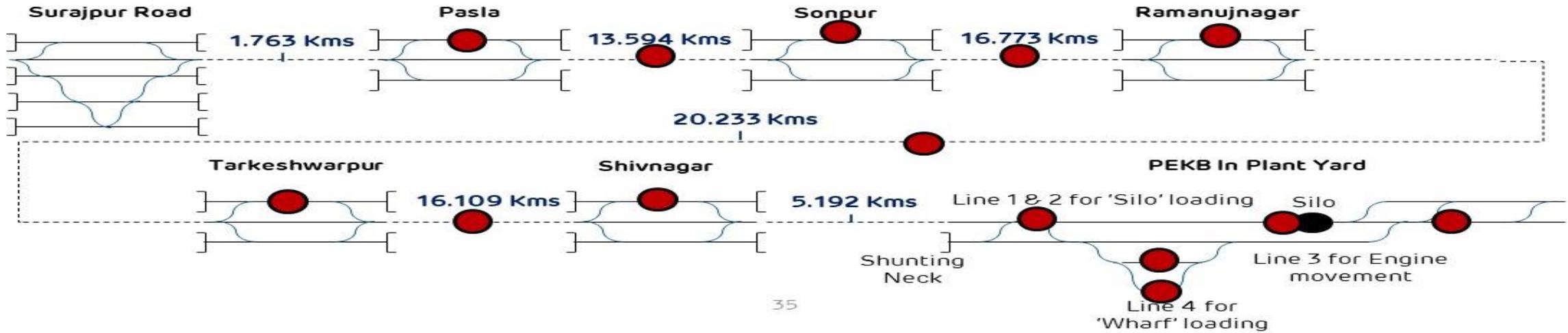


**Mrs. Nirupama Rao** is an independent Director of our Company. She holds a master's degree in English literature from Marathwada University (now Babasaheb Ambedkar Marathwada University). She is also a fellow at the Centre for International Affairs (now the Weatherhead Centre) at Harvard University, a Meera and Vikram Gandhi fellow at the Watson Institute for International Studies at Brown University, a Jawaharlal Nehru Fellow and a recipient of the degree of doctor of letters (*honoris causa*) from the Pondicherry University. She was conferred with the Vanitha Ratna by the Government of Kerala in 2016. She was a Global Fellow of The Wilson Center in Washington D.C. and a Councillor of the World Refugee Council. A career diplomat from the Indian Foreign Service from 1973 to 2011, she served the GOI in several important positions including that of the Foreign Secretary of India. She has represented India in several countries during her career and was the first Indian woman to be appointed High Commissioner to Sri Lanka and Ambassador to China. She was also the first woman spokesperson of the Ministry of External Affairs. After her retirement, she was appointed as the Ambassador of India to the United States for a tenure of two years from 2011 to 2013.



**Mr. P. S. Jayakumar** is an independent director of our Company. He is a member of the Institute of Chartered Accountants of India, holds a masters degree in commerce from the University of Madras and holds a post graduate diploma in business administration from Xaviers Labour Relations Institute, Jamshedpur. Prior to joining our Board, he was the managing director and chief operating officer of Bank of Baroda, and had founded VBHC Value Homes Private Limited and Home First Finance Company India Limited. He has also been associated with Citibank for several years in various capacities.

# APSEZ : Sarguja rail corridor track capacity



### Capacity Assessment: Scott's formula

$$\text{Single Line Capacity (C)} = ((24 \text{ Hour} * 60 \text{ min}) * E / (T + t))/2$$

T = Total time taken by slowest Train in Ruling Section (Longest section)

t = Block operation time (5 mins)

E = Efficiency % (uptime)

Existing Longest Section: Ramanujnagar- Tarkeshwarpur (20.233 Km)

1 Train Average capacity: 4,000 MT

Total Operation Days: 330 days

Scott Formula	Average Speed KM/Hr	Longest section (KM)	T Avg. time to cross the section (minutes)	(T+t) Total time (minutes)	E Efficiency	No. of Rakes Available Section Capacity (Single Track)	C Total Available Capacity (MMTPA) <sup>2</sup>
Current Capacity	45	20.233	27	32	70%	16	21

## Links to additional documents

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RPT Policy :

[https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Policy\\_of\\_Related\\_Party\\_Transactions\\_for\\_Acquiring\\_and\\_Sale\\_of\\_Assets.pdf](https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Policy_of_Related_Party_Transactions_for_Acquiring_and_Sale_of_Assets.pdf)

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## Adani Ports and SEZ Limited

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APSEZ acquires minority stake in Gangavaram Port Ltd.

March 03, 2021

# Contents

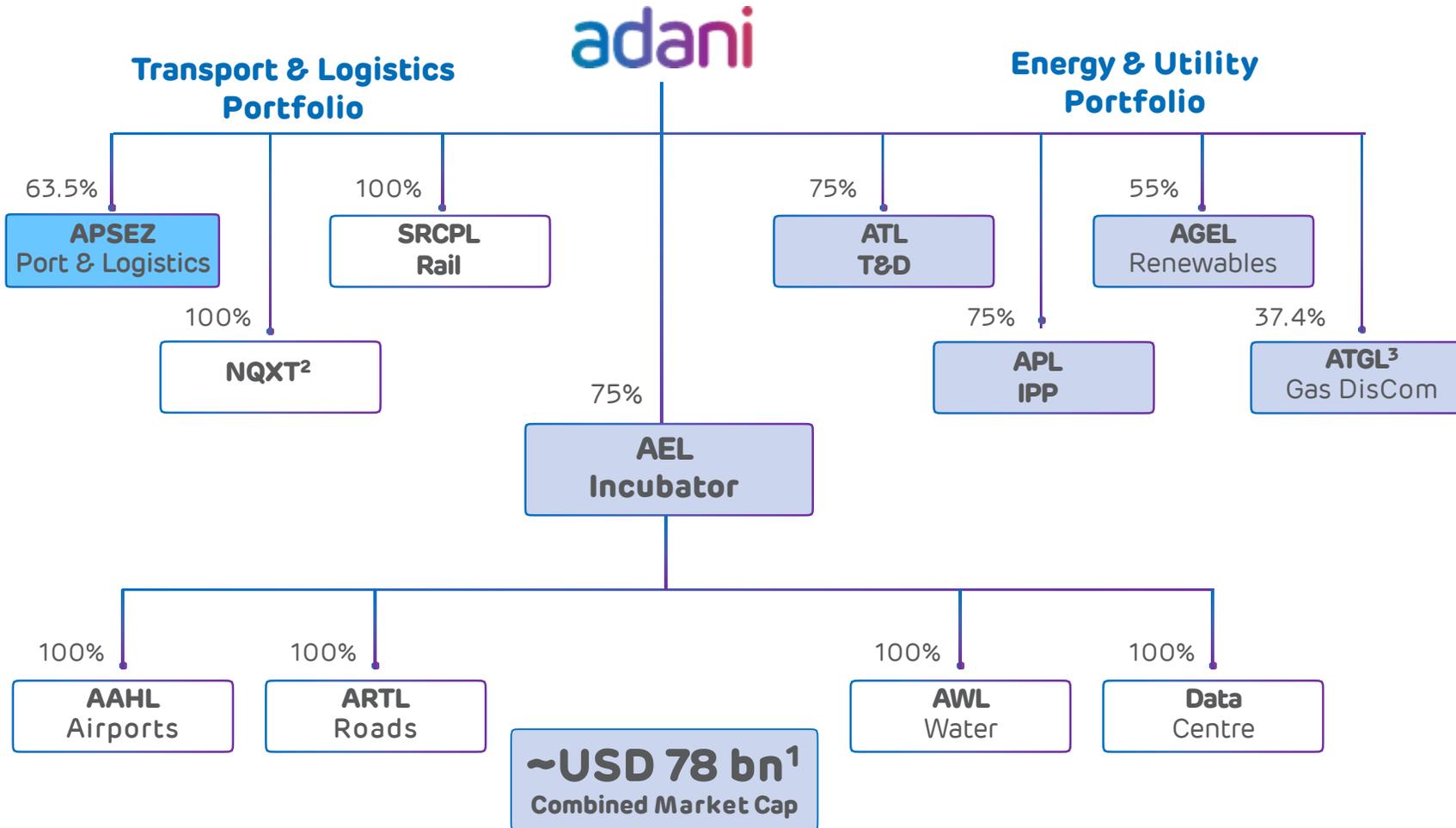
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- **A** • Group Profile
- **B** • Company Profile
- **C** • Acquisition of minority stake in GPL - Executive Summary
- **D** • Gangavarm Port Limited (GPL) – Overview
- **E** • Transaction Overview and Investment Rationale
- **F** • Annexures

# Group Profile

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# Adani Group: A world class infrastructure & utility portfolio



## Adani

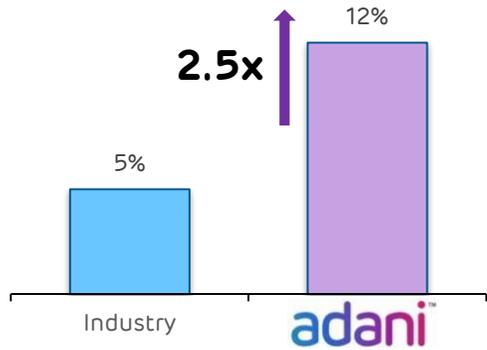
- **Marked shift from B2B to B2C businesses –**
- **ATGL** – Gas distribution network to serve key geographies across India
- **AEML** – Electricity distribution network that powers the financial capital of India
- **Adani Airports** – To operate, manage and develop eight airports in the country
- **Locked in Growth –**
  - Transport & Logistics - Airports and Roads
  - Energy & Utility – Water and Data Centre (JV with EdgeConneX)

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group.

1. As on Feb 28, 2021, USD/INR – 73.4 | Note - Percentages denote promoter holding  
 2. NQXT – North Queensland Export Terminal | Light blue color represent public traded listed verticals  
 3. ATGL – Adani Total Gas Ltd

# Adani Group: Decades long track record of industry best growth rates across sectors

Port Cargo Throughput (MT)



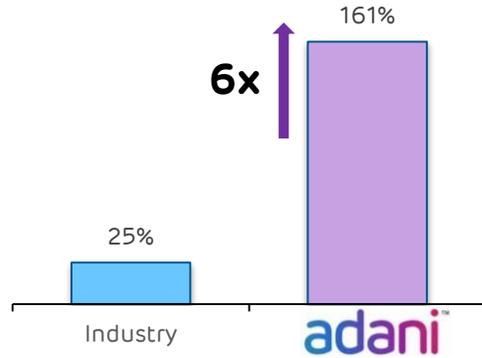
2014	972 MT	113 MT
2020	1,339 MT	223 MT



**APSEZ**

Highest Margin among Peers globally  
**EBITDA margin: 70%**<sup>1,2</sup>  
 Next best peer margin: 55%

Renewable Capacity (GW)



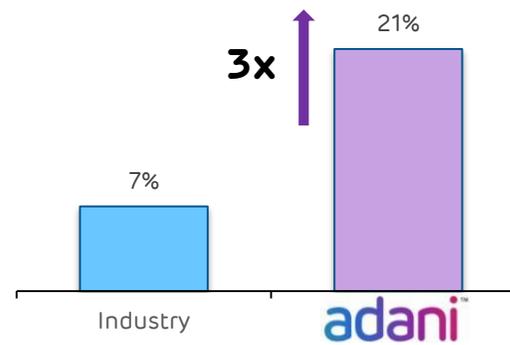
2016	46 GW	0.3 GW
2020	114 GW	14.2 GW <sup>6</sup>



**AGEL**

World's largest developer  
**EBITDA margin: 89%**<sup>1,4</sup>  
 Among the best in Industry

Transmission Network (ckm)



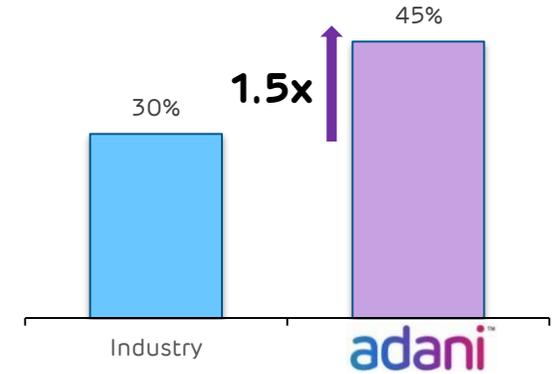
2016	320,000 ckm	6,950 ckm
2020	423,000 ckm	14,837 ckm



**ATL**

Highest availability among Peers  
**EBITDA margin: 92%**<sup>1,3,5</sup>  
 Next best peer margin: 89%

CGD<sup>7</sup> (GAs<sup>8</sup> covered)



2015	62 GAs	6 GAs
2020	228 GAs	38 GAs



**ATGL**

India's Largest private CGD business  
**EBITDA margin: 31%**<sup>1</sup>  
 Among the best in industry

Transformative model driving scale, growth and free cashflow

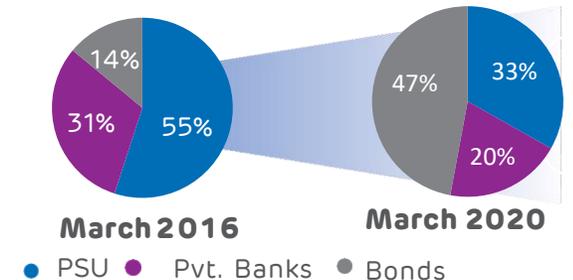
**Note:** 1 Data for FY20; 2 Margin for ports business only, Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power sales 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD – City Gas distribution GAs 8. Geographical Areas - Including JV | Industry data is from market intelligence

# Adani Group: Repeatable, robust & proven transformative model of investment



Activity	Origination	Site Development	Construction	Operation	Capital Mgmt
	<ul style="list-style-type: none"> <li>Analysis &amp; market intelligence</li> <li>Viability analysis</li> <li><b>Strategic value</b></li> </ul>	<ul style="list-style-type: none"> <li>Site acquisition</li> <li>Concessions and regulatory agreements</li> <li><b>Investment case development</b></li> </ul>	<ul style="list-style-type: none"> <li>Engineering &amp; design</li> <li>Sourcing &amp; quality levels</li> <li><b>Equity &amp; debt funding at project</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Life cycle O&amp;M planning</b></li> <li>Asset Management plan</li> </ul>	<ul style="list-style-type: none"> <li>Redesigning the <b>capital structure</b> of the asset</li> <li><b>Operational phase funding consistent with asset life</b></li> </ul>

Performance	India's Largest Commercial Port (at Mundra)	Longest Private HVDC Line in Asia (Mundra - Mohindergarh)	648 MW Ultra Mega Solar Power Plant (at Kamuthi, TamilNadu)	Energy Network Operation Center (ENOC) enables centralized continuous monitoring of solar and wind plants across India on a single cloud based platform	In FY20 seven international bond issuances across the yield curve totalling ~USD4Bn
	<p>Highest Margin among Peers</p> <p>Highest line availability</p> <p>Constructed and Commissioned in nine months</p>	<p>Highest line availability</p>	<p>Constructed and Commissioned in nine months</p>	<p>Energy Network Operation Center (ENOC) enables centralized continuous monitoring of solar and wind plants across India on a single cloud based platform</p>	<p>In FY20 seven international bond issuances across the yield curve totalling ~USD4Bn</p> <p><b>All listed entities maintain liquidity cover of 1.2x- 2x as a matter of policy.</b></p>

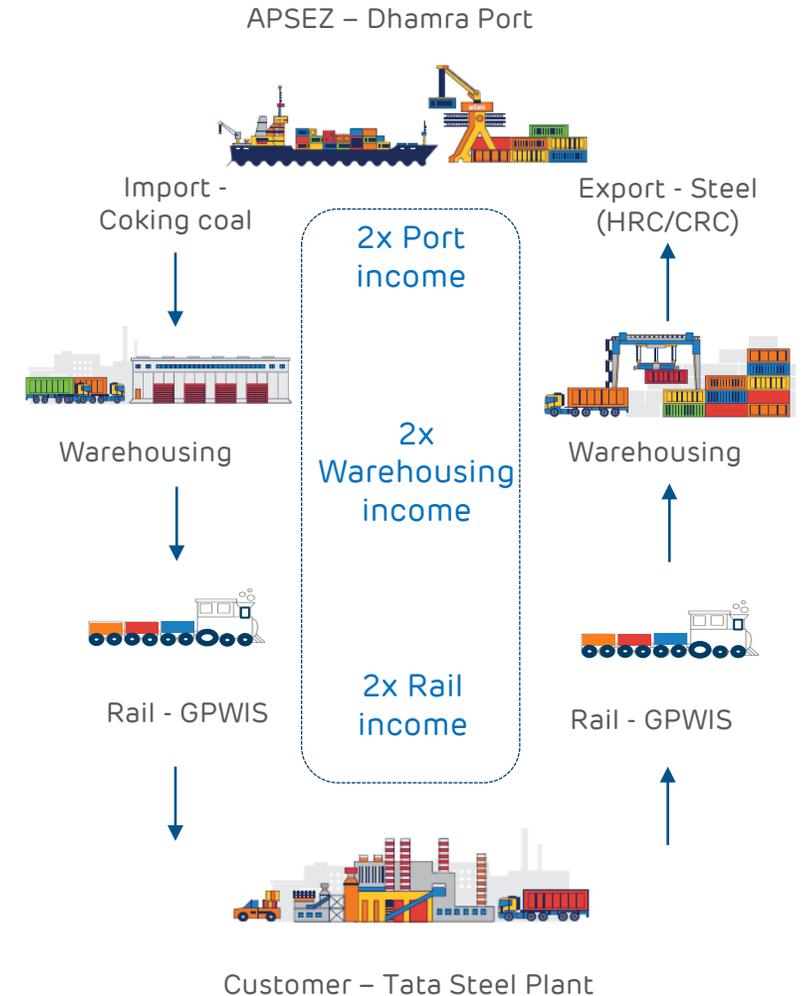
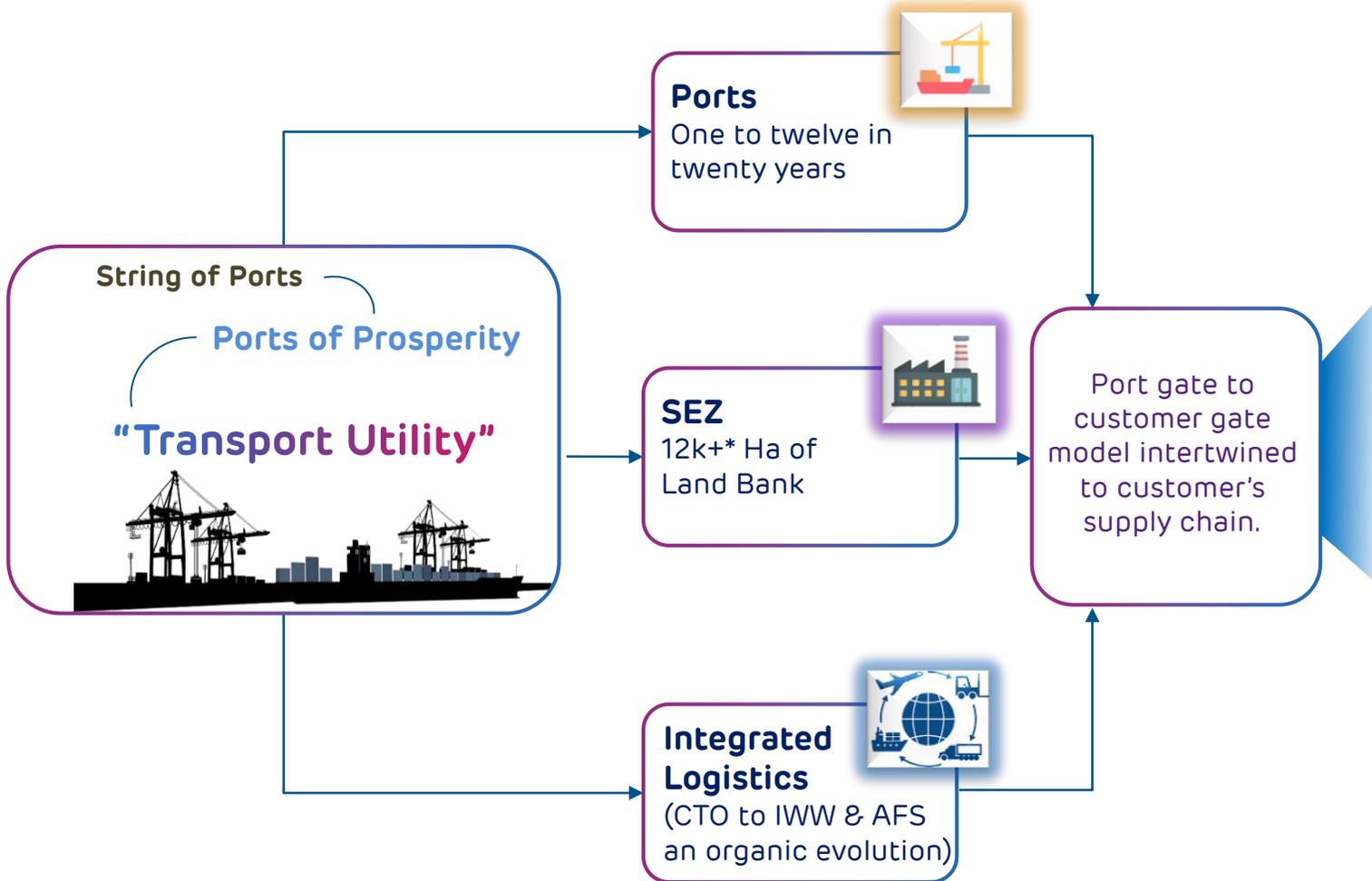


1. FY20 data for commercial availability declared under long term power purchase agreements;

## Company Profile

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# APSEZ : Largest private transport utility



An integrated approach through Ports, SEZ and Logistics enables presence across value chain

\* Includes both SEZ and non SEZ land



## **APSEZ : Acquisition of minority stake in GPL - Executive Summary**

**APSEZ to acquire 31.5% stake from Warburg Pincus in Gangavaram Port Ltd (GPL) for INR 1,954 Cr**

**High growth potential through increase in capacity utilization and enhancement in cargo basket**

**Strong balance sheet (zero debt, AAA rated) with high cash flow generation and targets 100% dividend payout**

## Gangavaram Port Limited (GPL) - Overview

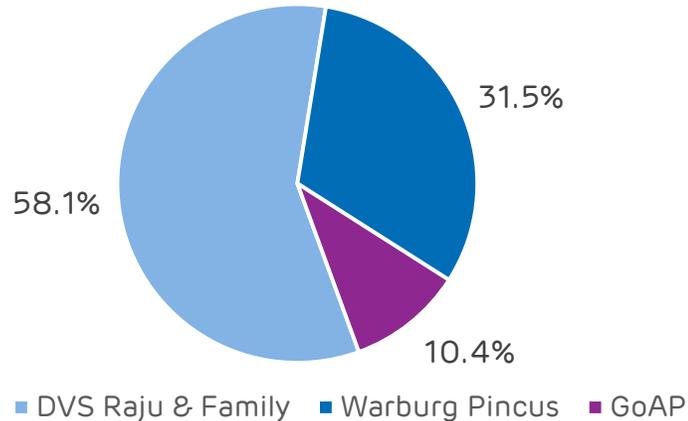
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# APSEZ : Gangavaram Port (GPL) - Overview

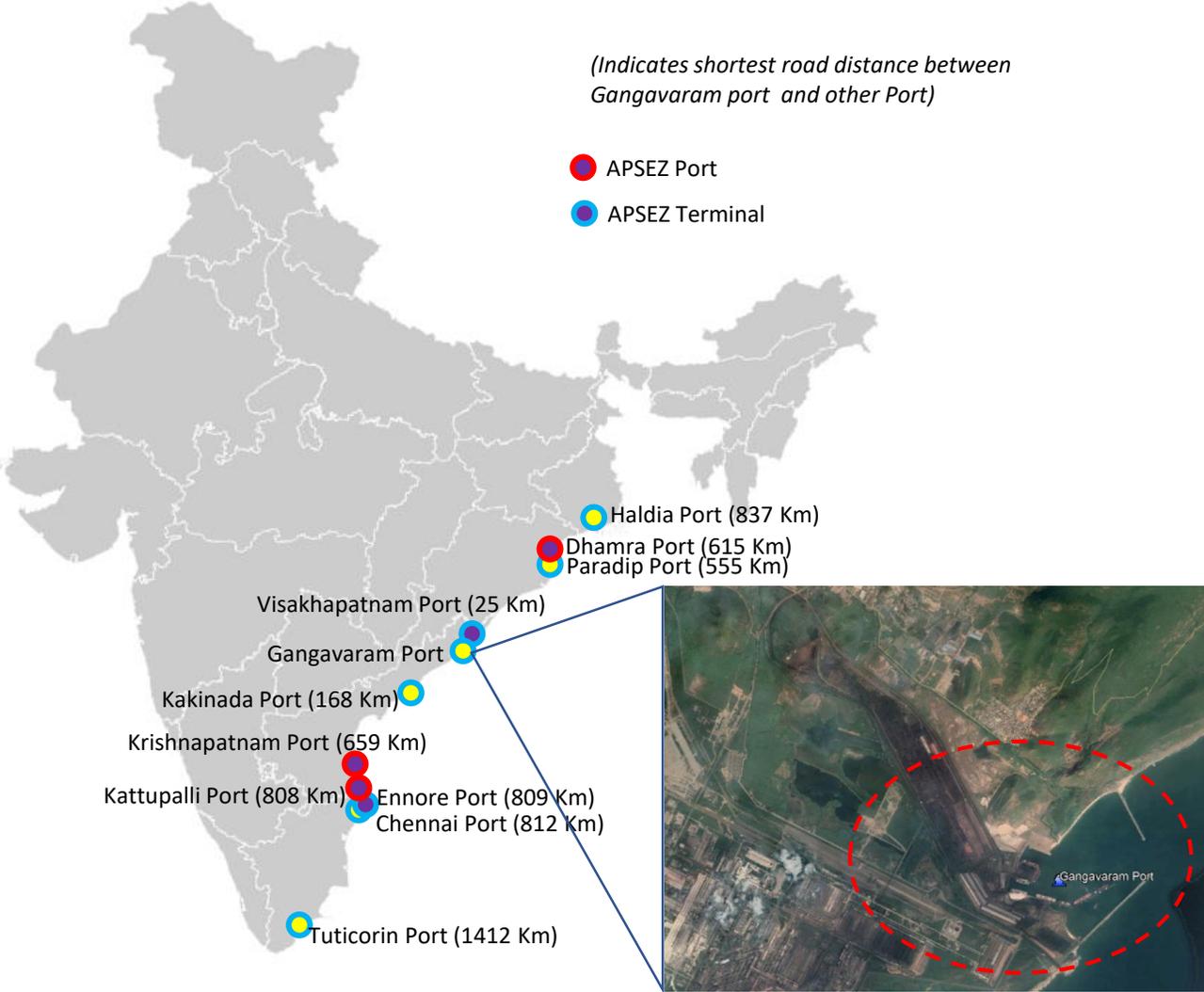
## Concession Overview

- **Long term Concession:**
  - Commenced operations in 2009 (BOOT model)
  - **50 Year** concession **till 2059**
- **Concession Fee:**
  - **2.1%** of Gross Income till 2039
  - **4.2%** of Gross Income till 2049
  - **8.4%** of Gross Income till 2059

## Shareholding Pattern



## Strategic Location



1. APSEZ through its subsidiary operates a coal terminal at Vizag Port and container terminal at Ennore Port

## APSEZ : GPL - Port Infrastructure

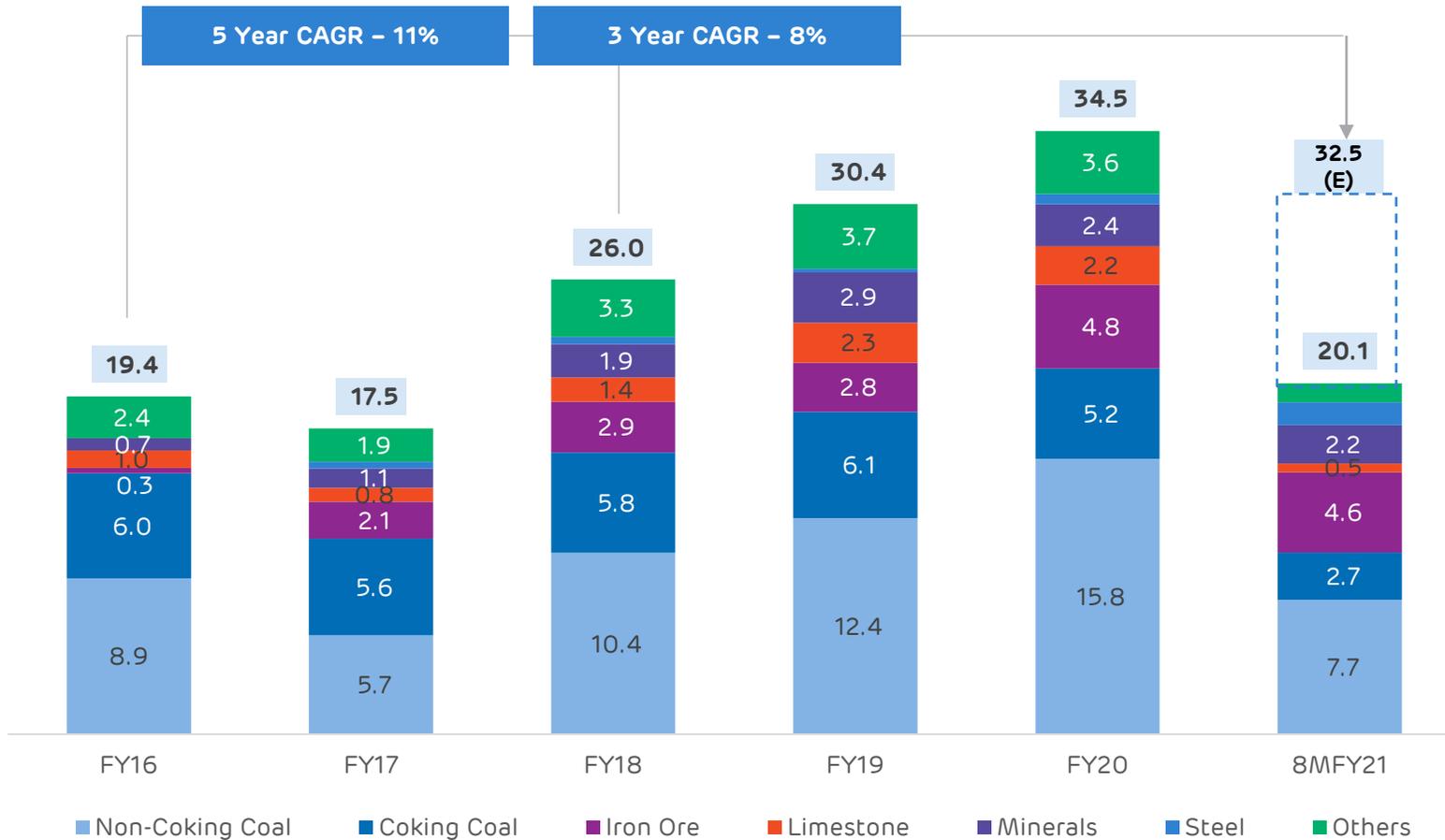
- All weather, **deep water multipurpose port**, located at Vizag
- Operational capacity of **64 MMTPA**
- **19.5 m draft**
- **9 berths**
- Freehold land: **1,800 acres** of which **800 acres** available for future development
- Additional Leased land: **1,052 acres**
- Excellent **road and rail** connectivity
- **Master plan** capacity of **250 MMTPA** with **31 berths**



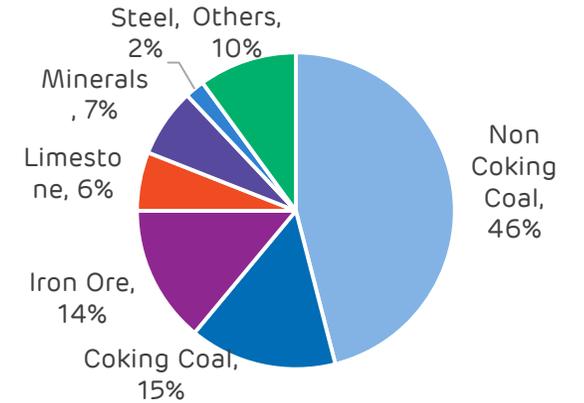
**Port has significant expansion potential in the long term**

# APSEZ : GPL - Stable and growing Cargo Volumes

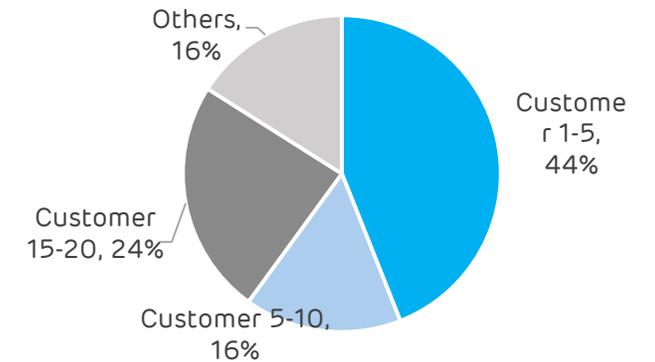
## Cargo Volume (MMT)



## Cargo Segment FY20



## Customer Spread FY20



**Strong cargo growth of over 10%**

# APSEZ : GPL - Historical Financial Performance (Profit & Loss)

Particulars (INR Cr)	FY17	FY18	FY19	FY20	FY21E <sup>1</sup>	CAGR (5 Yr)
<b>Operating Revenue</b>	<b>571</b>	<b>766</b>	<b>964</b>	<b>1,082</b>	<b>1,008</b>	<b>6%</b>
<b>EBITDA</b>	<b>325</b>	<b>454</b>	<b>559</b>	<b>634</b>	<b>609</b>	<b>6%</b>
<i>EBITDA %</i>	<i>57%</i>	<i>59%</i>	<i>58%</i>	<i>59%</i>	<i>60%</i>	
Less: D&A	171	175	179	138	139	
<b>EBIT</b>	<b>154</b>	<b>278</b>	<b>380</b>	<b>496</b>	<b>471</b>	<b>10%</b>
<i>EBIT %</i>	<i>27%</i>	<i>36%</i>	<i>39%</i>	<i>46%</i>	<i>47%</i>	
Less: Finance Cost	104	52	17	32	3	
Add: Other Income	56	47	40	72	44	
<b>PBT</b>	<b>107</b>	<b>274</b>	<b>403</b>	<b>535</b>	<b>512</b>	
Less: Taxes	15	3	(7)	19	15	
<b>PAT</b>	<b>92</b>	<b>271</b>	<b>409</b>	<b>516</b>	<b>496</b>	<b>20%</b>
<i>PAT %</i>	<i>16%</i>	<i>35%</i>	<i>42%</i>	<i>48%</i>	<i>49%</i>	
Dividend as a % of PAT	<i>68%</i>	<i>35%</i>	<i>30%</i>	<i>36%</i>	<i>97%<sup>2</sup></i>	

6%+ growth revenue and profitability

Stable margin profile

Reduced finance cost due to deleveraging

Dividend policy to maximize distribution upto 100% of profits

**Robust growth and margin profile with high dividend payout**

1. Figures are 9MFY21 annualized for representation purposes.  
 2. Dividend declared for 9MFY21 as a % of 9MFY21 profit

# APSEZ : GPL - Historical Financial Performance (Balance Sheet & Cash Flow)

Particulars (INR Cr)	FY17	FY18	FY19	FY20	FY21E <sup>1</sup>
<b>Balance Sheet</b>					
Net Fixed Assets	1,825	1,685	1,545	1,431	1,401
Gross Debt <sup>3</sup>	605	258	26	2	-
Cash & cash Equivalent	319	344	412	424	570
Net Debt	286	(87)	(386)	(422)	(570)
Net Worth	1,484	1,691	2,009	2,214	2,393
<b>Ratio</b>					
RoCE	7.4%	14.3%	18.7%	22.4%	19.7%
RoE	6.2%	16.0%	20.4%	23.3%	20.7%
<b>Free Cash Flow</b>					
PBT	107	274	403	535	512
Less: Tax Paid	(32)	(62)	(85)	(95)	(82)
Add: D&A	171	175	179	138	139
Less: Capex	(21)	(33)	(43)	(44)	(69)
<b>Free Cash Flow<sup>(2)</sup></b>	<b>224</b>	<b>355</b>	<b>454</b>	<b>534</b>	<b>499</b>

**Zero debt,  
AAA Rated  
(CARE)**

**20%+ ROE and  
ROCE**

**Strong free Cash  
flow of INR 534 Cr  
in FY20**

**Significant de leveraging with strong free cash flow generation**

1. FY21E figures are representing 9mFY21 numbers and cash flow elements are annualized for comparative purpose. Capex is estimated for FY21.  
 2. Free cash flow is excluding working capital.  
 3. Gross Debt excludes lease liabilities

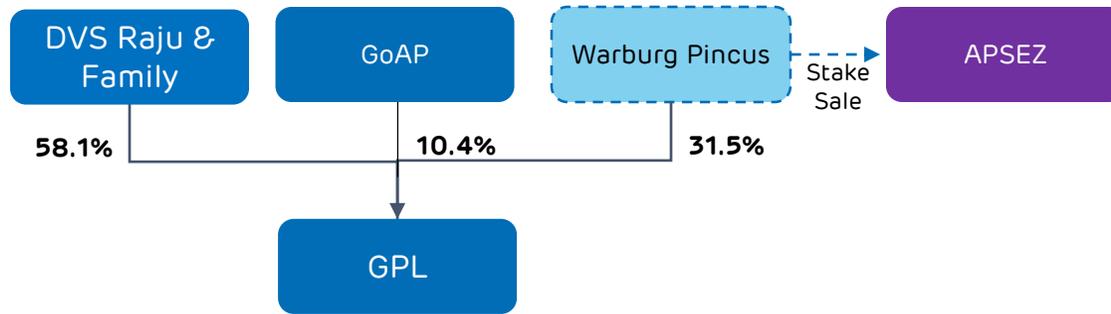
## Transaction Overview and Investment Rationale

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# APSEZ : Transaction Overview

## Proposed Transaction Structure

- APSEZ to acquire 31.5% stake from Warburg Pincus at INR 1,954 Cr
- Transaction is subject to CCI approval



## Investor Rights

<b>Board</b>	<ul style="list-style-type: none"> <li>• Right to appoint 3 out of 9 directors</li> <li>• In proportion to shareholding, minimum of one director</li> </ul>
<b>Rights</b>	<ul style="list-style-type: none"> <li>• Restructuring, sale of assets, corporate actions (Eg: IPO/ charter amendments)</li> <li>• Approval of business plan and Information rights</li> </ul>
<b>Transfer</b>	<ul style="list-style-type: none"> <li>• Free right to transfer shares</li> </ul>

## Implied Valuation

(INR cr.)

Transaction Value	1,954
Target Share	31.5%
Total Equity Value	6,203
Net Debt (Dec'20)	(557)
Enterprise Value	5,647

## Implied Transaction Multiple

FY20

EV/EBITDA	8.9x
P/E	12.0x

## APSEZ : GPL - A Value Accretive Transaction for APSEZ

### Strategic Location

- Deep draft port in India with seamless connectivity with rich **Eastern, Central and Southern markets of India**

### Growth Potential

- **Sticky cargo** base and long term customers
- Growth potential through expansion, **new cargo types** and **enhanced logistics solutions**

### Robust Financials

- Company with one of the **lowest operating cost**
- **Deleveraged** balance sheet (AAA Rated)
- **High cash flow** generation

### Value Creation

- Transaction at meaningful **discount to traded** valuation of APSEZ
- **Return on investment** meeting APSEZ thresholds

## Annexures

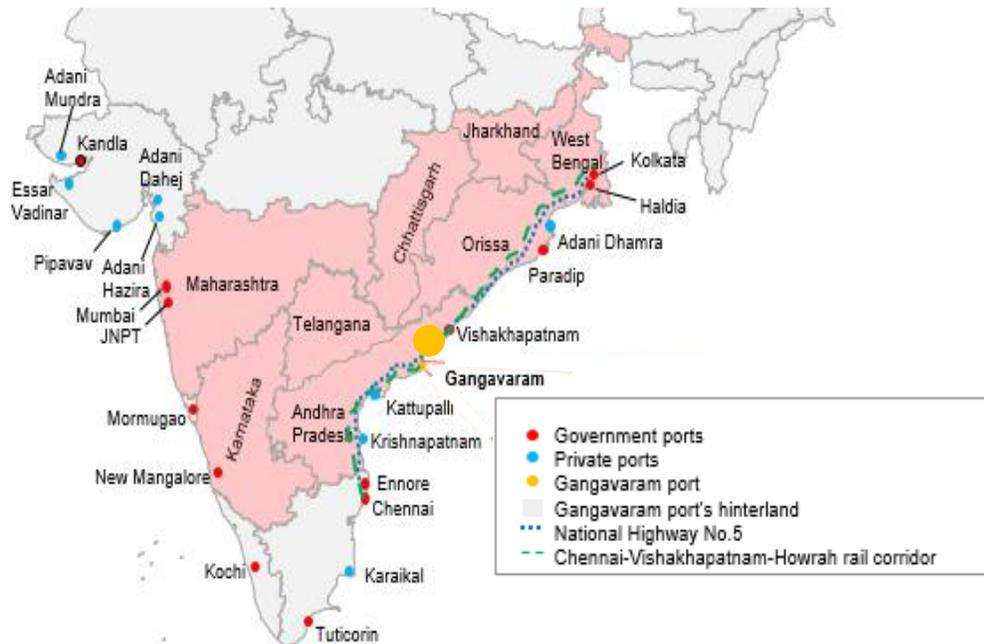
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# APSEZ : GPL - Location & Hinterland Connectivity

## GPL's Customer Reach

Port is located near the richest **mineral and metal industrial belt ensuring steady increase in cargo flow.**

**Key Industries :** Metal, Fertilizers, Paper, Cement, Pharma, Power, Seafood, Chemicals, Agro Products.



## Road Connectivity

4 lane expressway of 3.8 km connecting the port with the NH5 (Chennai - Kolkata), to be widened to 6 lane under BharatMala Project (BMP).

## Rail Connectivity

Twin **Railway line connectivity** to the main broad gauge national network of "Chennai-Visakhapatnam-Howrah"



**GPL has excellent connectivity to service states which contribute ~43% of India's GDP**

# APSEZ : GPL - Port Infrastructure

## Infrastructure Highlights

- **Mechanical Handling** – 3 fully mechanized berths for capesize and 6 berths for Panamax size vessel.
- **Single Window Clearance** - End to end services from stevedoring to custom documentation.
- Nil Demurrage – **Fast turnaround time.**
- **Rail:** Independent "Railway Sidings" at port with
  - 2 R&D yards with 10 interchangeable lines & 14 sidings for receipt and dispatch of rakes
  - Dedicated mechanized coal & iron ore sidings
  - 4 in-motion weighbridges
  - 5 locomotives for shunting of rakes.
- **Road:** Four weighbridges for weighment of trucks.

## Equipment Details

Equipment Name	No	Specification
<b>For Coal Terminal</b>		
Ship - Unloaders	4	2400 TPH (each)
Stackers	3	4000 TPH
Reclaimers	3	1500 TPH/3000 TPH
Stacker cum Reclaimer	1	4000 TPH /1500 TPH
Wagon Loader	1	1500 TPH
Conveyor to Stack Yard	-	4000 TPH
Stackyard Capacity	-	6 MMT
Silo	1	800 TONS BIN
Telestackers	2	800 TPH
<b>For Iron Ore Terminal</b>		
Ship Loader	1	4500 TPH
Stacker	1	1500 TPH
Reclaimer	1	4500 TPH
Wagon - Tippler	-	24 TIPS/ HOUR
Conveyor	-	4500 TPH
Stackyard Capacity	-	1 MMT
<b>Multipurpose Berths</b>		
Mobile Harbor Cranes	5	1400 TPH

**Mechanical Handling, Single Window Clearance, Nil Demurrage & evacuation infrastructure leading to efficient operations**

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