

ADANI HAZIRA PORT PRIVATE LIMITED

Registered Office	Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India
Tel No	+91-79-2555 5500
CIN	U45209GJ2009PTC058789
Website	www.adaniports.com
E-mail	ahppl_secretarial@adani.com

MEETING OF THE UNSECURED CREDITORS**OF****ADANI HAZIRA PORT PRIVATE LIMITED**

(convened pursuant to final order dated 18th day of April 2017 passed by the National Company Law Tribunal, Bench at Ahmedabad)

MEETING

Day	Saturday
Date	27 th day of May 2017
Time	10.00 a.m. (1000 hours)
Venue	J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India

INDEX

Sr. No.	Contents	Page No.
1.	Notice convening the meeting of the unsecured creditors of Adani Hazira Port Private Limited under the provisions of Sections 230-232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	3
2.	Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	6
3.	Annexure 1 Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013	20
4.	Annexure 2 Valuation Report dated 14 th day of February 2017 issued by BSR & Associates, LLP, Chartered Accountants	32
5.	Annexure 3 Summary of the Valuation Report including the basis of valuation	43

INDEX

Sr. No.	Contents	Page No.
6.	Annexure 4 Report adopted by the Board of Directors of Adani Hazira Port Private Limited in its meeting held on 14 th day of February 2017 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	45
7.	Annexure 5 Report adopted by the Board of Directors of The Adani Harbour Services Private Limited in its meeting held on 14 th day of February 2017 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	48
8.	Annexure 6 Supplementary Unaudited Accounting Statement of Adani Hazira Port Private Limited for the period ended 31 st December 2016	51
9.	Annexure 7 Supplementary Unaudited Accounting Statement of The Adani Harbour Services Private Limited for the period ended 31 st December 2016	61
10.	Proxy Form	71
11.	Attendance Slip	73

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 23/NCLT/AHM/2017

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Adani Hazira Port Private Limited;

And

In the matter of Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors;

Adani Hazira Port Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India. } **Applicant Company**

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF THE APPLICANT COMPANY

To,

The unsecured creditors of Adani Hazira Port Private Limited (the "Applicant Company"):

TAKE NOTICE that by a final order made on the 18th day of April 2017 in the abovementioned Company Application (the "**Order**"), the Hon'ble National Company Law Tribunal, Bench, at Ahmedabad ("**NCLT**") has directed that a meeting of the unsecured creditors of the Applicant Company, be convened and held at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors ("**Scheme**").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the unsecured creditors of the Applicant Company, will be held at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours), at which place, day, date and time you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench, at Ahmedabad ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors ("**Scheme**") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India or at the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Near Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India.

NCLT has appointed Mrs. Komal Majmudar, an Independent Director of the Applicant Company and in her absence, Mr. Jay H. Shah, an Independent Director of the Applicant Company and in his absence, Capt. Anil Kishore Singh, the Managing Director of the Applicant Company to be the Chairperson/ Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Komal Majmudar
Chairperson appointed for the meeting

Dated this 19th day of April 2017

Registered Office: Adani House,
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad- 380 009,
Gujarat, India.

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only unsecured creditors of the Applicant Company may attend and vote either in person or by proxy (a proxy need not be an unsecured creditor of the Applicant Company) or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the unsecured creditors of the Applicant Company. The authorised representative of a body corporate which is an unsecured creditor of the Applicant Company may attend and vote at the meeting of the unsecured creditors of the Applicant Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the unsecured creditors of the Applicant Company is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the unsecured creditors of the Applicant Company. The Form of Proxy can be obtained free of charge at the registered office of the Applicant Company.

3. The quorum of the meeting of the unsecured creditors of the Applicant Company shall be 5 (five) unsecured creditors of the Applicant Company, present in person.
4. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.
5. Unsecured creditor or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
6. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the unsecured creditors at the registered office of the Applicant Company between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting.
7. NCLT by its said Order has directed that a meeting of the unsecured creditors of the Applicant Company shall be convened and held at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours), for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors would be entitled to vote in the said meeting either in person or through proxy.
8. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the unsecured creditors of the Applicant Company, voting in person or by proxy, agree to the Scheme.
9. The Notice, together with the documents accompanying the same, is being sent to the unsecured creditors by courier service. The Notice will be displayed on www.adaniports.com.
10. The notice convening the meeting, the date of dispatch of the notice and the Explanatory Statement, amongst others, will be published through advertisement in the following newspapers, namely, (i) Indian Express (Ahmedabad Edition) in the English language; and (ii) translation thereof in Sandesh (Ahmedabad Edition) in the Gujarati language.
11. Mr. Chirag Shah, Practicing Company Secretary (Membership No. FCS 5545/COP 3498) has been appointed as the scrutinizer to conduct the voting process through ballot or polling at the venue of the meeting in a fair and transparent manner.
12. The scrutinizer will submit his report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the unsecured creditors of the Applicant Company through ballot or polling paper at the venue of the meeting. The scrutinizer's decision on the validity of the vote shall be final. The results of votes cast through ballot or polling paper at the venue of the meeting will be announced on or before 29th day of May 2017 at the registered office of the Applicant Company. The results, together with the scrutinizer's Reports, will be displayed at the registered office of the Applicant Company.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 23/NCLT/AHM/2017

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Adani Hazira Port Private Limited;

And

In the matter of Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors;

Adani Hazira Port Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India. } **Applicant Company**

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the final order dated 18th day of April 2017, passed by the Hon'ble National Company Law Tribunal, Bench, at Ahmedabad (the "**NCLT**"), in CA(CAA) No. 23/NCLT/AHM/2017 ("**Order**"), a meeting of the unsecured creditors of Adani Hazira Port Private Limited (hereinafter referred to as the "**Applicant Company**" or the "**Transferor Company**" as the context may admit) is being convened at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours), for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement between the Applicant Company and The Adani Harbour Services Private Limited (hereinafter referred to as the "**Transferee Company**") and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (the "**Scheme**"). The Transferor Company and the Transferee Company are together referred to as the "**Companies**". A copy of the Scheme, which has been, inter alios, approved by the Board of Directors of the Applicant Company at its meeting held on 14th day of February 2017, is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme unless otherwise stated.
2. In terms of the said Order, the quorum for the said meeting shall be 5 (five) unsecured creditors present in person. Further in terms of the said Order, NCLT, has appointed Mrs. Komal Majmudar, an Independent Director of the Applicant Company and in her absence, Mr. Jay H. Shah, an Independent Director of the Applicant Company and in his absence, Capt. Anil Kishore Singh, the Managing Director of the Applicant Company to be the Chairman/Chairperson of the said meeting including for any adjournment or adjournments thereof.
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (the "**Act**") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "**Rules**").

4. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the unsecured creditors, or class of unsecured creditors, of the Applicant Company, as the case may be, voting in person or by proxy agree to the Scheme.
5. In terms of the Order dated 18th day of April 2017, passed by the NCLT, in CA(CAA) No. 23/NCLT/AHM/2017, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the unsecured creditors are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting.

Particulars of the Transferor Company

6. The Transferor Company is a company incorporated on 7th December 2009 under the provisions of the Companies Act, 1956 in the name of Adani Hazira Port Private Limited. The Transferor Company is an unlisted public limited company. The Transferor Company is a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited (“APSEZ”). There has been no change in the name of the Transferor Company in the last five (5) years. The Corporate Identification Number of the Transferor Company is U45209GJ2009PTC058789. The Permanent Account Number of the Transferor Company is AAICA0970E.
7. The registered office of the Transferor Company is situated at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad- 380 009, Gujarat. There has been no change in the registered office address of the Transferor Company in the last five (5) years. The e-mail address of the Transferor Company is ahppl_secretarial@adani.com
8. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main object of the Transferor Company is, as follows:

“III [A]

1. *To construct, develop, maintain, build, equip, hire or otherwise deal with ports, shipyard, jetties, harbours, docks, ship breaking, ship repair, ship building at any port in India or elsewhere.*
2. *To carry on business of inland and sea transport including goods, passengers and mail, shippers, ship agents, ship underwriters, ship managers, tug owners, barge owners, loading brokers, freight brokers, freight contractors, stevedores, warehouseman, Wharfingers and building, assembling, fitting, constructing, repairing, servicing and managing ships, seagoing vessels for inland waterways.*
3. *To carry on in India and in any part of the world the business to construct, erect, build, buy, sell, give or take on lease or license, repair, remodel, demolish, develop, improve, own, equip, operate and maintain, ports and port approaches, breakwaters for protection of port or on the fore shore of the port or port approaches with all such convenient arches, drains, landing places, hard jetties, floating barges or pontoons, stairs, fences, roads, railways, sidings, bridges, tunnels and approaches and widening, deepening and improving any portion of the port or port approaches, light houses, light ships, beacons, pilot boats or other appliances necessary for the safe navigation of the ports and the port approaches and to construct and establish, dry docks, shipways and boat basins and workshops to carry out repairs or overwhelming of vessels, tugs, boats, machinery or appliances.”*

There has been no change in the object clause of the Transferor Company in the last five (5) years.

9. The Transferor Company is an operator and developer of a multi cargo port at Hazira, Gujarat. The Transferor Company is also carrying on marine business operations involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transhipment within in-land waterways, in coastal waters and sea (“**Marine Business**”).
10. The authorised, issued, subscribed and paid up share capital of the Transferor Company as at 31st day of March 2017 was as under:

Share Capital	Amount (in Rs.)
Authorized Share Capital	
75,00,00,000 Equity Shares of Rs. 10 each	750,00,00,000
TOTAL	750,00,00,000
Issued, Subscribed and Paid-Up Share Capital	
71,54,70,000 fully paid up Equity Shares of Rs. 10 each	715,47,00,000
TOTAL	715,47,00,000

11. Subsequent to 31st day of March 2017 there has been no change in the share capital of the Transferor Company.

Particulars of the Transferee Company

12. The Transferee Company is a company incorporated on 2nd day of September 2009 under the provisions of the Companies Act, 1956 in the State of West Bengal in the name of TM Harbour Services Private Limited. The name of TM Harbour Services Private Limited was changed to The Adani Harbour Services Private Limited with effect from 22nd day of December 2016. The registered office of the Transferee Company was shifted from the State of West Bengal to the State of Gujarat vide Certificate of Registration dated 24th day of February 2017. The Transferee Company is an unlisted public limited company. The Transferee Company is a wholly owned subsidiary of APSEZ. Except as stated here in above, there has been no change in the name of the Transferee Company in the last five (5) years. The Corporate Identification Number of the Transferee Company is U61100GJ2009FTC095953. The Permanent Account Number of the Transferee Company is AADCT2719D.
13. The registered office of the Transferee Company is situated at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad- 380 009, Gujarat. Before 24th February 2017, the registered office of the Transferee Company was situated at Tata Centre, 43, Jawahar Lal Nehru Road, Kolkata-700071, West Bengal. Except the aforesaid, there has been no change in the registered office address of the Transferee Company in the last five (5) years. The e-mail address of the Transferee Company is tahspl_secretarial@adani.com
14. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are as follows:

“III. (A)

1. *To own, acquire, purchase, charter, hire, equip, operate and maintain ships, tugs, barges, boats, supply vessels, offshore support vessels, etc. and barges for river and provide marine services for ports, harbours, oil installations, and other industries.*
2. *To provide all kinds of marine services viz. pilotage and mooring, laying and maintenance of pipelines and buoys including SBMs etc., to the off-shore oil industries, marine logistics support services, towage, lighterage, transshipment etc.*
3. *To transport and convey cargo within harbours, rivers, coastal waters etc. including heavy lift cargoes, project cargo, bulk and break bulk cargoes.*
4. *To carry on the business of marine salvage, wreck removal, debris removal, under water work, scrapping and recycling.”*

There has been no change in the object clause of the Transferee Company in the last five (5) years.

15. The Transferee Company is carrying on marine business operations at Dhamra, Odisha, involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea.
16. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st day of March 2017 was as follows:

Share Capital	Amount (in Rs.)
Authorized Share Capital 8,00,00,000 Equity Shares of Rs. 10 each	80,00,00,000
TOTAL	80,00,00,000
Issued, Subscribed and Paid-Up Share Capital 5,76,92,155 fully paid up Equity Shares of Rs. 10 each	57,69,21,550
TOTAL	57,69,21,550

17. Subsequent to 31st day of March 2017 there has been no change in the share capital of the Transferee Company.

Description and Rationale for the Scheme

18. The Scheme provides for transfer and vesting of the Marine Business Undertaking of the Transferor Company with effect from the Appointed Date, as a going concern, on Slump Sale basis, and for which a

lump sum cash consideration shall be paid by the Transferee Company to the Transferor Company, in accordance with Section 2 (42C) of the IT Act and for matters consequential, incidental, supplemental and/or otherwise integrally connected therewith. The proposal is to be implemented in terms of the Scheme under Sections 230 - 232 of the Act.

19. The rationale for the Scheme is as under:

Both, the Transferor Company and the Transferee Company are carrying on marine business. Consolidating the similar businesses within one company would enable the business activities to be carried out with greater focus and specialization for sustained growth. It is expected that the proposed consolidation will allow more focused strategy, standardization in operations, operating cost optimization, better monitoring and utilization of assets, effective co-ordination with customers which in turn would enhance shareholder's value.

Corporate Approvals

20. The proposed Scheme, was placed before the Audit Committee of the Transferor Company at its meeting held on 14th day of February 2017. The Audit Committee of the Transferor Company took into account the Valuation Report, dated 14th day of February 2017, issued by B S R & Associates LLP, Chartered Accountants (the "**Valuation Report**"). A copy of the Valuation Report is enclosed as **Annexure 2**. The Valuation Report is also open for inspection. The Audit Committee based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Transferor Company for its approval.

21. The Scheme along with the Valuation Report was placed before the Board of Directors of the Transferor Company, at its meeting held on 14th day of February 2017. The report of the Audit Committee was also submitted to the Board of Directors of the Transferor Company. Based on the aforesaid, the Board of Directors of the Transferor Company approved the Scheme. The meeting of the Board of Directors of the Transferor Company, held on 14th day of February 2017, was attended by 5 (five) directors (namely, Mr. Karan Adani, Capt. Anil Kishore Singh, Capt. Sandeep Mehta, Mr. Jay H. Shah and Mrs. Komal Majmudar in person). None of the directors of the Transferor Company who attended the meeting, voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended and voted at the meeting.

22. The proposed Scheme, was placed before the Audit Committee of the Transferee Company at its meeting held on 14th day of February 2017. The Audit Committee of the Transferee Company took into account the Valuation Report. The Audit Committee based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Transferee Company for its approval.

23. The Scheme along with the Valuation Report was placed before the Board of Directors of the Transferee Company, at its meeting held on 14th day of February 2017. The report of the Audit Committee was also submitted to the Board of Directors of the Transferee Company. Based on the aforesaid, the Board of Directors of the Transferee Company approved the Scheme. The meeting of the Board of Directors of the Transferee Company, held on 14th day of February 2017, was attended by 5 (five) directors (namely, Capt. Unmesh Abhyankar, Mr. Ennarasu Karunesan, Mr. Subrat Tripathy, Mr. Mukesh Shah and Dr. Chitra Bhatnagar in person). None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

24. The Companies or any of them would obtain necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.

25. The applications along with the annexures thereto (which includes the Scheme) were filed by the Companies with the NCLT, on 30th day of March 2017.

Salient extracts of the Scheme

26. The salient extracts of the Scheme are as under:

A. "Appointed Date" means 1st April 2016.

B. "Effective Date" means the last of the dates on which all conditions, matters and filings referred to in Clause 23 of the Scheme have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.

- C. "Encumbrance" or "Encumber" shall mean any: (i) encumbrance including without limitation any security interest, claim, mortgage, pledge, charge, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other similar interest held by the third person; (ii) security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable Law; (iii) right of pre-emption, right of first offer, or refusal or transfer restriction in favour of any person; and/or (iv) any adverse claim as to title, possession or use.
- D. "IT Act" means the Income-tax Act, 1961 and rules made thereunder and shall include any statutory modification, amendment, or re-enactment thereof for the time being in force.
- E. "Marine Business Employees" shall mean all the employees of the Transferor Company employed in the Marine Business Undertaking.
- F. "Marine Business Liabilities" shall have the meaning set forth in Clause 7.1 of the Scheme.
- G. "Marine Business Undertaking" means all the business, undertakings, activities, operations, properties and liabilities pertaining to the Marine Business, on a going concern basis, and shall mean and include, without limitation:
- a) all the assets and properties of Marine Business, tangible or intangible, real or personal, in possession or reversion, including tugs, associated equipments, fire fighting systems, equipments for fighting oil spill along with oil spill dispersion and spray boom, stores, benefits of use of premises, current assets (including inventories, loans and advances), supplies, computers, communication facilities, installations, tools and plants, furniture, fixtures, office equipments, appliances, accessories, insurances, actionable claims, bank balances, deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, customers and other persons, provisions and tax related assets/credits appertaining or relatable to Marine Business;
 - b) all permits, licences, permissions, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates (including International Convention on the Control of Harmful Anti-Fouling Systems on Ships together with Record of Anti-Fouling Systems; Minimum Safe Manning Document issued under the provisions of International Convention for the Safety of Life at Sea, 1974; Certificate of Indian Registry along with Certificate of Survey issued under the provisions of Merchant Shipping Act, 1958; International Tonnage Certificate issued under the provisions of the International Convention on Tonnage Measurement of Ships, 1969; Certificate of class issued by Indian Register of Shipping; General Trading/Specific Period Licence; Indian river sea safety Certificate issued by Indian Register of Shipping as per River Sea Vessel Type Rules; Continuous Synopsis Record issued by MMD/DG Shipping; Maritime Mobile Station Licence issued by Wireless Planning Commission, Hull & Machinery Insurance Certificate; Personal & Indemnity Cover for wreck removal & oil spill recovery and Harbour craft licence issued by Gujarat Maritime Board for operating within their area of water), awards, sanctions, allotments, no objection certificates, exemptions, concessions, liberties and advantages (including licences/permits granted/issued/given by any Governmental Authority for the purpose of carrying on the Marine Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain to the Marine Business;
 - c) all contracts, agreements, purchase/service orders, operation and maintenance contract, memorandum of understanding, memorandum of undertakings, memorandum of agreed points, minutes of meetings, expression of interest, arrangements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, undertakings, deeds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all the rights, title, interests, claims and benefits thereunder pertaining to the Marine Business;

- d) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company pertaining to or in connection with or relating to the Transferor Company in respect of the Marine Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and pertaining to the Marine Business;
- e) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), applications (including hardware, software, source codes, parameterization and scripts), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, brochures, pamphlets, quotations, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Marine Business;
- f) advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company in relation to the Marine Business, including all intellectual property rights used in relation to the Marine Business;
- g) all debts, liabilities including contingent liabilities, duties, taxes and obligations of the Transferor Company pertaining to the Marine Business and/or arising out of and/or relatable to the Marine Business;
- h) all the Transferor Company Employees employed in the Marine Business as on the Effective Date;
- i) all legal or other proceedings of whatsoever nature that pertain to the Marine Business;

Explanation:

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Marine Business or whether it arises out of the activities or operations of the Marine Business, the same shall be decided by mutual agreement between Board of Directors of the Transferor Company and the Transferee Company.

- H. "NCLT" means the National Company Law Tribunal, Bench, at Ahmedabad.
- I. "Remaining Business" shall mean all the undertakings, businesses, activities, operations, assets and liabilities of the Transferor Company, other than those comprised in the Marine Business Undertaking.
- J. "Slump Sale" means Slump Sale as defined under Section 2(42C) of the IT Act.
- K. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Marine Business Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Marine Business Undertaking) shall, subject to the provisions of the Clause 5 of the Scheme in relation to the mode of transfer and vesting and pursuant to Section 232(4) of the Act and without any further act or deed, be transferred to and vested in the Transferee Company or be deemed to have been transferred to and vested in the Transferee Company as a going concern basis by way of a Slump Sale, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- L. In respect of such of the assets of the Marine Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same shall be so transferred by the Transferor Company, upon the coming into effect of this Scheme, and shall become the property of the Transferee Company as an integral part of the Marine Business

Undertaking with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of the Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

- M. Without prejudice to the generality of the foregoing, upon the effectiveness of this Scheme, the Transferee Company will be entitled to all the intellectual property rights of the Transferor Company in relation to the Marine Business Undertaking. The Transferee Company may take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company.
- N. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme including Clause 7 of the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Marine Business Undertaking, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which is subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- O. Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind, nature or description (including contingent liabilities which arise out of the activities or operations of the Marine Business Undertaking) of the Transferor Company as on the Appointed Date and relating to the Marine Business Undertaking ("Marine Business Liabilities") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of the Transferee Company which shall meet, discharge and satisfy the same.
- P. Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against the Transferor Company and relating to the Marine Business Undertaking, under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter, shall be continued and enforced by or against the Transferee Company after the Effective Date. The Transferor Company shall in no event be responsible or liable in relation to any such legal or other proceedings against the Transferee Company. The Transferee Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Transferor Company.
- Q. Upon the coming into effect of this Scheme, the Marine Business Employees in relation to the Marine Business Undertaking (the "Transferred Employees") shall become the employees of the Transferee Company with effect from the Effective Date, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are employed by the Transferor Company in the Marine Business Undertaking and without any interruption of, or break in, service as a result of the transfer of the Marine Business Undertaking. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- R. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or lenders.
- S. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Marine Business Undertaking of the Transferor Company in the Transferee Company by way of Slump Sale on a going concern basis, in accordance with the terms of this Scheme and pursuant to the provisions of Sections 231-232 and other relevant provisions of the Act, the Transferee Company shall pay a lump sum consideration of INR 225 crores (Rupees Two Hundred Twenty Five Crores only) to the Transferor Company as adjusted by the loans and interests accrued thereon.

- T. Upon the coming into effect of the Scheme and with effect from the Appointed Date:
- a) The Transferor Company shall de-recognize from its books, the book value of assets and liabilities of the Marine Business Undertaking, transferred to the Transferee Company including the rights, interests and obligations of the Transferor Company in such assets and liabilities under the Scheme.
 - b) In compliance with the Indian Accounting Standards (Ind AS), the difference between the lump sum consideration as per Clause 17 of the Scheme and the book value of the net assets, if any pertaining to the Marine Business Undertaking, shall be recognized in the statement of profit and loss of the Transferor Company.
 - c) For the purpose of sub-clause (b) above, the book value of net assets shall be computed as the value of assets less the value of the liabilities of the Transferor Company, pertaining to the Marine Business Undertaking transferred to and vested in the Transferee Company.
- U. The Transferee Company shall account for the transfer and vesting of the Marine Business Undertaking in its books of account as per the "Pooling of Interest Method" prescribed under Indian Accounting Standard 103 – "Business Combinations" notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.
- V. All the assets and liabilities of the Transferor Company pertaining to Marine Business Undertaking shall stand transferred to, and the same shall be recorded by, the Transferee Company at their respective carrying amount and in the same form as appearing in the books of the account of the Transferor Company.
- W. The amount of inter-company balances, transactions or investments, if any, between the Transferor Company pertaining to the Marine Business Undertaking and the Transferee Company, appearing in the books of accounts of the Transferor Company and the Transferee Company, shall stand cancelled without any further act or deed.
- X. If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the Capital Reserve Account of the Transferee Company.
- Y. The coming into effect of this Scheme is conditional upon and subject to:
- a) this Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies as required under the Act and the requisite orders of the NCLT, or dispensation having been received from the NCLT in relation to obtaining such approval from the shareholders and/or creditors;
 - b) the NCLT having accorded its sanction to the Scheme; and
 - c) the certified copies of the orders of the NCLT approving this Scheme being filed with the registrar of companies.
- Z. Upon the coming into effect of this Scheme, the accounts of the Transferor Company and the Transferee Company, as and from the Appointed Date, shall be reconstructed in accordance with and pursuant to the terms of this Scheme.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Other matters

27. Summary of the Valuation Report including the basis of valuation is enclosed as **Annexure 3**.
28. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificates issued by the respective Statutory Auditors of the Companies are open for inspection.
29. Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders (i.e. promoter shareholders) as the Marine Business Undertaking of the Transferor Company shall stand transferred to and vested in the Transferee Company.

In respect of the Scheme, an arrangement is sought to be entered into between the Transferor Company and its creditors though no liabilities of the creditors of the Transferor Company is being reduced or being extinguished under the Scheme.

As on date, the Transferor Company has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debentureholders or deposit trustees or debenture trustees do not arise.

Under clause 9 of Part II of the Scheme, on and from the Effective Date, the Transferee Company undertakes to engage the employees of the Transferor Company, engaged in or in relation to the Marine Business Undertaking, on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the same manner as provided under clause 9 of Part II of the Scheme. In the circumstances, the rights of the employees of the Transferor Company, engaged in or in relation to the Marine Business Undertaking, would in no way be affected by the Scheme. Further, the employees engaged in the Remaining Business of the Transferor Company shall continue to be employed by the Transferor Company.

There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferor Company.

Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by one of the Key Managerial Personnel of the Transferor Company in the Transferee Company as nominee of APSEZ and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

30. Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its equity shareholders (i.e. promoter shareholders). No rights of the equity shareholders of the Transferee Company are being affected pursuant to transfer of the Marine Business Undertaking.

Further, no arrangement is sought to be entered into between the Transferee Company and its creditors. No liabilities of the creditors of the Transferee Company is being reduced or being extinguished under the Scheme. As on 28th day of March 2017, the Transferee Company has no creditors and therefore, the effect of the Scheme on any such creditors do not arise.

As on date, the Transferee Company has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees do not arise.

The rights of the employees of the Transferee Company are in no way affected by the Scheme. The employees engaged by the Transferee Company shall continue to be employed by the Transferee Company.

There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferee Company.

Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by one of the Key Managerial Personnel of the Transferee Company in the Transferor Company as nominee of APSEZ and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferee Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

31. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company and the Transferee Company, in their separate meetings, both held on 14th day of February 2017, have adopted a report, inter alia, explaining the effect of the Scheme on the shareholders, key managerial personnel, promoter shareholders amongst others. Copy of the reports adopted by the respective Board of Directors of the Transferor Company and the Transferee Company are enclosed as **Annexure 4** and **Annexure 5**, respectively.

32. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 against any of the Companies.
33. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Act of 1956.
34. The copy of the proposed Scheme has been filed by the Companies before the concerned Registrar of Companies on 4th day of April 2017.
35. The Supplementary Unaudited Accounting Statement of the Transferor Company and the Transferee Company for the period ended 31st December 2016 are enclosed as **Annexure 6** and **Annexure 7**, respectively.
36. As per the books of accounts (as on 28th day of March 2017) of the Transferor Company, the amount due to the unsecured creditors are Rs. 24,69,58,81,408/-. As per the books of accounts (as on 28th day of March 2017) of the Transferee Company, there is no amount due and payable to its unsecured creditors.
37. The Board of Directors of the Transferee Company in their meetings held on 14th day of February 2017 and 22nd day of March 2017, respectively, has approved two separate schemes of arrangement, namely, (i) scheme of arrangement between Adani Ports and Special Economic Zone Limited and the Transferee Company and their respective shareholders and creditors; and (ii) scheme of arrangement between Adani Petronet (Dahej) Port Private Limited and the Transferee Company and their respective shareholders and creditors, for transfer and vesting of the respective Marine Business of Adani Ports and Special Economic Zone Limited and Adani Petronet (Dahej) Port Private Limited to the Transferee Company on Slump Sale basis so as to consolidate the similar businesses within one company which would, inter alia, enable the business activities to be carried out by the Transferee Company with greater focus and specialisation for sustained growth. In respect of the scheme listed at (i) above, Adani Ports and Special Economic Zone Limited and the Transferee Company would be filing necessary separate applications before the NCLT, seeking necessary directions. In respect of the scheme listed at (ii) above, Adani Petronet (Dahej) Port Private Limited and the Transferee Company had filed the necessary company applications for seeking necessary directions. NCLT by its final order dated 18th day of April 2017 has directed Adani Petronet (Dahej) Port Private Limited, to, inter alia, convene the meeting of its secured creditors and unsecured creditors. The present Scheme and the two of the aforesaid proposed schemes are separate and distinct.
38. The name and addresses of the promoters of the Transferor Company including their shareholding in the Companies as on 31st day of March 2017 are as under:

Sr. No.	Name and address of Promoters	Transferor Company		Transferee Company	
		No. of shares of Rs. 10 each	%	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	71,54,70,000	100	5,76,92,155	100

39. The name and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on 31st day of March 2017 are as under:

Sr. No.	Name and address of Promoters	Transferee Company		Transferor Company	
		No. of shares of Rs. 10 each	%	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	5,76,92,155	100	71,54,70,000	100

40. The details of the directors of the Transferor Company as on 31st day of March 2017 are as follows:

Sr. No.	Name of Director	Address	DIN
1	Mr. Karan Adani	Shantivan Farm House, B/h. Karnavati Club, Gandhinagar Sarkhej Highway, Ahmedabad-380058.	03088095
2	Capt. Anil Kishore Singh	801, Dream House, Canal Road Nr. Agrawal Vidya Vihar, Vesu, Surat – 395007.	05249041
3	Capt. Sandeep Mehta	Flat No. 304, Wing - A, Chaitanya Towers, Appa Saheb Marathe Marg, Prabhadevi, Mumbai – 400025.	00897409
4	Mr. Jay H. Shah	7/8, Blooming Heights, Auxillium Convent Road, 4, Pali Hill, Bandra (West) Mumbai – 400050.	00005709
5	Mrs. Komal Majmudar	24, Sumadhur Society, Nr. Nehrunagar Cross Road, S M Road, Ahmedabad – 380015.	06956344

41. The details of the directors of the Transferee Company as on 31st day of March 2017 are as follows:

Sr. No.	Name of Director	Address	DIN
1	Capt. Unmesh Abhyankar	Bunglow No. 1, Shantivan Colony, Nr. Dav School, Nana Kapaya, Mundra - 370421.	03040812
2	Mr. Subrat Tripathy	4-Satya Nagar, Bhubaneswar, Khurda -751007.	06890393
3	Mr. Ennarasu Karunesan	Block-1, 8-B, Rani Meyyammai Towers, M R C Nagar, R A Puram, Chennai – 600028.	00200432
4	Mr. Mukesh Shah	Ojas, Opp. H L College, Old Hostel, Navrangpura, Ahmedabad-380009.	00084402
5	Dr. Chitra Bhatnagar	Flat No - B/92, Shaligram-3, Vejalpur, Prahladnagar Road, Ahmedabad-380051.	07146185

42. The details of the shareholding of the Directors, the Key Managerial Personnel and their relatives of the Transferor Company in the Companies as on 31st day of March 2017 are as follows:

Name of Director and KMP	Position	Equity Shares held in	
		Transferor Company	Transferee Company
Mr. Karan Adani	Chairman	Nil	Nil
Capt. Anil Kishore Singh	Managing Director	Nil	Nil
Capt. Sandeep Mehta	Director	Nil	Nil
Mr. Jay H. Shah	Independent Director	Nil	Nil
Mrs. Komal Majmudar	Independent Director	Nil	Nil
Mr. Anand Singhal	Chief Financial Officer	Nil	Nil
Mr. Manoj Chanduka	Company Secretary	Nil	1*

*Shares held as a nominee of Adani Ports and Special Economic Zone Limited

43. The details of the shareholding of the Directors, the Key Managerial Personnel and their relatives of the Transferee Company in the Companies as on 31st day of March 2017 are as follows:

Name of Director and KMP	Position	Equity Shares held in	
		Transferee Company	Transferor Company
Capt. Unmesh Abhyankar	Chairman & Managing Director	Nil	Nil
Mr. Subrat Tripathy	Director	Nil	Nil
Mr. Ennarasu Karunesan	Director	Nil	Nil
Mr. Mukesh Shah	Independent Director	Nil	Nil
Dr. Chitra Bhatnagar	Independent Director	Nil	Nil
Mr. Azad Somani	Chief Financial Officer	Nil	Nil
Mr. Abhishek Bansal	Company Secretary	Nil	10*

*Shares held as a nominee of Adani Ports and Special Economic Zone Limited

44. There would be no change in the shareholding pattern of the Transferor Company and the Transferee Company pursuant to the present Scheme. The Pre Scheme shareholding pattern of the Transferor Company and the Transferee Company as on 31st day of March 2017 and the Post Scheme shareholding pattern of the Transferor Company and the Transferee Company (assuming the continuing shareholding pattern as on 31st day of March 2017) are as under:

Pre-Scheme shareholding pattern of Transferor Company is as under:

Sr. No.	Name of Shareholders	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees	71,54,70,000	100

Pre-Scheme shareholding pattern of Transferee Company is as under:

Sr. No.	Name of Shareholders	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees	5,76,92,155	100

Post-Scheme shareholding pattern of Transferor Company is as under:

Sr. No.	Name of Shareholders	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees	71,54,70,000	100

Post-Scheme shareholding pattern of Transferee Company is as under:

Sr. No.	Name of Shareholders	No. of shares of Rs. 10 each	%
1	Adani Ports and Special Economic Zone Limited and its nominees	5,76,92,155	100

45. There would be no change in the capital structure of the Transferor Company and the Transferee Company post sanctioning of the Scheme.
46. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
47. The following documents will be open for inspection by the unsecured creditors of the Transferor Company at its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India, between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting:
- (i) Copy of the final order passed by NCLT in CA(CAA) No. 23/NCLT/AHM/2017, dated 18th day of April 2017 directing the Transferor Company to, inter alia, convene the meeting of its unsecured creditors;
 - (ii) Copy of the final order passed by NCLT in CA(CAA) No. 24/NCLT/AHM/2017, dated 18th day of April 2017, inter alia, dispensing with the meetings of the equity shareholders of the Transferee Company;
 - (iii) Copy of the CA(CAA) No. 23/NCLT/AHM/2017 along with annexures filed by the Transferor Company before NCLT;
 - (iv) Copy of the CA(CAA) No. 24/NCLT/AHM/2017 along with annexures filed by the Transferee Company before NCLT;
 - (v) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company, respectively;
 - (vi) Copy of the annual reports of the Transferor Company and the Transferee Company, respectively, for the financial years ended 31st March 2015 and 31st March 2014, respectively;
 - (vii) Copy of the annual reports of the Transferor Company and the Transferee Company, respectively, for the financial year ended 31st March 2016;
 - (viii) Copy of the Supplementary Unaudited Accounting Statement of the Transferor Company and the Transferee Company, respectively, for the period ended 31st December 2016;
 - (ix) Statement showing assets and liabilities of the Marine Business Undertaking of the Transferor Company as on 31st March 2016 proposed to be transferred to the Transferee Company;
 - (x) Copy of the Register of Directors' shareholding of each of the Companies;
 - (xi) Copy of Valuation Report submitted by B S R & Associates LLP, Chartered Accountants;
 - (xii) Copy of the Audit Committee Report, dated 14th day of February 2017, of the Transferor Company;
 - (xiii) Copy of the Audit Committee Report, dated 14th day of February 2017, of the Transferee Company;
 - (xiv) Copy of the resolutions, dated 14th day of February 2017, passed by the respective Board of Directors of the Transferor Company and the Transferee Company, approving the Scheme;
 - (xv) Copy of the extracts of the minutes of the meetings, held on 14th day of February 2017, of the Board of Directors of the Transferor Company and the Transferee Company, respectively, in respect of the approval of the Scheme;
 - (xvi) Copy of the Statutory Auditors' certificate dated 14th day of February 2017 issued by M/s. S R B C & CO LLP, Chartered Accountants to the Transferor Company;
 - (xvii) Copy of the Statutory Auditors' certificate dated 14th day of February 2017 issued by M/s. Delloite Haskins & Sells, Chartered Accountants to the Transferee Company;
 - (xviii) Summary of the Valuation Report including the basis of valuation;
 - (xix) Copy of Form No. GNL-1 filed by the respective Companies with the concerned Registrar of Companies along with challan dated 4th day of April 2017, evidencing filing of the Scheme;
 - (xx) Copy of the certificate, dated 28th day of March 2017, issued by M/s. Dharmesh Parikh & Co., Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on 28th day of March 2017;
 - (xxi) Copy of the certificate, dated 28th day of March 2017, issued by M/s. Dharmesh Parikh & Co., Chartered Accountants, certifying that no amount is due and payable to the unsecured creditors of the Transferee Company as on 28th day of March 2017;

(xxii) Copy of the Scheme; and

(xxiii) Copy of the Reports, both dated 14th day of February 2017, adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively, pursuant to the provisions of Section 232(2)(c) of the Act.

The unsecured creditors shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (i), (ii), (vii), (xvi) and (xvii) above.

48. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement and Form of Proxy shall be furnished by the Transferor Company to its creditors, free of charge, within one (1) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the creditors of the Transferor Company.
49. After the Scheme is approved by the unsecured creditors of the Transferor Company, it will be subject to the approval/sanction by NCLT.

Sd/-
Komal Majmudar
Chairperson appointed for the meeting

Dated this 19th day of April 2017

Registered Office: Adani House,
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad- 380 009,
Gujarat, India.

**SCHEME OF ARRANGEMENT
BETWEEN
ADANI HAZIRA PORT PRIVATE LIMITED ...Transferor Company
AND
THE ADANI HARBOUR SERVICES PRIVATE LIMITED ... Transferee Company
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 of the Act (*as defined hereinafter*) and other relevant provisions of the Act for the transfer and vesting of the Marine Business Undertaking (*as defined hereinafter*) of the Transferor Company (*as defined hereinafter*) to the Transferee Company (*as defined hereinafter*) with effect from the Appointed Date (*as defined hereinafter*), as a going concern, on Slump Sale (*as defined hereinafter*) basis, and for which lump sum cash considerations shall be paid by the Transferee Company to the Transferor Company on the agreed terms and conditions as set out herein, in accordance with Section 2(42C) of the IT Act (*as defined hereinafter*) and for matters consequential, incidental, supplemental and/or otherwise integrally connected therewith.

PART I - GENERAL

1. INTRODUCTION

- 1.1. Adani Hazira Port Private Limited (the "**Transferor Company**") is a company incorporated on 7th December 2009 under the provisions of the Companies Act, 1956 in the name of Adani Hazira Port Private Limited. The Transferor Company is an unlisted public limited company having its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad- 380 009, Gujarat. The Transferor Company is a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited ("**APSEZ**").
- 1.2. The Transferor Company is an operator and developer of a multi cargo port at Hazira, Gujarat. The Transferor Company is also carrying on marine business operations involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea ("**Marine Business**").
- 1.3. The Adani Harbour Services Private Limited (the "**Transferee Company**") is a company incorporated on 2nd day of September 2009 under the provisions of the Companies Act, 1956 in the State of West Bengal in the name of TM Harbour Services Private Limited. The name of TM Harbour Services Private Limited was changed to The Adani Harbour Services Private Limited with effect from 22nd day of December 2016. The registered office of the Transferee Company was shifted from the State of West Bengal to the State of Gujarat vide Certificate of Registration dated 24th day of February 2017. The Transferee Company is an unlisted public limited company having its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, Gujarat. The Transferee Company is a wholly owned subsidiary of APSEZ.
- 1.4. The Transferee Company is carrying on marine business operations at Dhamra, Odisha, involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea.
- 1.5. Rationale for restructuring:
Both, the Transferor Company and the Transferee Company are carrying on marine business. Consolidating the similar businesses within one company would enable the business activities to be carried out with greater focus and specialization for sustained growth. It is expected that the proposed consolidation will allow more focused strategy, standardization in operations, operating cost optimization, better monitoring and utilization of assets, effective co-ordination with customers which in turn would enhance shareholder's value.

1.6. This Scheme is divided into the following parts:

- (i) **Part I**, which deals with the introduction, definitions, date of taking effect and share capital;
- (ii) **Part II**, which deals with the transfer and vesting of the Marine Business Undertaking; and
- (iii) **Part III**, which deals with general terms and conditions applicable to the Scheme.

2. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

"Act" or **"the Act"** means the Companies Act, 2013;

"Appointed Date" means 1st April 2016;

"Board" or **"Board of Directors"** in relation to the Companies means the board of directors of such company and, unless it be repugnant to the context, includes a duly authorised committee of directors;

"Companies" shall mean the Transferor Company and the Transferee Company;

"Effective Date" means the last of the dates on which all conditions, matters and filings referred to in Clause 23 hereof have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** shall mean the Effective Date;

"Employee Benefit Funds" shall have the meaning set forth in Clause 9.2;

"Encumbrance" or **"Encumber"** shall mean any: (i) encumbrance including without limitation any security interest, claim, mortgage, pledge, charge, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other similar interest held by the third person; (ii) security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable Law; (iii) right of pre-emption, right of first offer, or refusal or transfer restriction in favour of any person; and/or (iv) any adverse claim as to title, possession or use;

"Governmental Authority" shall mean any national, state, provincial, local or similar government, governmental, statutory, regulatory or administrative authority, government department, agency, commission, board, branch, tribunal or court or other entity authorized to make Laws, rules, regulations, standards, requirements, procedures or to pass directions or orders having the force of Law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law, or any stock exchange of India or any other country;

"IT Act" means the Income-tax Act, 1961 and rules made thereunder and shall include any statutory modification, amendment, or re-enactment thereof for the time being in force;

"Law" shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question;

"Marine Business Employees" shall mean all the employees of the Transferor Company employed in the Marine Business Undertaking;

"Marine Business Liabilities" shall have the meaning set forth in Clause 7.1;

"Marine Business Undertaking" means all the business, undertakings, activities, operations, properties and liabilities pertaining to the Marine Business, on a going concern basis, and shall mean and include, without limitation:

- a) all the assets and properties of Marine Business, tangible or intangible, real or personal, in possession or reversion, including tugs, associated equipments, fire fighting systems, equipments for fighting oil spill along with oil spill dispersion and spray boom, stores, benefits of use of

premises, current assets (including inventories, loans and advances), supplies, computers, communication facilities, installations, tools and plants, furniture, fixtures, office equipments, appliances, accessories, insurances, actionable claims, bank balances, deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, customers and other persons, provisions and tax related assets/credits appertaining or relating to Marine Business;

- b) all permits, licences, permissions, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates (including International Convention on the Control of Harmful Anti-Fouling Systems on Ships together with Record of Anti-Fouling Systems; Minimum Safe Manning Document issued under the provisions of International Convention for the Safety of Life at Sea, 1974; Certificate of Indian Registry along with Certificate of Survey issued under the provisions of Merchant Shipping Act, 1958; International Tonnage Certificate issued under the provisions of the International Convention on Tonnage Measurement of Ships, 1969; Certificate of class issued by Indian Register of Shipping; General Trading/Specific Period Licence; Indian river sea safety Certificate issued by Indian Register of Shipping as per River Sea Vessel Type Rules; Continuous Synopsis Record issued by MMD/DG Shipping; Maritime Mobile Station Licence issued by Wireless Planning Commission, Hull & Machinery Insurance Certificate; Personal & Indemnity Cover for wreck removal & oil spill recovery and Harbour craft licence issued by Gujarat Maritime Board for operating within their area of water), awards, sanctions, allotments, no objection certificates, exemptions, concessions, liberties and advantages (including licences/permits granted/issued/given by any Governmental Authority for the purpose of carrying on the Marine Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain to the Marine Business;
- c) all contracts, agreements, purchase/service orders, operation and maintenance contract, memorandum of understanding, memorandum of undertakings, memorandum of agreed points, minutes of meetings, expression of interest, arrangements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/ service providers, undertakings, deeds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all the rights, title, interests, claims and benefits thereunder pertaining to the Marine Business;
- d) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company pertaining to or in connection with or relating to the Transferor Company in respect of the Marine Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and pertaining to the Marine Business;
- e) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), applications (including hardware, software, source codes, parameterization and scripts), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, brochures, pamphlets, quotations, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Marine Business;
- f) advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company in relation to the Marine Business, including all intellectual property rights used in relation to the Marine Business;

- g) all debts, liabilities including contingent liabilities, duties, taxes and obligations of the Transferor Company pertaining to the Marine Business and/or arising out of and/or relating to the Marine Business;
- h) all the Transferor Company Employees employed in the Marine Business as on the Effective Date;
- i) all legal or other proceedings of whatsoever nature that pertain to the Marine Business;

Explanation:

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Marine Business or whether it arises out of the activities or operations of the Marine Business, the same shall be decided by mutual agreement between Board of Directors of the Transferor Company and the Transferee Company;

“NCLT” means the National Company Law Tribunal, Bench, at Ahmedabad;

“Remaining Business” shall mean all the undertakings, businesses, activities, operations, assets and liabilities of the Transferor Company, other than those comprised in the Marine Business Undertaking;

“Scheme” or “the Scheme” or “this Scheme” shall mean this scheme of arrangement including any modification or amendment hereto, made in accordance with the terms hereof;

“Slump Sale” means Slump Sale as defined under Section 2(42C) of the IT Act;

“Transferee Company” shall have the meaning set forth in Clause 1.3;

“Transferor Company” shall have the meaning set forth in Clause 1.1.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1 The authorised, issued, subscribed and paid up share capital of the Transferor Company as at 28th day of February 2017 was as under:

Share Capital	Amount (in Rs.)
Authorized Share Capital 75,00,00,000 Equity Shares of Rs. 10 each	750,00,00,000
TOTAL	750,00,00,000
Issued, Subscribed and Paid-Up Share Capital 71,54,70,000 fully paid up Equity Shares of Rs. 10 each	715,47,00,000
TOTAL	715,47,00,000

4.2 The authorised, issued, subscribed and paid up share capital of the Transferee Company as at 28th day of February 2017 was as under:

Share Capital	Amount (in Rs.)
Authorized Share Capital 8,00,00,000 Equity Shares of Rs. 10 each	80,00,00,000
TOTAL	80,00,00,000
Issued, Subscribed and Paid-Up Share Capital 5,76,92,155 fully paid up Equity Shares of Rs. 10 each	57,69,21,550
TOTAL	57,69,21,550

PART II –TRANSFER AND VESTING OF THE MARINE BUSINESS UNDERTAKING
SECTION 1 - TRANSFER AND VESTING OF THE MARINE BUSINESS UNDERTAKING

5. Transfer of Assets

- 5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Marine Business Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Marine Business Undertaking) shall, subject to the provisions of this Clause 5 in relation to the mode of transfer and vesting and pursuant to Section 232(4) of the Act and without any further act or deed, be transferred to and vested in the Transferee Company or be deemed to have been transferred to and vested in the Transferee Company as a going concern basis by way of a Slump Sale, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- 5.2. In respect of such of the assets of the Marine Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same shall be so transferred by the Transferor Company, upon the coming into effect of this Scheme, and shall become the property of the Transferee Company as an integral part of the Marine Business Undertaking with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- 5.3. In respect of movables other than those dealt with in Clause 5.2 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority, quasi-governmental authority, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).
- 5.4. In respect of such of the assets belonging to the Marine Business Undertaking other than those referred to in Clauses 5.2 and 5.3 above, the same shall, as more particularly provided in Clause 5.1 above, without any further act, instrument or deed, be transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act.
- 5.5. All assets, rights, title, interest and investments of the Transferor Company in relation to the Marine Business Undertaking shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act.
- 5.6. Without prejudice to the generality of the foregoing, upon the effectiveness of this Scheme, the Transferee Company will be entitled to all the intellectual property rights of the Transferor Company in relation to the Marine Business Undertaking. The Transferee Company may take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company.
- 5.7. Any assets acquired by the Transferor Company after the Appointed Date but prior to the Effective Date pertaining to the Marine Business Undertaking shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Transferee Company upon the coming into effect of this Scheme.

- 5.8. For the avoidance of doubt, upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Transferor Company in any leasehold/licensed properties in relation to the Marine Business Undertaking shall, pursuant to Section 232 (4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed.
- 5.9. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in relation to or in connection with the Marine Business Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to or in connection with the Marine Business Undertaking of the Transferor Company, in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Marine Business Undertaking to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 5.10. For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of the Transferor Company, in relation to or in connection with the Marine Business Undertaking, has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank account of the Transferor Company, in relation to or in connection with the Marine Business Undertaking, in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which is in the name of the Transferor Company, in relation to or in connection with the Marine Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company, in relation to or in connection with the Marine Business Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company, in relation to or in connection with the Marine Business Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which is in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of this Scheme.

6. Transfer of contracts, deeds, etc.

- 6.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme including Clause 7, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Marine Business Undertaking, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which is subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- 6.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Marine Business Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- 6.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all approvals, consents, benefits, registrations, entitlements, credits, permissions, licenses, certificates, no objection certificates, exemptions,

concessions, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the Marine Business Undertaking shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Governmental Authority as may be necessary in this behalf.

- 6.4. Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Marine Business Undertaking which the Transferor Company own or to which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company, insofar as it is permissible so to do, till such time as the transfer is effected.

7. Transfer of Liabilities

- 7.1. Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind, nature or description (including contingent liabilities which arise out of the activities or operations of the Marine Business Undertaking) of the Transferor Company as on the Appointed Date and relating to the Marine Business Undertaking ("**Marine Business Liabilities**") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of the Transferee Company which shall meet, discharge and satisfy the same.
- 7.2. Where any of the loans raised and used, debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company has been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 7.3. Upon the coming into effect of this Scheme, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Transferor Company for the operations of the Marine Business Undertaking with effect from the Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the loans, debts, liabilities, duties and obligations of the Transferee Company.
- 7.4. In so far as the existing Encumbrances, if any, in respect of the Marine Business Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Marine Business Undertaking which has been Encumbered in respect of the Marine Business Liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in the Marine Business Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Marine Business Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 7.5. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business is concerned, subject to Clause 7.4, the Encumbrances, if any, over such assets relating to the Marine Business Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and discharged from the obligations and Encumbrances relating to the same. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Marine Business Undertaking is concerned, the Encumbrances over such assets

relating to any loans, borrowings or other debts or debt securities which are not transferred pursuant to this Scheme (and which shall continue with the Transferor Company), shall without any further act or deed be released from such Encumbrances and shall no longer be available as security in relation to such liabilities.

- 7.6. Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the registrar of companies to give formal effect to the above provisions, if required.
- 7.7. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Marine Business Liabilities, which have been transferred to it in terms of this Scheme, and the Transferor Company shall not have any obligations in respect of such Marine Business Liabilities.
- 7.8. It is expressly provided that, save as mentioned in this Clause 7, no other term or condition of the liabilities transferred to the Transferee Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 7.9. The provisions of this Clause 7 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

8. Legal, taxation and other proceedings

- 8.1. Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against the Transferor Company and relating to the Marine Business Undertaking, under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter, shall be continued and enforced by or against the Transferee Company after the Effective Date. The Transferor Company shall in no event be responsible or liable in relation to any such legal or other proceedings against the Transferee Company. The Transferee Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Transferor Company.
- 8.2. If proceedings are taken against the Transferor Company in respect of the matters referred to in Clause 8.1 above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the latter shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.
- 8.3. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 8.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Companies shall make relevant applications in that behalf.

9. Employees

- 9.1. Upon the coming into effect of this Scheme, the Marine Business Employees in relation to the Marine Business Undertaking (the "**Transferred Employees**") shall become the employees of the Transferee Company with effect from the Effective Date, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are employed by the Transferor Company in the Marine Business Undertaking and without any interruption of, or break in, service as a result of the transfer of the Marine Business Undertaking. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- 9.2. In so far as the existing benefits including provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company inter alia for its employees (including employees of the Marine Business Undertaking) are

concerned (collectively referred to as the **"Employee Benefit Funds"**), such proportion of the investments made in the Employee Benefit Funds and liabilities which are referable to the Transferred Employees shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Employee Benefit Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Marine Business Undertaking or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund in respect of any of the aforesaid matters, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute in respect of the Transferred Employees to the Employee Benefit Funds or discharge such liabilities of the Transferor Company, until such time that the Transferee Company creates its own fund, at which time the Employee Benefit Funds, investments, contributions and liabilities pertaining to the Transferred Employees shall be transferred to the funds created by the Transferee Company.

- 9.3. In relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the employees being transferred to the Transferee Company, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Transferred Employees.
- 9.4. In so far as the existing benefits or funds created by the Transferor Company for the employees of the Remaining Business are concerned, the same shall continue and the Transferor Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held inter alia for the benefit of the employees of the Remaining Business and the Transferee Company shall have no liability in respect thereof.

SECTION 2 – CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

10. The Transferor Company, with effect from the Appointed Date and up to and including the Effective Date:
- (i) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Marine Business Undertaking and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Marine Business Undertaking for and on account of, and in trust for, the Transferee Company;
 - (ii) all profits and income accruing to the Transferor Company from the Marine Business Undertaking, and losses and expenditure incurred by it (including taxes), relating to the Marine Business Undertaking for the period from the Appointed Date based on the accounts of the Transferor Company shall, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company, except those specifically forming part of the Remaining Business; and
 - (iii) any of the rights, powers, authorities, privileges, attached, related or pertaining to the Marine Business Undertaking exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Marine Business Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company.
11. The Transferor Company undertakes that it shall preserve and carry on the business of the Marine Business Undertaking with business prudence.
12. The transfer and vesting of the assets, liabilities and obligations of the Marine Business Undertaking and the continuance of the proceedings by or against the Transferee Company under this Scheme shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date to the end and intent that, subject to the provisions of this Section 2, the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

SECTION 3 –REMAINING BUSINESS

13. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or lenders.
14. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company after the Effective Date, which shall keep the Transferee Company fully indemnified in that behalf.
15. If proceedings are taken against the Transferee Company in respect of the matters referred to in Clause 14 above, it shall defend the same in accordance with the advice of the Transferor Company and at the cost of the Transferor Company, and the latter shall reimburse and indemnify the Transferee Company against all liabilities and obligations incurred by the Transferee Company in respect thereof.
16. Up to and including the Effective Date:
 - (i) the Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - (ii) all profits accruing to the Transferor Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company; and
 - (iii) all assets and properties acquired by the Transferor Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company.

SECTION 4 – CONSIDERATION BY THE TRANSFEE COMPANY

17. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Marine Business Undertaking of the Transferor Company in the Transferee Company by way of Slump Sale on a going concern basis, in accordance with the terms of this Scheme and pursuant to the provisions of Sections 231-232 and other relevant provisions of the Act, the Transferee Company shall pay a lump sum consideration of INR 225 crores (Rupees Two Hundred Twenty Five Crores only) to the Transferor Company as adjusted by the loans and interests accrued thereon.

SECTION 5 - ACCOUNTING TREATMENT

18. Accounting treatment in the books of the Transferor Company

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

- 18.1. The Transferor Company shall de-recognize from its books, the book value of assets and liabilities of the Marine Business Undertaking, transferred to the Transferee Company including the rights, interests and obligations of the Transferor Company in such assets and liabilities under the Scheme.
- 18.2. In compliance with the Indian Accounting Standards (Ind AS), the difference between the lump sum consideration as per Clause 17 of this Scheme and the book value of the net assets, if any pertaining to the Marine Business Undertaking, shall be recognized in the statement of profit and loss of the Transferor Company.
- 18.3. For the purpose of Clause 18.2 above, the book value of net assets shall be computed as the value of assets less the value of the liabilities of the Transferor Company, pertaining to the Marine Business Undertaking transferred to and vested in the Transferee Company

19. Accounting treatment in the books of the Transferee Company

- 19.1. The Transferee Company shall account for the transfer and vesting of the Marine Business Undertaking in its books of account as per the "Pooling of Interest Method" prescribed under Indian Accounting Standard 103 – "Business Combinations" notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.

- 19.2. All the assets and liabilities of the Transferor Company pertaining to Marine Business Undertaking shall stand transferred to, and the same shall be recorded by, the Transferee Company at their respective carrying amount and in the same form as appearing in the books of the account of the Transferor Company.
- 19.3. The amount of inter-company balances, transactions or investments, if any, between the Transferor Company pertaining to the Marine Business Undertaking and the Transferee Company, appearing in the books of accounts of the Transferor Company and the Transferee Company, shall stand cancelled without any further act or deed.
- 19.4. If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the Capital Reserve Account of the Transferee Company.

PART III – GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part II of this Scheme.

20. Applications

- (i) The Companies shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230-232 of the Act.
- (ii) The Transferee Company shall be entitled, pending the effectiveness of this Scheme, to apply to any Governmental Authority, if required, under any Law for such consents and approvals which the Transferee Company may require to carry on the business transferred to it pursuant to this Scheme.

21. Modifications to the Scheme

- 21.1. The Companies (by their respective Board of Directors), may jointly and as mutually agreed in writing:
 - (i) in their full and absolute discretion, assent to any alteration(s) or modification(s) to this Scheme which NCLT may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, including, without limitation, any modifications to the accounting treatment set out in the Scheme due to any change in regulatory or compliance requirements being made applicable to the Companies or to the matters set forth in this Scheme, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
 - (ii) to give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under Law);
 - (iii) in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time; and
 - (iv) to determine whether any asset, liability, employee, legal or other proceedings pertains to the Marine Business Undertaking, or not, on the basis of any evidence that they may deem relevant for this purpose.
- 21.2. Any modification to the Scheme by the Transferor Company and/or the Transferee Company, after receipt of sanction by the NCLT, shall be made only with the prior approval of the NCLT.

22. Scheme as an integral whole and Severability

- (i) The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Companies.
- (ii) If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies in writing, affect the validity or implementation of the other parts and/or provisions of this Scheme.

23. Scheme conditional on

The coming into effect of this Scheme is conditional upon and subject to:

- (i) this Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies as required under the Act and the requisite orders of the NCLT, or dispensation having been received from the NCLT in relation to obtaining such approval from the shareholders and/or creditors;
- (ii) the NCLT having accorded its sanction to the Scheme; and
- (iii) the certified copies of the orders of the NCLT approving this Scheme being filed with the registrar of companies.

24. Reconstruction of accounts

Upon the coming into effect of this Scheme, the accounts of the Transferor Company and the Transferee Company, as and from the Appointed Date, shall be reconstructed in accordance with and pursuant to the terms of this Scheme.

25. Taxes

25.1. All taxes (including income tax, sales tax, excise duty, custom duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Marine Business Undertaking before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, service tax, VAT, etc. but excluding any income tax, payment by way of deduction at source and advance tax, by the Transferor Company in respect of the profits or activities or operation of the Marine Business Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company (except as specifically provided in relation to the Remaining Business) and shall, in all proceedings, be dealt with accordingly.

25.2. Upon the coming into effect of this Scheme, the Transferee Company and the Transferor Company shall file/revise their income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim refunds, credit of tax deducted at source, credit of foreign taxes paid/withheld etc., if any (except as specifically provided in relation to the Remaining Business), as may be required consequent to implementation of this Scheme. Such returns shall be revised and filed based on reconstructed accounts drawn up with effect from Appointed Date and any tax including Minimum Alternate Tax shall be computed accordingly, notwithstanding that the statutory period for such revision and filing may have expired.

26. Effect of non-receipt of approvals

In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and the Companies shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

27. Costs

Subject to Clause 26 above, all costs, charges, levies and expenses (including, but not limited to, stamp duty, etc.) in relation to or in connection with the Scheme and incidental to the completion of the Scheme and of carrying out the terms of this Scheme shall be borne and paid by the Transferee Company.

VALUATION REPORT

B S R & Associates LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Chief Financial Officer
Adani Hazira Port Private Limited
Adani House
Nr Mithakhali Six Roads
Navrangpura
Ahmedabad - Gujrat
380009

Chief Financial Officer
The Adani Harbour Services Private Limited
Tata centre, 43
Jawahar Lal Nehru Road
Kolkata – West Bengal
700071

14 February 2017

Sub: Valuation for the proposed transfer of tug vessels operations of Adani Hazira Port Private Limited under a court scheme by B S R & Associates LLP

Dear Sirs,

We refer to the engagement letter dated 11 January 2017 (LoE) with B S R & Associates LLP (hereinafter referred to as "B S R" or "us" or "we") wherein Adani Ports and Special Economic Zone Limited ("APSEZ", the "Client", or "You") has requested B S R to carry out valuation of tug vessel operations of Adani Hazira Port Private Limited ("AHPPL" or "Company") ("Marine Business") proposed to be transferred to The Adani Harbour Services Private Limited ("TAHSPL") under a court scheme ("Proposed Transfer"). This report is being addressed to you at the request of the Client, by virtue of you being an Other Beneficiary under the LoE.

You alone will determine whether or to what extent the work which we were called upon to undertake and the scope of our report, as defined in the LoE, are likely to satisfy your interests and needs. The report is not intended to, and does not, constitute any form of warranty or indemnity. Our relationship shall continue to be governed as per the terms of the LoE.

SCOPE AND PURPOSE OF THE VALUATION REPORT

Adani Hazira Port Private Limited ("AHPPL"), wholly owned subsidiary company of APSEZ, engaged in the business of developing, operating and maintaining the port and port-based related facilities. AHPPL owns and operates 5 tugs to facilitate port operations at port of Hazira ("Marine Business").

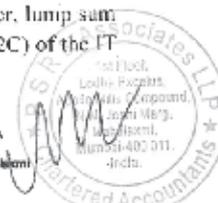
APSEZ, on 7th December 2016, acquired TM Harbour Services Private Limited (TMHSPL), a company engaged in business of chartering of tug vessel to The Dharma Port Company Limited (DPCL) – also subsidiary of APSEZ. Post-acquisition, TMHSPL has been rechristened as The Adani Harbour Services Private Limited (TAHSPL) with effect from 22nd December, 2016.

We understand that AHPPL want to consolidate its tug vessels operations in TAHSPL and transfer the Marine Business to TAHSPL within a court scheme.

The Appointed Date for the Proposed Transfer is 1st April 2016. This is proposed to be achieved by way of a scheme of arrangement under Section 230 – 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for transfer and vesting of the Marine Business to TAHSPL as a going concern, on slump sale basis ("Scheme"). Under the Scheme of Proposed Transfer, lump sum cash consideration shall be paid by TAHSPL to AHPPL, in accordance with Section 2(42C) of the IT Act.

B S R & Associates (a partnership firm with
Registration No. BA682261 converted into
B S R & Associates LLP (a Limited Liability
Partnership with LLP Registration No. AAB-B182)
with effect from October 4, 2013

Registered Office
5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011



B S R has been requested by the management of AHPL (“Management”) to carry out valuation of the Marine Business and submit a Valuation Report (“Valuation Report”) in connection with the Proposed Transfer.

We understand that this Valuation Report will be used for the above mentioned purpose only and may be produced before judicial, regulatory or government authorities, for the purpose of the Proposed Transfer.

This Valuation Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the Valuation Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

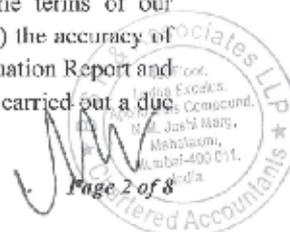
Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The service does not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Valuation Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; and (ii) the date of this Valuation Report. Further, based on the carved out balance sheet of the Marine Business as on 31 December 2016 (“Period end Balance Sheet”).

A valuation of this nature is necessarily based on (a) representations from the Management, financial, economic and other conditions in general and industry trends in particular as in effect on and (b) the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this Valuation Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Valuation Report.

This Valuation Report only represents our recommendation based upon information received from the Company till 14 February 2017 and other sources and the said recommendation shall be considered to be in the nature of non-binding advice. Further, Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided our recommendation of the Valuation of the Marine Business based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Valuation. You acknowledge and agree that you have the final responsibility for the determination of the valuation at which the Proposed Transfer shall take place and factors other than our Valuation Report will need to be taken into account in determining the Valuation.

In the course of the Valuation, we were provided with both written and verbal information/guidance, including market, technical, financial and operating data. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this Valuation Report and (ii) the accuracy of information made available to us by the Company. We have not carried out a due



diligence or audit of the Marine Business for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided. We are not legal or regulatory advisors with respect to legal and regulatory matters for the Proposed Transfer. We do not express any form of assurance that the financial information or other information as prepared and provided by the Company is accurate. Also, with respect to explanations and information sought from the Company, we have been given to understand by the Company that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Company. The Management has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Company and its impact on the Valuation Report. Also, we assume no responsibility for technical information (if any) furnished by the Company. However nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the Valuation Report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

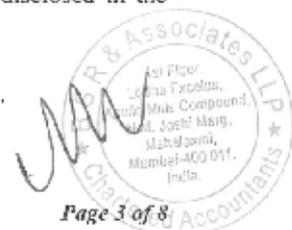
In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Company, their directors, employees or agents. In no circumstances shall the liability of a B S R, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to B S R in respect of the fees charged by it for these services.

The Valuation Report assumes that the Company and Marine Business comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Marine Business will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in Period end Balance Sheets of the Marine Business. Our conclusion of value assumes that the assets and liabilities of the Marine Business, reflected in their respective latest balance sheets remain intact as of the Valuation Report date.

This Valuation Report does not address the relative merits of the Proposed Transfer as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the AHPPL's claim to title of assets has been made for the purpose of this Valuation Report and the Company's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances, if any against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

The fee for the Engagement is not contingent upon the results of the Valuation Report.



We owe responsibility to the Company which has retained us, and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of the other. We do not accept any liability to any third party in relation to the issue of this Valuation Report. This Valuation Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose. It is understood that this analysis does not represent a fairness opinion.

Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement. Further, it cannot be used for purpose other than in connection with the Proposed Transfer, without our prior consent. In addition, this Valuation Report does not in any manner address the prices at which Proposed Transfer will take place and we express no opinion or recommendation as to how the shareholders of either Company should vote at any shareholders meeting(s) to be held in connection with the Proposed Transfer.

SOURCES OF INFORMATION

In connection with preparing this Valuation Report, we have received the following information from the Management:

- Unaudited carved out costs pertaining to the Marine Business for FY 2014, FY 2015, FY 2016 and nine month period ending 31 December 2016;
- Projected cash flows for the Marine Business from 1 Jan 2017 to 31 March 2032 (Management Business Plan);
- Interviews and discussions with the Management to augment our knowledge of the Marine Business;
- Draft scheme of Arrangement ;
- Certificate for Replacement value of Tugs dated 11 January 2017 issued by UBA Insurance Surveyors and loss assessors LLP provided to us by the Management;
- Other information, explanations and representations that were required and provided by the Management;
- For our analysis, we have relied on published and secondary sources of data, whether or not made available by Management. We have not independently verified the accuracy or timeliness of the same; and
- Such other analysis, review and enquires, as we considered necessary.

OVERVIEW OF MARINE BUSINESS

AHPPL owns a fleet of 5 tugs to facilitate port operations at AIIPPL's port at Hazira. The Marine Business involves piloting and mooring of vessels using tugs, berthing and de-berthing, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea.

AHPPL owns three 55 hollard pull tugs and two 70 bollard pull tugs with an average used life of 3 years. Typically a tug has a useful life of 15 years and the charter rates of a tug is dependent on the age of a tug.



APPROACH - BASIS OF TRANSFER

The Proposed Transfer contemplates the transfer of Marine Business to TAHSPIL pursuant to the Scheme.

There are several commonly used and accepted methods for determining the valuation of Marine Business, which have been considered in the present case, to the extent relevant and applicable, including:

1. Replacement Cost method
2. Discounted Cash Flows method
3. Comparable Companies' Multiples and Transaction multiples method
4. Market Price method

It should be understood that the valuation of any business or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Company/Marine Business. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Marine Business, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for Proposed Transfer of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Replacement Cost Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis.

The Replacement cost estimates the value of an asset based on the current cost to purchase or replace that asset. The Replacement cost method reflects the idea that the fair value of an asset should not exceed the cost to obtain a substitute asset of comparable features and functionality. This method is based on the assumption that a prudent investor would pay no more for an asset than the amount for which he could replace or re-create an asset with similar utility.

Given that the Marine Business is asset intensive, we have considered replacement cost method as primary method for our analysis. The estimate of replacement cost of the tugs based on tug type and the years in operations is as per the report dated 11 January 2017 provided by "UBA Insurance surveyors and loss Assessors LLP", as provided by the Management. (Refer Annexure 1)

Discounted Cash Flows ("DCF") Method

Under the DCF method, the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.



BASIS OF TRANSFER

The basis of transfer of the Marine Business have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different valuation ranges have been arrived at under each of the above methodologies, it is necessary to arrive at a single valuation range for the Marine Business. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

We have assigned appropriate weightages to the value range, arrived using the Replacement Cost method and DCF method, to arrive at the valuation range for the Marine Business.

Based on the factors discussed and outlined above, the valuation of the Marine Business for the purpose of transfer is as follows:

Valuation Summary:

INR million	Low	High	Weights*	Comments
Replacement Cost Approach	2,330	2,500	75%	Refer Annexure 1 for detailed workings
Discounted Cash Flow Approach	1,690	1,868	25%	Refer Annexure 2 for detailed workings
Concluded Valuation	2,170	2,342	100%	

**The Marine Business is asset intensive, we have considered replacement cost method as primary method for our analysis. As the DCF method assumes the Proposed Transfer being effective, we considered the same as a corroborative method.*

Respectfully submitted,

**For B S R & Associates LLP
Chartered Accountants**

Firm Registration No: 116231W

(Signature)
Mahek Vikamsey

Partner

Membership No: 108235

Dated: 14 February 2017



Annexure 1 - Replacement Cost Method

IMR million				Cost*	
Tug Type	Year of Purchase	CY	Used Life	High	Low
55 - half fifi					
	2012	2016	4	640	600
	2012	2016	4	640	600
	2016	2016	1	750	700
				2030	1900
70 half fifi					
	2012	2016	4	220	200
	2013	2016	3	220	200
				440	400
Total Value				2470	2300
Add: Net working capital at					
Book Value as at 31 Dec 2016					
				30	30
Total Value				2,500	2,330
Grand Total					

Source: Management

*The estimate of replacement cost of the tugs based on tug type and the years in operations is as per the report dated 11 January 2017 provided by "UBA Insurance surveyors and loss Assessors LLP", as provided by the Management



Annexure 2 - Discounted Cash Flow Method

Summary of value	
INR million	
Primary value	1,307
Terminal value ¹	772
Enterprise value ²	1,779

Discounted cash flow	2017		2018		2019		2020		2021		2022		2023		2024		2025		
	3 months	12 months																	
FYE 31 March	162	425	442	440	478	497	517	528	559										
Revenue		(60.8)%		4.0%		4.0%		4.0%		4.0%		4.0%		4.0%		4.0%		4.0%	
y-o-y growth		76	315	327	339	352	379	393	407										
EBITDA		74.3%		73.8%		73.7%		73.6%		73.6%		73.2%		73.2%		73.0%		72.6%	
EBITDA margin (%)		(78)	(351)	(351)	(351)	(351)	(351)	(351)	(351)										
Less: Depreciation		3	(38)	(11)	1	14	23	42	42										
EBIT		2.6%	(8.4)%	(5.4)%	(2.5)%	0.3%	2.9%	5.6%	7.6%										
EBIT margin (%)		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)										
Less: Taxes on EBIT		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)										
(Increase)/decrease in net working																			
Less: Capital expenditure		76	314	328	338	360	364	377	391										
Free cash flows to the firm		0.125	0.750	1.750	2.750	3.750	4.750	5.750	6.750										
Period factor - mid year		0.984	0.910	0.803	0.709	0.628	0.552	0.487	0.430										
Discount factor - mid year		76	286	282	239	219	201	184	168										
Present value of cash flows																			

Discounted cash flow	2026		2027		2028		2029		2030		2031		2032	
	12 months													
FYE 31 March	582	605	702	730	760	790	822							
Revenue		4.0%		4.0%		4.0%		4.0%		4.0%		4.0%		4.0%
y-o-y growth		423	438	528	568	590	612							
EBITDA		72.6%		75.1%		76.0%		74.8%		74.8%		74.4%		74.4%
EBITDA margin (%)		(351)	(351)	(351)	(351)	(351)	(351)							
Less: Depreciation		72	88	177	187	218	239	261						
EBIT		12.4%		25.2%		27.0%		28.6%		30.2%		31.9%		31.9%
EBIT margin (%)		(0)	(0)	(0)	(0)	(0)	(0)	(0)		(0)		(0)		(0)
Less: Taxes on EBIT		(2)	(2)	(8)	(2)	(2)	(2)	(2)		(2)		(2)		(2)
(Increase)/decrease in net working														
Less: Capital expenditure		421	437	(4,714)	549	568	(655)	609						
Free cash flows to the firm		6.760	8.750	10.750	11.750	12.750	13.750	14.750						
Period factor - mid year		0.338	0.295	0.261	0.230	0.202	0.179	0.159						
Discount factor - mid year		141	129	(1,229)	126	115	(158)	98						
Present value of cash flows														

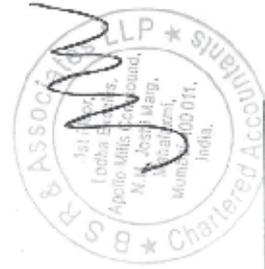
Source: Management

The Enterprise value of INR 1,779 million with +/- 5%, is in the range of INR 1,690 million to INR 1,868 million

Note(s):

1. For terminal value calculation a residual value has been assumed equal to the book value of assets and working capital of Marine Business operations at the end of the concession agreement granted to AHPPL for operations at port of Hazira.

2. We understand that all debt attributable to the tugs will be paid prior to the Proposed arrangement and hence no debt has been considered in our analysis.



ANNEXURE 2 - WACC

Parameters		
Risk Free rate R(f)	6.50%	The nominal risk-free rate is derived based on the long-term bond yield rates. The yield on a 10 year benchmark Government of India Securities (G-sec) was approximately 6.5 per cent (Bloomberg)
Equity Risk premium R(m) – R(f)	7.00%	Market rate of return is based on the normal long term return from the Indian stock market (rounded). The equity risk premium for India is 7.0 per cent (DA Analysis).
Beta (β)	0.97	We have considered the average unlevered adjusted 3 yr beta of APSEZ and Gujarat Pipavav Port Limited as on the Valuation date. Based on our computation / selection the unlevered Beta is 0.97. (Source: Bloomberg/CapitalIQ)
Discount rate	13.32%	$R_f + \beta * (R(m) - R(f))$





SUMMARY OF VALUATION REPORT INCLUDING THE BASIS OF VALUATION

Adani Hazira Port Private Limited <u>Registered Office:</u> Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009 CIN: U45209GJ2009PTC058789	The Adani Harbour Services Private Limited <u>Registered Office:</u> Tata Centre, 43, Jawahar Lal Nehru Road, Kolkata-700071 CIN: U61100WB2009FTC138168
---	---

Background:

- Adani Hazira Port Private Limited ('Transferor Company') is a developer and operator of a multi cargo port at Hazira, Gujarat. The Transferor Company is also carrying on marine business operations involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea
- The Adani Harbour Services Private Limited ('Transferee Company') is carrying on marine business operations at Dhamra, Odisha, involving piloting and movement of vessels using tugs, berthing and de-berthing of vessels using tugs, marine logistic support services, towage and transshipment within in-land waterways, in coastal waters and sea.
- Both, the Transferor Company and the Transferee Company are carrying on marine business. Consolidating the similar businesses within one company would enable the business activities to be carried out with greater focus and specialization for sustained growth. It is expected that the proposed consolidation will allow more focused strategy, standardization in operations, operating cost optimization, better monitoring and utilization of assets, effective co-ordination with customers which in turn would enhance shareholder's value.
- Accordingly, the Scheme under Sections 230 – 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, for the transfer and vesting of the Marine Business Undertaking of the Transferor Company to Transferee Company with effect from 1st April 2016, as going concern, on Slump Sale basis, and for which a lump sum consideration shall be paid by Transferee Company on the agreed terms and conditions of the Scheme.

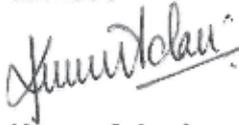
Basis of valuation

- B S R & Associates LLP, Independent Chartered Accountants had carried out valuation on the basis of combination of replacement cost method and discounted cash flow method, giving 75% weightage to replacement cost method and giving 25% weightage to discounted cash flow method and have proposed transfer of Marine Business Undertaking between INR 217.00 Crores and INR 234.20 Crores.



Based on the valuation report, the Board of Directors approved the lump sum consideration of Rs. 225 crores as adjusted by the loans and interest accrued thereon for transfer and vesting of Marine Business Undertaking to the Transferee Company.

For, Adani Hazira Port Private
Limited



Karan Adani
Chairman



For, The Adani Harbour Services
Private Limited



Unmesh Abhyankar
Chairman & Managing Director



Date: 14.02.2017
Place: Ahmedabad

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF THE TRANSFEROR COMPANY

adani™

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADANI HAZIRA PORT PRIVATE LIMITED AT ITS MEETING HELD ON 14TH DAY OF FEBRUARY, 2017 EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTERS SHAREHOLDERS

1. Background

- 1.1. The proposed Scheme of Arrangement between Adani Hazira Port Private Limited ("Transferor Company") and The Adani Harbour Services Private Limited ("Transferee Company") and their respective shareholders and creditors (the "Scheme") was approved by the Board of Directors of the Transferor Company vide resolution dated 14th day of February, 2017. Provisions of Section 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of arrangement on equity shareholders, key managerial personnel (KMPs), promoters and non-promoter shareholders of the Transferor Company laying out in particular the share exchange ratio and the same is required to be circulated to the equity shareholders. The Board of Directors of the Transferor Company noted that in the Scheme there is no allotment of shares.
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.3. The Board of Directors took note of the following:
 - 1.3.1. Draft Scheme duly initialed by the Company Secretary for the purpose of identification;
 - 1.3.2. Valuation report dated 14th day of February, 2017 of B S R & Associates LLP, (the "Valuer"), independent chartered accountants describing the methodology adopted by them in arriving at the valuation of Marine Business Undertaking ("Valuation Report");
 - 1.3.3. Report of the Audit Committee of the Board of Directors of the Transferor Company dated 14th day of February 2017;
 - 1.3.4. Summary of the Valuation Report along with the basis of such valuation.

Adani Hazira Port Pvt Ltd
Adani House
Nr Mithakhali Six Roads, Navrangpura
Ahmedabad 380 009
Gujarat, India
CIN: U45209GJ2009PTCC058789

Tel: +91 79 2656 5555
Fax: +91 79 2555 5500
Info@adani.com
www.adani.com



Registered Office: Adani House, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India

2. Effect of the Scheme on shareholders, key managerial personnel, promoters and non-promoter shareholders

- 2.1. Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders (i.e. promoter shareholders) as the Marine Business Undertaking of the Transferor Company shall stand transferred to and vested in the Transferee Company.
- 2.2. In respect of the Scheme, an arrangement is sought to be entered into between the Transferor Company and its creditors though no liabilities of the creditors of the Transferor Company is being reduced or being extinguished under the Scheme.
- 2.3. As on date, the Transferor Company has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees do not arise.
- 2.4. Under clause 9 of Part II of the Scheme, on and from the Effective Date, the Transferee Company undertakes to engage the employees of the Transferor Company, engaged in or in relation to the Marine Business Undertaking, on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the same manner as provided under clause 9 of Part II of the Scheme. In the circumstances, the rights of the employees of the Transferor Company, engaged in or in relation to the Marine Business Undertaking, would in no way be affected by the Scheme. Further, the employees engaged in the Remaining Business of the Transferor Company shall continue to be employed by the Transferor Company.
- 2.5. There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferor Company.
- 2.6. Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by one of the Key Managerial Personnel of the Transferor Company in the Transferee





Company as nominee of Adani Ports and Special Economic Zone Limited and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the company that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

3. Valuation:

- 3.1. B S R & Associates LLP (the "Valuer"), independent chartered accountants had carried out valuation on the basis of combination of replacement cost method and discounted cash flow method, giving 75% weightage to replacement cost method and giving 25% weightage to discounted cash flow method and have proposed transfer of Marine Business Undertaking between INR 217.00 Crores and INR 234.20 Crores.

Based on the valuation report, the Board of Directors approved the lump sum consideration of Rs. 225 crores as adjusted by the loans and interest accrued thereon for transfer and vesting of Marine Business Undertaking to the Transferee Company.

- 3.2. No special difficulties in valuation were reported.

**By order of the Board
For Adani Hazira Port Private Limited**

**Karan Adani
Chairman**



Date: 14.02.2017
Place: Ahmedabad

Adani Hazira Port Pvt Ltd
Adani House
Nr Mithakhali Six Roads, Navrangpura
Ahmedabad 380 009
Gujarat, India
CIN: U45209GJ2009PTC058789

Tel +91 79 2656 5555
Fax +91 79 2555 5500
info@adani.com
www.adani.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF THE TRANSFEEE COMPANY

adani™

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF THE ADANI HARBOUR SERVICES PRIVATE LIMITED AT ITS MEETING HELD ON 14TH DAY OF FEBRUARY, 2017 EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTERS SHAREHOLDERS

1. Background

- 1.1. The proposed Scheme of Arrangement between Adani Hazira Port Private Limited ("Transferor Company") and The Adani Harbour Services Private Limited ("Transferee Company") and their respective shareholders and creditors (the "Scheme") was approved by the Board of Directors of the Transferee Company vide resolution dated 14th day of February, 2017. Provisions of Section 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of arrangement on equity shareholders, key managerial personnel (KMPs), promoters and non-promoter shareholders of the Transferee Company laying out in particular the share exchange ratio and the same is required to be circulated to the equity shareholders. The Board of Directors of the Transferee Company noted that in the Scheme there is no allotment of shares.
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.3. The Board of Directors took note of the following:
 - 1.3.1. Draft Scheme duly initialed by the Company Secretary for the purpose of identification;
 - 1.3.2. Valuation report dated 14th day of February, 2017 of B S R & Associates LLP, (the "Valuer"), independent chartered accountants describing the methodology adopted by them in arriving at the valuation of Marine Business Undertaking ("Valuation Report");
 - 1.3.3. Report of the Audit Committee of the Board of Directors of the Transferee Company dated 14th day of February 2017;
 - 1.3.4. Summary of the Valuation Report along with the basis of such valuation.

The Adani Harbour Services Private Limited
 (Formerly TM Harbour Services Private Limited)
 Adani House, Nr. Mithakhali Six Roads,
 Navrangpura, Ahmedabad 380 009
 Gujarat, India
 CIN: U61100WB2009FTC138168

Tel +91 79 2656 5555
 Fax +91 79 2555 5500
 info@adani.com
 www.adani.com



Registered Office: Tata Center, 43 Jawaharlal Nehru Road, Kolkata 700 071, India

2. Effect of the Scheme on shareholders, key managerial personnel, promoters and non-promoter shareholders

- 2.1. Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its equity shareholders (i.e promoter shareholders). No rights of the equity shareholders of the Transferee Company are being affected pursuant to transfer of the Marine Business Undertaking.
- 2.2. In respect of the Scheme, no arrangement is sought to be entered into between the Transferee Company and its creditors though no liabilities of the creditors of the Transferee Company is being reduced or being extinguished under the Scheme.
- 2.3. As on date, the Transferee Company has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees do not arise.
- 2.4. The rights of the employees of the Transferee Company are in no way affected by the Scheme. The employees engaged by the Transferee Company shall continue to be employed by the Transferee Company.
- 2.5. There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferee Company.
- 2.6. Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by one of the Key Managerial Personnel of the Transferee Company in the Transferor Company as nominee of APSEZ and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the company that hold shares in the Transferee Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.



3. Valuation:

- 3.1. B S R & Associates LLP (the "Valuer"), independent chartered accountants had carried out valuation on the basis of combination of replacement cost method and discounted cash flow method, giving 75% weightage to replacement cost method and giving 25% weightage to discounted cash flow method and have proposed transfer of Marine Business Undertaking between INR 217.00 Crores and INR 234.20 Crores.

Based on the valuation report, the Board of Directors approved the lump sum consideration of Rs. 225 crores as adjusted by the loans and interest accrued thereon for transfer and vesting of Marine Business Undertaking to the Transferee Company.

- 3.2. No special difficulties in valuation were reported.

**By order of the Board
For The Adani Harbour Services Private Limited**



**Unmesh Abhyankar
Chairman & Managing Director**



Date: 14.02.2017
Place: Ahmedabad

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF THE TRANSFEROR COMPANY
FOR THE PERIOD ENDED 31ST DECEMBER 2016**

Adani Hazira Port Private Limited

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

Balance Sheet as at December 31, 2016

Particulars	Notes	₹ in Lacs
		As at December 31, 2016
ASSETS		
Non-current assets		
Property, plant and equipment	1	3,21,736.88
Capital work-in-progress		13,170.33
Other Intangible assets	1	2,121.63
Non-current financial assets		
Investments	2	2,420.00
Other financial assets	4	12,582.51
Other non-current assets	5	2,970.14
		<u>3,55,001.49</u>
Current assets		
Inventories	6	2,614.49
Financial assets		
Investments	2	8.26
Trade receivables	3	19,793.31
Cash and Cash Equivalents	7	2,003.48
Bank balance other than cash and cash equivalents	8	18,761.66
Other current financial assets	4	2,246.24
Other current assets	5	8,795.27
		<u>54,222.71</u>
	Total Assets	<u><u>4,09,224.20</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	9	71,547.00
Other equity		
Retained earnings		48,001.60
Other reserves	10	(22.49)
	Total Equity	<u>1,19,526.11</u>
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	11	2,30,064.25
Deferred tax liabilities (net)	14	16,056.78
Other non-current liabilities	15	8,113.41
		<u>2,54,234.44</u>
Current liabilities		
Financial liabilities		
Trade payables	16	5,594.61
Other current financial liabilities	12	25,332.42
Other current liabilities	15	3,949.39
Net employee defined benefit liabilities	13	432.89
Other Provisions	17	154.34
		<u>35,463.65</u>
	Total liabilities	<u>2,89,698.09</u>
	Total equity and liabilities	<u><u>4,09,224.20</u></u>

For and on behalf of Board of Directors of
Adani Hazira Port Private Limited

[Signature]
Director

[Signature]
Director

Place: Ahmedabad
Date: February 14, 2017



Adani Hazira Port Private Limited

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)
Statement of Profit and Loss for the period ended December 31, 2016

Particulars	Notes	₹ In Lacs
		December 31, 2016
INCOME		
Rendering of services	18	73,949.35
Other income	19	4,146.32
Total income		78,095.67
EXPENSES		
Operating expenses	20	13,602.60
Employee benefits expense	21	2,105.36
Depreciation and amortization expense	22	13,033.08
Finance costs	23	6,444.32
Other expenses	24	2,524.24
Total expense		37,709.60
Profit before exceptional items and tax		40,386.07
Exceptional items		-
Profit before tax		40,386.07
Tax expense:		
Current Tax		8,624.60
Deferred Tax		3,689.97
Income tax expense		12,314.57
Profit/(Loss) for the period		28,071.50
Other Comprehensive Income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Re-measurement (losses) on defined benefit plans		(22.49)
		(22.49)
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Other Comprehensive Income for the period		(22.49)
Total Comprehensive Income for the period		28,049.01
Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each (Not annualised)	25	3.92

Summary of Significant accounting policies

The accompanying notes form an integral part of financials statements

For and on behalf of Board of Directors of
 Adani Hazira Port Private Limited

[Signature] Director *[Signature]* Director



Place: Ahmedabad
 Date: February 14, 2017

Adani Hazira Port Private Limited

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

Statement of Cash Flows for the period ended December 31, 2016

Particulars	₹ in Lacs
	December 31, 2016
Cash flow from operating activities	
Profit before tax as per statement of profit and loss	40,386.07
Adjustments for:	
Excess provision written back	(17.04)
Depreciation and amortisation	13,033.08
Interest income	(2,783.65)
Net (gain) on sale of current investments	(56.63)
Interest expense	5,723.76
Unrealised loss on derivative swap contracts (net)	233.39
Operating profit before working capital changes	56,518.98
Movements in working capital :	
Decrease in trade receivables	357.92
(Increase) in inventories	(504.23)
(Increase) in financial assets	(627.60)
(Increase) in other assets	(2,207.86)
Increase in trade payables	1,389.65
Increase in other liabilities	1,170.36
Increase in financial liabilities	41.10
Cash generated from operations	56,138.32
Direct taxes paid (net)	(7,036.42)
Net cash flow from operating activities (A)	49,101.90
Cash flows from investing activities	
Purchase of fixed assets (Including capital work in progress and capital advances)	(26,578.83)
Proceeds from sale of investments	(0.54)
Interest received	1,954.56
Purchase/sale of investment in Mutual Fund (net)	56.63
Deposit/realisation of margin money	(253.26)
Net cash inflow (used in) investing activities (B)	(24,821.44)
Cash flows from financing activities	
Proceeds long-term borrowing	45,618.80
Repayment of long-term borrowings	(45,453.53)
Proceeds from inter corporate deposit (including short-term)	32,350.00
Repayment of intercorporate deposit (including short-term)	(50,377.75)
Loss on derivative swap contracts	(121.11)
Interest paid	(5,618.99)
Net cash flow (used in) financing activities (C)	(23,602.58)
Net increase in cash & cash equivalents (A + B + C)	677.88
Cash & cash equivalents at the beginning of the year	1,325.60
Cash & cash equivalents at the end of the period (Refer note-7)	2,003.48

Notes:

Component of Cash and Cash equivalents	
Cash on hand	3.31
Balances with scheduled bank	
On current accounts	2,000.17
Total cash and cash equivalents	2,003.48

For and on behalf of Board of Directors of
Adani Hazira Port Private Limited

Sandeep Mehta
Director Director

Place: Ahmedabad
Date: February 14, 2017



Adani Hazira Port Private Limited
 Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)
 Statement of Changes in Equity for the period ended December 31, 2016

₹ In Lacs

Particulars	Equity Share Capital	Other Equity		Total
		Reserves and Surplus	Item of OCI	
		Retained Earning	FVTOCI Reserve	
As at on April 01, 2016	71,547.00	19,952.59	(22.49)	91,477.10
Profit for the period		28,071.50		28,071.50
Other Comprehensive Income		(22.49)		(22.49)
Total Comprehensive Income for the period		28,049.01	-	28,049.01
As at on December 31, 2016	71,547.00	48,001.60	(22.49)	1,19,526.11

For and on behalf of Board of Directors of
 Adani Hazira Port Private Limited

 Director
 Director

Place: Ahmedabad
 Date: February 14, 2017



Adani Hazira Port Private Limited

Notes to Financials statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

1 Property, Plant and Equipments (Summarised)

Tangible assets

	December 31, 2016 ₹ In Lacs
Leaschold land development	3,611.68
Building	39,434.68
Plant & Machinery	1,36,104.13
Furniture & Fixtures	469.88
Office equipments	761.35
Computer equipments	600.89
Vehicles	362.69
Tugs and boats	43,574.64
Marine structures	54,833.16
Dredged Channels	41,983.78
	3,21,736.88

Intangible assets

Software	199.03
Rights of use of land	1,922.60
	2,121.63

2 Investments

Non Current

	December 31, 2016 ₹ In Lacs
Investments at fair value through Other Comprehensive Income (FVTOCI)	
Investment in equity share of subsidiary	2,420.00
	2,420.00

Current

Financial Assets at fair value through Profit or Loss(FVTPL)	
Investment in units of mutual funds - quoted	8.26
	8.26

3 Trade Receivables

Current

	December 31, 2016 ₹ In Lacs
Unsecured considered good unless stated otherwise	
Trade Receivables	7,678.54
Other Debts - Considered Good	12,114.77
	19,793.31

4 Other Financial assets

Non-current

	December 31, 2016 ₹ In Lacs
Security and other deposits	12,578.61
Bank Deposits having maturity over 12 months	0.20
Loan to Employees	3.70
	12,582.51

Current

Security and other deposits	84.37
Interest accrued on deposits and loans	1,036.74
Interest accrued on trade receivables	770.53
Forward Contracts Receivable	330.32
Loans and advances to employees	16.80
Insurance claim receivables	7.48
	2,246.24



Adani Hazira Port Private Limited

Notes to Financial statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

5 Other Assets

December 31, 2016

₹ In Lacs

Non Current

Capital Advances

Secured, considered good 2,878.79
Unsecured, considered good 25.70

(A) 2,904.49

Others (Unsecured)

Other Non-Current assets (deposit given) 65.65

(B) 65.65

2,970.14

Current

Advances recoverable in cash or in kind

Unsecured, considered good 2,928.40
Unsecured, considered doubtful -

2,928.40

2,928.40

Unsecured, considered doubtful -

(A) 2,928.40

Others (Unsecured)

Prepaid Expenses 114.01
Accrued revenue 3,726.61
Balances with statutory/ Government authorities 2,026.25

114.01

3,726.61

2,026.25

(B) 5,866.87

8,795.27

6 Inventories

December 31, 2016

₹ In Lacs

Stores and spares 2,614.49

2,614.49

2,614.49

7 Cash and cash equivalents

December 31, 2016

₹ In Lacs

Balances with banks:
Balance in current account 2,000.17
Cash on hand 3.31

2,000.17

3.31

2,003.48

8 Bank balances other than cash and cash equivalents

December 31, 2016

₹ In Lacs

Margin Money deposits 9.29
Deposits with original maturity over 3 months but less than 12 months 18,752.37

9.29

18,752.37

18,761.66



Adani Hazira Port Private Limited

Notes to Financials statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

9 Share capital

	December 31, 2016
	₹ In Lacs
Authorized	
75,00,00,000 Equity Shares of ₹ 10 each	75,000.00
	75,000.00
Issued, subscribed and fully paid up shares	
71,54,70,000 Equity Shares of ₹ 10 each	71,547.00
	71,547.00

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the period:

	December 31, 2016	December 31, 2016
	No In Lacs	₹ In Lacs
As the beginning of the period	7,154.70	71,547.00
New Shares Issued during the period	-	-
As the end of the period	7,154.70	71,547.00

(b) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company is as below

	December 31, 2016
	₹ In Lacs
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	
71,54,70,000 equity shares of ₹ 10 each	71,547.00

(c) Details of shareholder holding more than 5% shares in the Company

Particulars	December 31, 2016	
	No in Lacs	% Holding
Equity shares of ₹ 10 each fully paid		
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	7,154.70	100.00%

10 Other Equity

	December 31, 2016
	₹ In Lacs
Other reserves	
Other Comprehensive Income	(22.49)
	(22.49)

11 Borrowings

	December 31, 2016
	₹ In Lacs
Non-Current	
Term loans	
Foreign currency term loans from banks	1,22,850.56
Secured-Term loan from FI	66,460.84
Inter Corporate Deposit	14,018.21
Unsecured-Borrowings from bank under suppliers credit	26,724.64
	2,30,064.25
The above amount includes	
Secured borrowings	1,89,321.40
Unsecured borrowings	40,742.85
Total borrowings	2,30,064.25

12 Other financial liabilities

	December 31, 2016
	₹ In Lacs
Current	
Current maturities of long term borrowings	18,890.69
Interest accrued but not due on borrowings	873.71
Deposits from customers	328.45
Capital creditors, retention money and other payable	5,127.29
Provision for derivatives	112.28
	25,332.42



Adani Hazira Port Private Limited

Notes to Financials statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

13 Net employee defined benefit liabilities**Current**Provision for gratuity
Provision for compensated absences

December 31, 2016
₹ In Lacs
151.76
281.13
432.89

14 Deferred tax liabilities/Assets (net)

Deferred tax liability

December 31, 2016
₹ In Lacs
16,056.78
16,056.78

15 Other Liabilities**Non Current**Deferred Govt. Grant
Liability for revenue sharing

December 31, 2016
₹ In Lacs
8,112.76
0.65
8,113.41

CurrentUnearned revenue
Statutory liability
Deferred Govt. Grant- Current
Advance from customers

1,698.95
889.80
619.48
741.16
3,949.39

16 Trade payables

Trade payables

December 31, 2016
₹ In Lacs
5,594.61
5,594.61

17 Other provisionsProvision for operational claims
Provision for taxation

December 31, 2016
₹ In Lacs
9.69
144.65
154.34



Adani Hazira Port Private Limited

Notes to Financials statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

18 Revenue from Operations

Income from Port Operations (including related infrastructure)
Other operating income including construction, Infrastructure development support services and related income

December 31, 2016	
₹ In Lacs	
	73,946.56
	2.79
	73,949.35

19 Other Income

Interest Income from
Bank deposits
Customers and others
Unclaimed liabilities / excess provision written back
Scrap sale
Rent Income
Profit on sale of Mutual Fund
Miscellaneous Income

Total Other income

December 31, 2016	
₹ In Lacs	
	1,180.16
	1,603.49
	17.04
	2.46
	3.75
	56.63
	1,282.79
	4,146.32

20 Operating Expenses

Cargo handling /Other charges to contractors
Tug and Pilotage Charges
Maintenance Dredging
Repairs to Plant & Machinery
Repairs to Buildings
Power & Fuel
Waterfront Charges

December 31, 2016	
₹ In Lacs	
	7,057.12
	474.50
	387.53
	1,371.75
	27.51
	2,776.10
	1,508.09
	13,602.60

21 Employee benefit expense

Salaries and Wages
Contribution to Provident and Other Funds
Gratuity
Staff Welfare Expenses

December 31, 2016	
₹ In Lacs	
	1,775.06
	94.33
	63.50
	172.47
	2,105.36

22 Depreciation Expense

Depreciation of Tangible assets
Depreciation of Intangible assets

December 31, 2016	
₹ in Lacs	
	298.05
	12,775.03
	13,033.08

23 Finance Costs

Interest on
Debentures
Fixed Loans, Buyer's Credit, Short Term etc.
Others
Bank and other finance charges

(Gain) /Loss on Derivatives / Swap Contracts (net)

December 31, 2016	
₹ in Lacs	
	6.50
	5,723.76
	63.17
	417.50
	6,210.93
	233.39
	6,444.32



Adani Hazira Port Private Limited

Notes to Financials statements for the period ended December 31, 2016

Supplementary Accounting Statements for the Nine months ended 31st December 2016 (Unaudited)

24 Other Expenses

	December 31, 2016
	₹ In Lacs
Rent	107.20
Rates and Taxes	3.88
Insurance	174.52
Advertisement and Publicity	24.15
Other Repairs and Maintenance	214.62
Legal and Professional Expenses	523.38
Payment to Auditors	21.05
Security Expenses	192.29
Communication Expenses	123.96
Electric Power Expenses	1.74
Office Expenses	148.64
Travelling and Conveyance	559.68
Directors Sitting Fee	1.13
Charity & Donations	0.50
Loss on Foreign Exchange Variation (net)	214.38
Miscellaneous Expenses	213.12
	2,524.24

25 Earnings per share

	December 31, 2016
	₹ In Lacs
Profit attributable to equity shareholders of the company	28,071.50
Weighted average number of equity shares	7,154.70
Basic and Diluted earning per share (in ₹) (Not annualised)	3.92

26 Contingent liabilities not provided for

	December 31, 2016
	₹ in Lacs
Show cause notice received from Commissioner of service Tax	1,364.80
National Green Tribunal (Western Zone) Bench, Pune passed an penalty order in a matter relating to environmental deficiencies	2,500.00
	3,864.80

27 The company has adopted Indian Accounting Standards (Ind AS) from April 01, 2016. These financial statements have been prepared in accordance with Ind AS.

28 As these being interim financial statements, no comparative for previous period have been given.

For and on behalf of Board of Directors of
Adani Hazira Port Private Limited


Director Director

Place: Ahmedabad
Date: February 14, 2017



**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF THE TRANSFEREE COMPANY
FOR THE PERIOD ENDED 31ST DECEMBER 2016**

The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)

Supplementary Accounting Statement for the Nine months ended 31st December, 2016
(Unaudited)

Balance Sheet as at December 31, 2016

Particulars	Notes	in Laacs
		As at December 31, 2016
ASSETS		
Non-current assets		
Property, plant and equipment	1	5,877.84
Non-current financial assets		
Other financial assets	2	0.25
Other non-current assets	3	42.51
		<u>5,920.60</u>
Current assets		
Inventories	4	153.90
Financial assets		
Trade receivables	5	2,543.55
Cash and Cash Equivalents	6	124.12
Other current financial assets	2	0.21
Other current assets	3	33.35
		<u>2,855.13</u>
	Total Assets	<u>8,775.73</u>
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	7	5,769.22
Other equity		
Retained earnings	8	926.00
Other reserves	8	1,999.65
	Total Equity	<u>8,694.87</u>
LIABILITIES		
Non-current liabilities		
Current liabilities		
Financial liabilities		
Trade payables	9	28.50
Other current liabilities	10	37.98
Liabilities for current tax (net)	11	14.38
Other Provisions		
		<u>80.86</u>
	Total liabilities	<u>80.86</u>
	Total equity and liabilities	<u>8,775.73</u>

The accompanying notes form an integral part of financials statements

For and on behalf of Board of Directors of
The Adani Harbour Services Private Limited



Director



Director

Place: Ahmedabad
Date: February 14, 2017

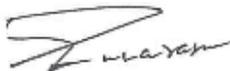


The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)
Supplementary Accounting Statement for the Nine months ended 31st December, 2016
(Unaudited)
Statement of Profit and Loss for the period April 1, 2016 to December 31, 2016

Particulars	Notes	in Lacs
		Nine Months Ended December 31, 2016
Rendering of services	12	2,213.87
Other income	13	65.85
Total income		2,279.72
EXPENSES		
Operating expenses	14	229.40
Employee benefits expense	15	50.08
	16	651.78
Other expenses	17	119.84
Total expense		1,051.10
Profit/(loss) before exceptional items and tax		1,228.62
Profit/(loss) before tax		1,228.62
Tax expense:		-
Current Tax	18	18.24
	18	(4.03)
Income tax expense		14.21
Profit/(Loss) for the period		1,214.41
Other Comprehensive Income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Re-measurement gains (losses) on defined benefit plans		(0.19)
Income Tax effect		(0.19)
Other Comprehensive Income for the Period		(0.19)
Total Comprehensive Income for the Period		1,214.22
Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each (Not annualised)	19	2.10

The accompanying notes form an integral part of financials statements

For and on behalf of Board of Directors of
The Adani Harbour Services Private Limited



Director





Place: Ahmedabad
Date: February 14, 2017

The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)

Supplementary Accounting Statement for the Nine months ended 31st December, 2016
(Unaudited)

Statement of Cash Flows for the period April 1, 2016 to December 31, 2016

Particulars	in Lacs December 31, 2016
Cash flow from operating activities	
Profit before tax as per statement of profit and loss	1,228.62
Adjustments for:	
Loss on discard of Property Plant and Equipment	0.12
Excess provision written back	(5.81)
Depreciation and amortisation	651.78
Interest income	(48.78)
Income from Mutual Fund	(11.26)
Operating profit before working capital changes	1,814.67
Movements in working capital :	
(Increase)/Decrease in trade receivables	(2,268.22)
(Increase) in Inventories	(10.68)
(Increase)/Decrease in other assets	84.06
Increase in trade payables	(55.70)
Increase/(Decrease) in Provision	(6.01)
Increase in Other Liabilities	41.11
Cash generated from operations	(400.77)
Direct taxes paid (net)	55.47
Operating profit before working capital changes	(345.30)
Cash flows from investing activities	
Purchase of Property Plant and Equipment	(2.45)
Proceeds from sale of investments	141.28
Interest received	48.78
Income from dividend	11.26
Repayments of borrowings by related parties	300.00
Net cash inflow (used in) investing activities (B)	498.87
Cash flows from financing activities	
Dividend Paid	(3,288.45)
Tax on dividend	(669.53)
Net cash flow (used in) financing activities (C)	(3,957.98)
Net increase / (decrease) in cash & cash equivalents (A + B + C)	(3,804.41)
Cash & cash equivalents at the beginning of the period	3928.53
Cash & cash equivalents at the end of the period (Refer note-6)	124.12

For and on behalf of Board of Directors of
The Adani Harbour Services Private Limited


Director


Director

Place: Ahmedabad
Date: February 14, 2017



Supplementary Accounting Statement for the Nine months ended 31st December, 2016 (Unaudited)
Statement of Changes in Equity for the period ended December 31, 2016

* In Lacs

Particulars	Equity Share Capital	Other Equity			Total
		Reserves and Surplus			
		Share Premium	Retained Earning	Tonnage Tax Reserve	
As at April 01, 2016	5,769.22	1,153.84	3,669.75	845.81	11,438.62
Profit for the period		1,214.41			1,214.41
Other Comprehensive Income			(0.19)		(0.19)
Total Comprehensive Income for the period			1,214.22	-	1,214.22
Proposed Dividend on Equity Shares			(3,288.44)		(3,288.44)
Tax on equity Share dividend			(669.53)		(669.53)
As at December 31, 2016	5,769.22	1,153.84	926.00	845.81	8,694.87

For and on behalf of Board of Directors of
The Adani Harbour Services Private Limited


Director


Director



Place: Ahmedabad
Date: February 14, 2017

The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)

Supplementary Accounting Statement for the Nine months ended 31st December, 2016 (Unaudited)

Notes to Financials statements for the period April,1 ,2016 to December 31, 2016

1 Property Plant and Equipment (Summarised)	December 31, 2016
	₹ In Lacs
<u>Tangible Assets</u>	
Ships	5,869.17
Plant and Equipment	5.35
Furniture and Fixtures	0.68
Vehicle	0.16
Office Equipment	2.48
	5,877.84
<u>Intangible Assets</u>	-
	5,877.84
2 Other Financial assets	December 31, 2016
	₹ In Lacs
<u>Non-current</u>	
Security and other deposits	0.25
	0.25
<u>Current</u>	
Interest accrued on deposits and loans	0.21
	0.21
3 Other Assets	December 31, 2016
	₹ In Lacs
<u>Non Current</u>	
Capital Advances	(A) -
Advances recoverable in cash or in kind	(B) -
Others (Unsecured)	
Advance income tax (Net of Provision for taxation)	42.51
	(C) 42.51
	42.51
<u>Current</u>	
Advances recoverable in cash or in kind	
Unsecured, considered doubtful	(A) -
Others (Unsecured)	
Prepaid Expenses	4.28
Balances with statutory/ Government authorities	29.07
	(B) 33.35
	33.35
4 Inventories	December 31, 2016
	₹ In Lacs
Stores and spares	153.90
	153.90



The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)

Supplementary Accounting Statement for the Nine months ended 31st December, 2016 (Unaudited)
Notes to Financials statements for the period April,1 ,2016 to December 31, 2016

5 Trade Receivables	Decebmber 31, 2016 ₹ In Lacs
<u>Non Current</u>	
Unsecured considered good unless stated otherwise	-
 <u>Current</u>	
Unsecured considered good unless stated otherwise	
Trade Receivables	2,543.55
	2,543.55
Other Debts - Considered Good	-
	2,543.55

6 Cash and cash equivalents	Decebmber 31, 2016 ₹ In Lacs
Balances with banks:	
Balance in current account	4.07
Deposits with original maturity of less than three months	120.00
Cash on hand	0.05
	124.12

7 Share capital	Decebmber 31, 2016 ₹ In Lacs
<u>Authorised</u>	
800,00,000 Equity Shares of ₹ 10 each	8,000.00
	8,000.00
 <u>Issued, subscribed and fully paid up shares</u>	
5,76,92,155 Equity Shares of ₹ 10 each	5,769.22
	5,769.22

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the period:

	Decebmber 31, 2016	
	No in Lacs	₹ In Lacs
As the beginning of the period	576.92	5,769.22
New Shares Issued during the period	-	-
As the end of the period	576.92	5,769.22

(b) Details of shareholder holding more than 5% shares in the Company

Particulars	Decebmber 31, 2016	
<u>Equity shares of ₹ 10 each fully paid</u>		
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	No in Lacs	576.92
	% Holding	100.00%



The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)

Supplementary Accounting Statement for the Nine months ended 31st December, 2016 (Unaudited)

Notes to Financials statements for the period April,1 ,2016 to December 31, 2016

8 Other Equity	Decebmter 31, 2016 ₹ In Lacs
Retained earnings	926.00
Other Reserves	
Preference premium	-
Tonnage Tax Reserve	845.81
Equity premium	1,153.84
	2,925.65
9 Trade payables	Decebmter 31, 2016 ₹ In Lacs
Payables to micro, small and medium enterprises	-
Trade payables	28.50
	28.50
10 Other Liabilities	Decebmter 31, 2016 ₹ In Lacs
Non Current	-
Current	
Statutory liability	37.98
	37.98
11 Liabilities for current tax (net)	Decebmter 31, 2016 ₹ In Lacs
Provision for income tax (Net of advance tax)	14.38
	14.38



The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)
Supplementary Accounting Statement for the Nine months ended 31st December,
2016 (Unaudited)

Notes to Financials statements for the period April,1,2016 to December 31, 2016

12 Revenue from Operations	December 31, 2016
	₹ In Lacs
Income from Port Operations (Including related Infrastructure)	2,213.87
	2,213.87
13 Other Income	December 31, 2016
	₹ In Lacs
Interest Income from	
Bank deposits	34.61
Customers and others	14.17
Unclaimed liabilities / excess provision written back	5.81
Profit on sale of Mutual Fund	11.26
Total Other income	65.85
14 Operating Expenses	December 31, 2016
	₹ In Lacs
Tug and Pilotage Charges	229.40
	229.40
15 Employee benefit expense	December 31, 2016
	₹ In Lacs
Salaries and Wages	47.49
Gratuity	0.77
Staff Welfare Expenses	1.82
	50.08
16 Depreciation and amortization expense	
Depreciation on Tangible Assets	651.78
	651.78
17 Other Expenses	December 31, 2016
	₹ In Lacs
Rates and Taxes	1.54
Insurance (net of reimbursement)	15.28
Other Repairs and Maintenance (net of reimbursement)	21.34
Legal and Professional Expenses	29.90
Payment to Auditors (refer note 1 below)	4.11
Communication Expenses	1.28
Office Expenses	0.31
Travelling and Conveyance	5.97
Directors Sitting Fee	2.97
Loss on sale / discard of fixed assets (net)	0.12
Miscellaneous Expenses	37.02
	119.84



The Adani Harbour Services Private Limited
(Formerly Known as TM Harbour Services Private Limited)
Supplementary Accounting Statement for the Nine months ended 31st December,
2016 (Unaudited)

Notes to Financials statements for the period April,1 ,2016 to December 31, 2016

18 Income Tax

December 31, 2016

in Lacs

Current income tax:

Current income tax charge

18.24

Adjustment in respect of current income tax of previous years

(4.03)

Income tax expenses reported in statement of profit and loss

14.21

19 Earnings per share

December 31, 2016

in Lacs

Profit attributable to equity shareholders of the company

1,214.41

Weighted average number of equity shares

576.92

Basic and Diluted earning per share (in `) (not annualised)

2.10

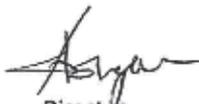
20 The company has adopted Indian Accounting Standards (IndAS) from April 01, 2016. These financial statements have been accordance with Ind AS.

21 As these being interim financial statements, no comparative for previous period have been given.

For and on behalf of Board of Directors of
The Adani Harbour Services Private Limited



Director



Director

Place: Ahmedabad

Date: February 14, 2017



This page has been intentionally kept blank

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT AHMEDABAD
CA (CAA) NO. 23/NCLT/AHM/2017**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Adani Hazira Port Private Limited;

And

In the matter of Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors;

Adani Hazira Port Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India.

} **Applicant Company**

UNSECURED CREDITORS

FORM OF PROXY

I/We, _____, the undersigned unsecured creditor/s of Adani Hazira Port Private Limited, being the Applicant Company above named, do hereby appoint Mr./Ms. _____ of _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the unsecured creditors of the Applicant Company to be held at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours), for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Adani Hazira Port Private Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors (the "**Scheme**") and at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) _____ (here, if 'for', insert '**FOR**', if 'against', insert '**AGAINST**', and in the latter case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification(s)*, as my/our proxy may approve. (*Strike out whatever is not applicable)

Dated this _____ day of _____ 2017.

Name: _____

Address: _____

Signature-----

Affix 15
paise
revenue
stamp

Signature of Unsecured Creditor: _____

Signature of Proxy: _____

Notes:

1. The proxy must be deposited at the registered office of Adani Hazira Port Private Limited at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be an unsecured creditor of Adani Hazira Port Private Limited.
6. No person shall be appointed as a proxy who is a minor.
7. The proxy of an unsecured creditor blind or incapable of writing would be accepted if such unsecured creditor has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address; provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the unsecured creditor before he attached his signature or mark.
8. The proxy of an unsecured creditor who does not know English would be accepted if it is executed in the manner prescribed in point no. 7 above and the witness certifies that it was explained to the unsecured creditor in the language known to him, and gives the unsecured creditor's name in English below the signature.

ADANI HAZIRA PORT PRIVATE LIMITED

Registered Office:

Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India

Phone No: +91-79-2555 5500

CIN: U45209GJ2009PTC058789

Website: www.adaniports.com

UNSECURED CREDITORS

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

MEETING OF

THE UNSECURED CREDITORS

ON SATURDAY THE 27TH DAY OF MAY 2017 AT 10.00 A.M.

I/We hereby record my/our presence at the meeting of the Unsecured Creditors of Adani Hazira Port Private Limited, the Applicant Company, convened pursuant to the final order dated 18th day of April 2017 of the NCLT at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380 015, Gujarat, India, on Saturday, the 27th day of May 2017 at 10.00 a.m. (1000 hours).

Name and address of Unsecured Creditor

(IN BLOCK LETTERS) : _____

Signature : _____

Name of the Proxy* : _____
(IN BLOCK LETTERS)

Signature : _____

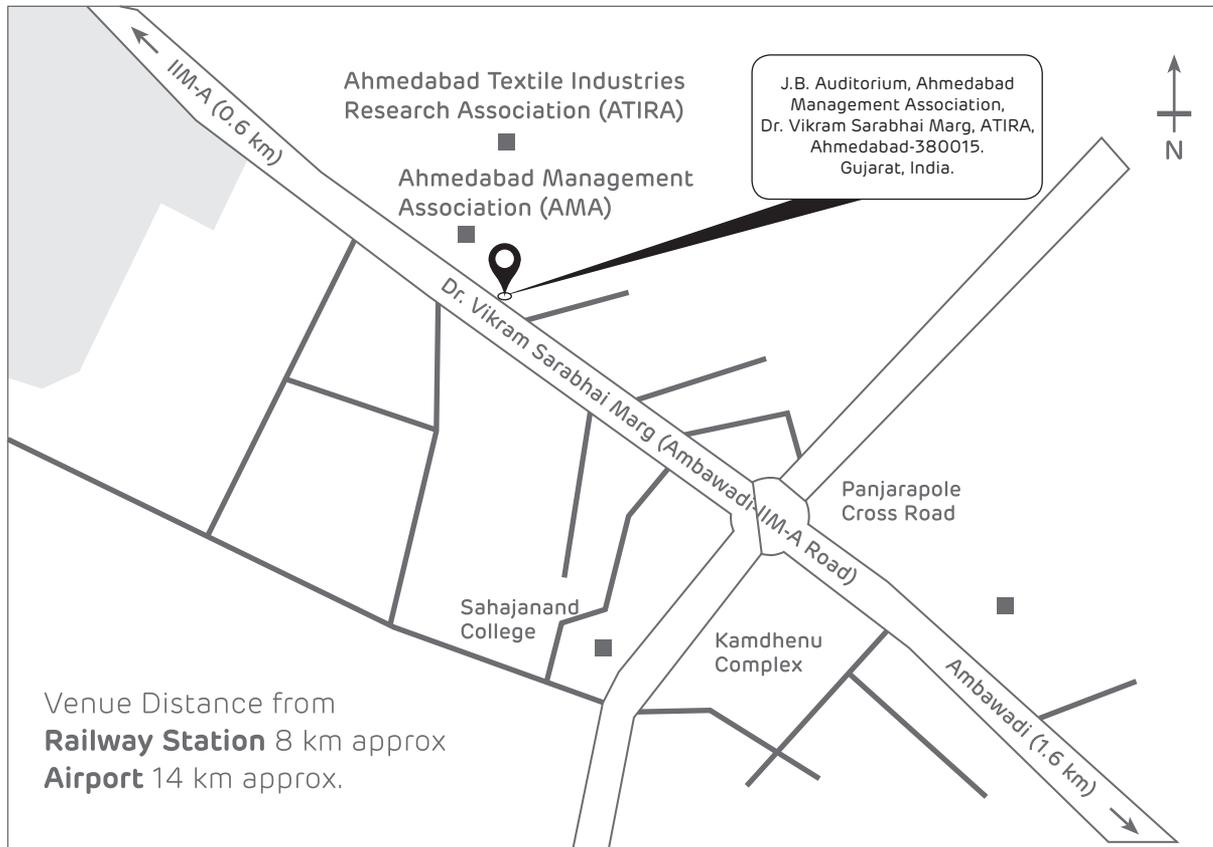
*(To be filled in by the Proxy in case he/she attends instead of the unsecured creditor)

Notes:

1. Unsecured creditors attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Unsecured creditors who come to attend the meeting are requested to bring their copy of the Scheme with them.

This page has been intentionally kept blank

Route Map for the venue of the meeting



This page has been intentionally kept blank

This page has been intentionally kept blank