PROSPECTUS
Dated June 5, 2013

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

(Adani Ports and Special Economic Zone Limited was incorporated as Gujarat Adani Port Limited under the Companies Act, 1956 on May 26, 1998. The name of our Company was changed to Mundra Port and Special Economic Zone Limited on July 7, 2006. The name of our Company was subsequently changed to Adani Ports and Special Economic Zone Limited on January 6, 2012. The corporate identity number of our Company is L63090GJ1998PLC034182)

Issue of 66,657,520 equity shares of face value ₹ 2 each (the "**Equity Shares**") of Adani Ports and Special Economic Zone Limited (the "**Company**"), at a price determined in accordance with the pricing methodology as described under "***Issue Procedure***" on page 124, aggregating to ₹ 9,998.6 million (the "**Issue**"). The Issue Price (as defined hereinafter) is ₹ 150 per Equity Share.

THIS ISSUE AND THE DISTRIBUTION OF THIS PROSPECTUS (THE "PROSPECTUS") IS BEING MADE IN RELIANCE ON CHAPTER VIII-A OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS"). THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO ANY PERSON OR CLASS OF INVESTORS OTHER THAN QUALIFIED INSTITUTIONAL BUYERS ("QIBS") (AS DEFINED IN "DEFINITIONS AND ABBREVIATIONS") WITHIN OR OUTSIDE INDIA.

ISSUE ONLY TO QUALIFIED INSTITUTIONAL BUYERS

The Issue is being made through the Institutional Placement Programme, wherein at least 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds (as defined hereinafter) and Insurance Companies (as defined hereinafter), subject to valid ASBA Applications (as defined hereinafter) being received at or above the Issue Price, provided that if this portion or any part thereof to be Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other QIBs. QIBs may participate in this Issue only through an application supported by blocked amount ("**ASBA**") providing details about the ASBA Account (as defined hereinafter) which will be blocked by the Self Certified Syndicate Bank. For details, see "***Issue Procedure***".

This Prospectus has not been reviewed or approved by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the National Stock Exchange of India Limited (the "**NSE**"), the BSE Limited (the "**BSE**", together with the NSE, the "**Stock Exchanges**") and is intended only for use by QIBs. A copy of the Red Herring Prospectus has been delivered to the Stock Exchanges and SEBI and for registration to the Registrar of Companies, Gujarat (the "**RoC**"). Copies of this Prospectus have been filed with the Stock Exchanges, SEBI and the RoC. This Prospectus will only be circulated or distributed to QIBs, and will not constitute an offer to any other class of investors in India or any other jurisdiction. The Equity Shares offered in the Issue have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of this Prospectus.

The Equity Shares of our Company are listed and traded on the BSE and the NSE. The Equity Shares offered in the Issue are securities of our Company of the same class and in all respects uniform as the Equity Shares listed and traded on the Stock Exchanges. In-principle approvals under Clause 24(a) of the Equity Listing Agreement (as defined hereinafter) for listing of the Equity Shares offered in the Issue have been received from the Stock Exchanges. Applications will be made to the Stock Exchanges for obtaining listing and trading approvals for the Equity Shares offered through this Prospectus. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares offered in the Issue to trading on the Stock Exchanges should not be taken as an indication of the merits of the business of our Company or such Equity Shares.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "RISK FACTORS" BEGINNING ON PAGE 35 OF THIS PROSPECTUS BEFORE MAKING AN INVESTMENT DECISION IN THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE RED HERRING PROSPECTUS AND THIS PROSPECTUS.

Invitations, offers and issuances of Equity Shares offered in the Issue shall only be made pursuant to the Red Herring Prospectus together with the ASBA Applications, Confirmation of Allocation Notes and this Prospectus. Please see "***Issue Procedure***" beginning on page 124. The distribution of this Prospectus or the disclosure of its contents without the prior consent of our Company to any person, other than QIBs and persons retained by QIBs to advise them with respect to their subscription of the Equity Shares offered in the Issue is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Prospectus, agrees to observe the foregoing restrictions and make no copies of this Prospectus or any documents referred to in this Prospectus.

The information on the website of our Company or any website directly or indirectly linked to the website of our Company, other than the Red Herring Prospectus and this Propectus, does not form part of this Prospectus and prospective investors should not rely on such information contained in, or available through, any such website.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, such Equity Shares are being offered and sold (i) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined under Rule 144A **("Rule 144A")** under the Securities Act) **("U.S. QIBs")** pursuant to Section 4(2) of the Securities Act and (ii) outside of the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on page 145 and 150 respectively.

GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS		BOOK RUNNING LEAD MANAGERS		
DSP Merrill Lynch Limited 8th Floor, Mafatlal Center, Nariman Point, Mumbai 400 021 Tel: (91 22) 6632 8000 Fax: (91 22) 2204 8518 Email: dg.Adaniports_ipp@baml.com Investor grievance email: dg.india_merchantbanking@baml.com Website: www.dspml.com Contact Person: Vikram Khaitan SEBI Registration No.: INM000011625	**Morgan Stanley India Company Private Limited** 18F/19F, Tower 2 One Indiabulls Centre 841, Senapati Bapat Marg Mumbai 400 013 Tel: (91 22) 61181000 Fax: (91 22) 61181040 Email: apsezipp@morganstanley.com Website:www.morganstanley.com/indiaofferdocuments Investor grievance email: investors_india@morganstanley.com Contact Person: Shashi Shekhar SEBI Registration No. INM000011203	**Standard Chartered Securities (India) Limited** 1st Floor, Standard Chartered Tower 201B/1, Western Express Highway Goregaon (East) Mumbai 400 063 Tel: (91 22) 4205 6117 Fax: (91 22) 4205 5999 Email: project.vruddhi@sc.com Investor grievance email: investor@sc.com Website: www.standardcharteredsecurities.co.in Contact Person: Rohan Saraf SEBI registration No.: INM000011542	**IDFC Capital Limited** Naman Chambers, C 32, G Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: (91 22) 6622 2600 Fax: (91 22) 6622 2501 E-mail: adani.ipp@idfc.com Investor grievance email: complaints@idfc.com Website: www.idfccapital.com Contact Person: Hiren Raipancholia SEBI Registration No: INM000011336	**SBI Capital Markets Limited** 202, Maker Tower 'E', Cuffe Parade Mumbai 400 005 Tel: (91 22) 22178300 Fax: (91 22) 22188332 Email: adaniport.ipp@sbicaps.com Investor grievance email: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Nithin Kanuganti SEBI Registration No.: INM000003531

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE ISSUE
Axis Capital Limited Address: 1st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Tel: (91 22) 4325 3101 Fax: (91 22) 4325 3000 E-mail: adaniport.ipp@axiscap.in Investor grievance email: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Dinkar Rai SEBI Registration No.: INM000012029	**Citigroup Global Markets India Private Limited** Bakhtawar, 12th floor, Nariman Point, Mumbai 400 021 Tel: (91 22) 6631 9999 Fax: (91 22) 6631 9897 Email: project.vruddhi@citi.com Investor grievance email: investors.cgmib@citi.com Website: www.citigroup.com Contact Person: Jeetendra Parmani SEBI Registration No.: INM000010718	**Deutsche Equities India Private Limited**** Deutsche Equities India Private Limited Hazarimal Somani Marg Fort Mumbai 400 001 Tel: (91 22) 7158 4600 Fax: (91 22) 2200 6765 E-mail: apsez.ipp@list.db.com Investor grievance email: db.redressal@db.com Website: www.db.com/India Contact Person: Divyesh Chitalia SEBI Registration No.: INM000010833	**Macquarie Capital (India) Private Limited** 92, Level 9, 2 North Avenue, Maker Maxity Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: (91 22) 6720 4000 Fax: (91 22) 6720 4301 Email: maccap.vruddhi@macquarie.com Investor grievance email: msgrievanceredressel@macquarie.com Website: www.macquarie.in/mgl/in Contact Person: Hari Kishan Movva SEBI Registration No.: INM000010932	**Goldman Sachs (India) Securities Private Limited** 951-A Rational House, Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Tel: (91 22) 6616 9000 Fax : (91 22) 6616 9090 Email: gs-vruddhi@gs.com Investor grievance email : india-client-support@gs.com Website : http://www2.goldmansachs.com/worldwide/india/indian_offerings.html Contact Person : Devendra Pandit SEBI Registration No.: INM000011054	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai 400 078 Tel: (91 22) 25963838 Fax: (91 22) 25946969 E-mail: apsezl.ipp@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sanjog Sud SEBI Registration No: INR000004058

ISSUE PROGRAMME*			
ISSUE OPENED ON	June 4, 2013	**ISSUE CLOSED ON**	June 4, 2013

* *Details of the Issue programme were disclosed in the Floor Price / Price Band Announcement issued one day prior to the Issue Opening Date.*
***The SEBI registration certificate of Deutsche Equities India Private Limited had expired on February 23, 2013 and an application dated November 22, 2012 for renewal of registration has been made to SEBI. The approval of SEBI is currently awaited.*

TABLE OF CONTENTS

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Prospectus and, having made all reasonable enquiries confirms that, this Prospectus contains all information with respect to our Company, its Subsidiaries and joint venture and the Equity Shares offered in the Issue that is material in the context of the Issue. The statements contained in this Prospectus are, in every material respect, true, accurate and not misleading. The opinions and intentions expressed in this Prospectus are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to our Company and are based on reasonable assumptions. There are no other facts in relation to our Company, its Subsidiaries and joint venture and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Prospectus misleading in any material respect. Further, all reasonable enquiries have been made by our Company to ascertain such facts and to verify the accuracy of all such information and statements.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers or the Syndicate Member. The delivery of this Prospectus at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or the securities commission of any non-U.S. jurisdiction or any other U.S. or non-U.S. regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities law. The Equity Shares offered in the Issue are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S and (ii) within the United States to U.S. QIBs as defined in Rule 144A pursuant to Section 4(2) of the Securities Act. Prospective purchasers are hereby notified that the Company is relying on the exemption from the registration requirements of the Securities Act. The Equity Shares are transferable only in accordance with the restrictions described in "***Transfer Restrictions***" on page 150. Purchasers of the Equity Shares will be deemed to make the representations set forth in "***Notice to Investors – Representations by Investors***" and "***Transfer Restrictions***" on pages 2 and 150, respectively.

The distribution of this Prospectus and the Issue may be restricted by law in certain countries or jurisdictions. As such, this Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers or the Syndicate Member which would permit an offering of the Equity Shares offered in the Issue or distribution of this Prospectus in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares to be issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Prospectus nor any Issue materials in connection with the Equity Shares offered in the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

This Prospectus has been filed with SEBI and the Stock Exchanges and delivered to the RoC for registration, and has been displayed on the websites of the Stock Exchanges and our Company, stating that the Prospectus is in connection with the Institutional Placement Programme and that the offer is being made only to QIBs.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Prospectus as business, legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting, investment and related matters concerning the Issue. In addition, none of our

Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers or the Syndicate Member is making any representation to any offeree or subscriber of the Equity Shares offered in the Issue regarding the legality of an investment in such Equity Shares by such subscriber or purchaser under applicable laws or regulations.

Each QIB subscribing to the Equity Shares offered in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including Chapter VIII-A of the SEBI Regulations, and is not prohibited by SEBI or any other statutory authority from buying, subscribing to, selling or dealing in securities.

The information on our Company's website, except the Red Herring Prospectus and this Prospectus, or the website of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers does not constitute nor form part of this Prospectus. Prospective investors should not rely on the information contained in, or available through such websites, except the Red Herring Prospectus and this Prospectus. This Prospectus contains summaries of terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

REPRESENTATIONS BY INVESTORS

By subscribing to any Equity Shares offered in the Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Member, as follows:

- You are a "QIB" (hereinafter defined), having a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares offered in the Issue that are Allotted to you in accordance with Chapter VIII-A of the SEBI Regulations;

- You are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities;

- You have made or have been deemed to make the representations and warranties set forth in "***Transfer Restrictions***" and "***Selling Restrictions***" beginning on pages 150 and 145 respectively;

- You are aware that this Prospectus has not been reviewed, verified or affirmed by SEBI, RBI, the Stock Exchanges or any other regulatory or listing authority and is only filed with the RoC pursuant to applicable provisions of the Companies Act, and is intended only for use by QIBs;

- If you are Allotted the Equity Shares, you shall not, for a period of one year from the date of Allotment, sell such Equity Shares so acquired except on the Stock Exchanges (additional restrictions may apply if you are within the United States, please see "***Transfer Restrictions***");

- You are entitled to subscribe for the Equity Shares offered in the Issue under the laws of all relevant jurisdictions that apply to you and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Prospectus), and will honour such obligations;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Member may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Member have advised you not to rely in any way on any information that was provided to you at any such Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information relating to our Company and the Issue that was not made publicly available by our Company;

- Neither our Company nor the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor the Syndicate Member nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares offered in the Issue, be a client of the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Syndicate Members. Neither the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor the Syndicate Members nor any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to its or their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

- All statements other than statements of historical facts included in this Prospectus, including those regarding our Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company's present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Prospectus;

- You are aware of and understand that the Equity Shares to be issued pursuant to the Issue are being offered only to QIBs and are not being offered to the general public and the Allocation and Allotment shall be in accordance with the Basis of Allocation (as defined hereinafter), Allotment Criteria and the CAN (as defined hereinafter). For further details, please see "***Issue Procedure***" beginning on page 124;

- You have read the Red Herring Prospectus and this Prospectus in their entirety, including in particular, "**Risk Factors**" beginning on page 35;

- In making your investment decision, you have (i) relied on your own examination of our Company and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of our Company on a consolidated basis, the Equity Shares offered in the Issue and the terms of the Issue based solely on the information contained in the Red Herring Prospectus, this Prospectus and publicly available information about our Company and no other disclosure or representation by us or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, the effects of local laws, (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares offered in the Issue, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor the Syndicate Members nor any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares offered in the Issue (including the Issue and the use of proceeds from such Equity Shares). You will obtain your own independent tax advice and will not rely on the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares offered in the Issue (including, in relation to the Issue and the use of proceeds from the Equity Shares offered in the Issue). You waive, and agree not to assert any claim against, any of our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares offered in the Issue or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor who is seeking to subscribe to the Equity Shares offered in the Issue for your own investment and not with intent to distribute such Equity Shares and have such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares offered in the Issue. You and any accounts for which you are subscribing to the Equity Shares offered in the Issue (i) are each able to bear the economic risk of the investment in the Equity Shares to be issued pursuant to the Issue, (ii) are able to sustain a complete loss on the investment in the Equity Shares to be issued pursuant to the Issue, (iii) have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of subscribing to the Equity Shares offered in the Issue, and (iv) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares offered in the Issue. You acknowledge that an investment in the Equity Shares offered in the Issue involves a high degree of risk and that such Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares offered in this Issue for your own investment and not with a view to resale or distribution;

- If you are acquiring the Equity Shares offered in the Issue, for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and make the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

- You shall apply in this Issue only through ASBA mechanism;

- You are neither a Promoter (as defined hereinafter) nor a person related to the Promoters, either directly or indirectly, and your ASBA Application does not directly or indirectly represent the Promoters or the Promoter Group (hereinafter defined) or persons related to the Promoters. For the purposes of this representation you will be deemed to be related to the Promoters if you have any rights under any shareholders' agreement or voting agreement entered into with the Promoters or persons related to the Promoters, any veto rights or any right to appoint any nominee director on the Board (as defined hereinafter), other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares;

- You have no right to withdraw your ASBA Application or revise downwards the price per Equity Share or the number of Equity Shares mentioned in your ASBA Application;

- You are eligible to apply for and hold the Equity Shares offered in the Issue, which are Allotted to you together with any Equity Shares held by you prior to the Issue. You confirm that your aggregate holding after the Allotment of the Equity Shares offered in the Issue shall not exceed the level permissible as per any applicable regulations;

- The ASBA Application submitted by you would not result in triggering a tender offer under the Takeover Regulations (hereinafter defined);

- You, together with other QIBs that belong to the same group as you or are under common control as you, shall not be Allotted Equity Shares in excess of 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. You agree that in the event that the aggregate number of Equity Shares Allotted in the Issue is less than the original Issue Size, the Company will reduce the number of Equity Shares that may be Allotted to you such that you are not Allotted Equity Shares in excess of 25% of the final Issue Size. For the purposes of this representation:

(i) The expression 'belong to the same group' shall have the same meaning as 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act; and

(ii) The expression 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations;

For meaning of the terms 'companies under the same group' under sub-section (11) of Section 372 of the Companies Act and 'control' under Regulation 2(1)(e) of the Takeover Regulations, see "***Issue Procedure***" on page 124.

- You shall not undertake any trade in the Equity Shares issued pursuant to the Issue and credited to your Depository Participant (as defined hereinafter) account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Clause 24(a) of the Equity Listing Agreement, for listing and admission of the Equity Shares offered in the Issue and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares issued pursuant to the Issue will be obtained in time, or at all. Our Company shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

- By participating in the Issue, you confirm that you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members or our Company or any of their respective affiliates or any other person acting on their behalf and neither the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, our Company, the Syndicate Members nor any of their respective affiliates or other person acting on their behalf will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- You confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares offered in the Issue is contained in the Red Herring Prospectus and this Prospectus, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares offered in the Issue and neither the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor our Company nor the Syndicate Members will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- You understand that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the Securities Act. See "***Transfer Restrictions***";

- The Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members do not have any obligation to purchase or acquire all or any part of the Equity Shares subscribed for by you or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Ahmedabad, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Issue, the Red Herring Prospectus and this Prospectus;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares issued pursuant to the Issue on the Stock Exchanges;

- You agree to indemnify and hold our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members and their respective shareholders, directors, officers, employees and affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach or alleged breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Prospectus. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares issued pursuant to the Issue by, or on behalf of, the managed accounts;

- You agree to abide by the Basis of Allocation provided in the Red Herring Prospectus and this Prospectus and the Allocation done in accordance with Basis of Allocation as overseen by the Stock Exchanges;

- You agree to provide additional documents as may be required by our Company and the Syndicate (as defined hereinafter) for finalisation of the Basis of Allocation along with the Stock Exchanges. Our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members and their affiliates may rely on the accuracy of such documents provided by you; and

- Our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members on their own behalf and on behalf of our Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 (“**FII Regulations”)**, an FII may issue or otherwise deal in offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments issued overseas against underlying securities, listed or proposed to be listed on any recognized stock exchange in India, such as the Equity Shares offered in the Issue (all such offshore derivative instruments are referred to herein as “**P-Notes**”), for which they may receive compensation from the purchasers of such instruments. P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities subject to compliance with applicable ‘know your client’ requirements. An FII shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by an appropriate foreign regulatory authority. No sub-account of an FII is permitted to directly or indirectly issue P-Notes. P-Notes have not been and are not being offered, issued or sold pursuant to this Prospectus. This Prospectus does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company, the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Syndicate Members. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to the P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company, the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Syndicate Members. Our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with the P-Notes. Any P-Notes that may be issued are not securities of the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Syndicate Members and do not constitute any obligations of or claims on the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Syndicate Members. Affiliates of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers that are registered as FIIs may purchase, to the extent permissible under law, the Equity Shares offered in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE

As required, a copy of this Prospectus has been delivered to each of the Stock Exchanges and SEBI and for registration to the RoC. The Stock Exchanges, SEBI and the RoC do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Prospectus;

(2) warrant that the Equity Shares issued pursuant to the Issue will be listed or the Equity Shares will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Prospectus has been reviewed or approved by the Stock Exchanges or SEBI or the RoC. Every person who desires to apply for or otherwise acquire any Equity Shares offered in the Issue may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges, SEBI and the RoC whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Prospectus, unless the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investors’, ‘prospective investors’ and ‘potential investor’ are to the prospective investors in the Issue, references to ‘the Company’ or ‘our Company’ are to Adani Ports and Special Economic Zone Limited, and references to ‘we’, ‘us’ or ‘our’ are to Adani Ports and Special Economic Zone Limited, its Subsidiaries, joint venture and associates on a consolidated basis, unless otherwise specified.

In this Prospectus, all references to “Indian Rupees” “₹” and “Rs.” are to Indian Rupees and all references to “U.S. dollars”, “USD” and “U.S. $” are to United States dollars. All references herein to the “U.S.” or the “United States” are to the United States of America and its territories and possessions and all references to “India” are to the Republic of India and its territories and possessions.

In this Prospectus, references to the words “Lakh” or “Lac” mean “100 thousand”, the word “million” means “10 lakh”, the word “crore” means “10 million” or “100 lakhs” and the word “billion” means “1,000 million” or “100 crores”.

All references in this Prospectus to the word “acre” mean “43,559.6 sq ft” and “hectare” mean “107,639.1 sq ft”.

Our Company publishes its consolidated and unconsolidated financial statements in Indian Rupees. Our consolidated financial statements as of and for the fiscal years ended March 31, 2013, 2012 and 2011 have been prepared in accordance with Indian GAAP and the Companies Act. Our reformatted consolidated statements, as of and for the fiscal years ended March 31, 2013, 2012 and 2011, prepared in accordance with, inter alia the requirements of the Revised Schedule VI of the Companies Act and based on the audited consolidated financial statements as of and for the fiscal years ended March 31, 2013, 2012 and 2011, have been included in this Prospectus beginning on page 196. Unless otherwise indicated, all financial data in this Prospectus are derived from our reformatted audited consolidated financial statements.

Indian GAAP differs in certain significant respects from International Financial Reporting Standards ("IFRS") and U.S. GAAP and accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Prospectus will provide meaningful information is entirely dependent on the reader's familiarity with the respective accounting policies. Our Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements. For further details, please see "Risk Factors – Indian corporate and other disclosure and accounting standards differ from those observed in other jurisdictions such as U.S. GAAP and IFRS" on page 54.

In this Prospectus, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates and other industry data pertaining to the business of our Company contained in this Prospectus consists of estimates based on data reports compiled by government bodies, professional organisations and analysts, data from other external sources and knowledge of the markets in which our Company competes. These documents and publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Unless stated otherwise, the statistical information included in this Prospectus relating to the industry in which our Company operates has been reproduced from various trade, industry and government publications and websites. For further details, please see "***Risk Factors – Third party statistical and financial data in this Prospectus may be incomplete or unreliable***" on page 51.

This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor the Syndicate Members have independently verified this data and do not make any representation regarding the accuracy of such data. Our Company takes responsibility for accurately reproducing such information but accepts no further responsibility in respect of such information and data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers nor the Syndicate Members can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Prospectus that are not historical facts. These forward-looking statements contained in this Prospectus (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Risks in connection with our reliance on concessions, sub-concessions and licenses from government and quasi-governmental organizations.

- Restrictive provisions in the MICTL Sub-concession Agreement could adversely affect our business and results of operations.

- Our business and operations may be adversely affected due to violations of environmental regulations during the development of port facilities at Mundra.

- The nature of our contracts with our customers contain inherent risks and contain certain provisions which, if exercised, could result in adverse effect on our business and results of operations.

- Our investments in developing additional services, facilities and sources of income for our port business may not be successful.

- Reliance on a small number of customers for a large proportion of our income and a loss of any of these customers could affect our profitability.

- Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business and results of operations.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 35, 83, 96 and 64 respectively. The forward-looking statements contained in this Prospectus are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Prospectus or the respective dates indicated in this Prospectus, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company incorporated with limited liability under the laws of India. All of our Company's Directors are residents of India. All of the key managerial personnel named in this Prospectus are residents of India and substantially all the assets of our Company are located in India. As a result, it may be difficult for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon by the same parties or between parties under whom they or any of them claim to be litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any country or territory outside India which the Government of India (the "**GoI**" or the "**Government**") has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a appropriate court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit has to be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to repatriate outside India any amount recovered pursuant to such award, and any such amount may be subject to income tax in accordance with applicable laws.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information concerning exchange rates between the Rupee and the U.S. dollar for the periods indicated. Exchange rates are based on the reference rates released by RBI, which are available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all. On May 24, 2013, the exchange rate (RBI reference rate) was ₹ 55.6075 to U.S. $ 1.00 (Source: http://*www.rbi.org.in*).

	Period End	**Average**[1]	**High**	**Low**
Financial Year:	(₹ Per U.S.$1.00)			
2014[2]	55.6075	54.5371	55.9910	53.7355
2013	54.3893	54.4512	57.2165	50.5645
2012	51.1565	47.9458	54.2355	43.9485
2011	44.6500	45.5763	47.5700	44.0300
Quarter Ended:				
March 31, 2013	54.3893	54.1726	55.3278	52.9730
December 31, 2012	54.7773	54.1386	55.7045	51.6185
September 30, 2012	52.6970	55.2443	56.3755	52.6970

1 Average of the official rate of each working day of the relevant period.
2 As per data from April 1, 2013 to May 24, 2013.
(*Source: www.rbi.org.in*)

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses the definitions and abbreviations set forth below which, unless otherwise specified, you should consider when reading the information contained herein. References to any legislation, act, regulation or statutory provision in this Prospectus shall be construed as reference to such term as amended, modified or re-enacted from time to time.

Company and Industry Related Terms

Term	Description
"the Company" or "our Company"	Adani Ports and Special Economic Zone Limited, a public limited company incorporated under the Companies Act
Adani Abbot	Adani Abbot Point Coal Terminal Pty Ltd
Adani Dahej	Adani Petronet (Dahej) Port Private Limited
Adani Group	Adani Enterprises Limited, its subsidiaries and associates
Adani Hazira	Adani Hazira Port Private Limited
Adani Mormugao	Adani Mormugao Port Terminal Private Limited
AICTPL	Adani International Container Terminal Private Limited
Articles of Association or Articles	The Articles of Association of our Company, as amended from time to time
Auditor	The statutory auditor of our Company, S. R. Batliboi & Associates LLP, Chartered Accountants
Board or Board of Directors	The board of directors of our Company
CT1 Sub-concession Agreement	Sub-concession agreement dated January 7, 2003 between MICTL and our Company
Dahej Port	The port at Dahej, Gujarat
Directors	Directors on the Board, as may be appointed from time to time
Equity Shares	Equity shares of face value of ₹ 2 each of our Company
GMB	Gujarat Maritime Board
Hazira Port	The port at Hazira, Gujarat
Kandla Port	The port at Kandla, Gujarat
Memorandum of Association or Memorandum	Memorandum of Association of our Company, as amended from time to time
MICTL	Mundra International Container Terminal Private Limited
MITAP	Mundra SEZ Textile and Apparel Park Limited
Mormugao Port	The port at Mormugao, Goa
Mundra Port	The port at Mundra, Gujarat
Mundra SEZ	Mundra Special Economic Znoe
Promoter	Adani Enterprises Limited, Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1) (zb) of the SEBI Regulations
Registered Office	Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India
Subsidiaries	The subsidiaries of the Company in accordance with the Companies Act

Term	Description
TAMP	Tariff Authority for Major Ports
TEU	Twenty-foot Equivalent Unit
ULCC	Ultra large crude carrier
Vizag Port	The port at Visakhapatnam, Andhra Pradesh
VLCC	Very large crude carrier
“we” or “us” or “our”	Unless the context otherwise requires, Adani Ports and Special Economic Zone Limited, its Subsidiaries and joint venture on a consolidated basis

Issue Related Terms

Term	Description
Allocation or Allocated	Allocation of the Equity Shares offered in the Issue following the determination of the Issue Price to Applicants on the basis of the ASBA Applications submitted by them and in accordance with the Allotment Criteria
Allotment Criteria	The method as finalised by our Company based on which the Equity Shares offered in the Issue will be Allocated and Allotted to successful Applicants, in this case being the proportionate method
Allotment or Allotted or Allot	Unless the context otherwise requires, the issue and allotment of the Equity Shares pursuant to the Issue
Allottees	QIBs to whom the Equity Shares are Allotted pursuant to the Issue
Applicant	A QIB that submits an ASBA Application in accordance with the provisions of the Red Herring Prospectus
Application Amount	The highest value indicated by the Applicant in the ASBA Application to subscribe for the Equity Shares applied for in the ASBA Application
ASBA	Application supported by blocked amount
ASBA Account	An account maintained with the SCSB by the Applicant and specified in the ASBA Application for blocking the Application Amount
ASBA Application	An application by an Applicant, whether physical or electronic, offering to subscribe for the Equity Shares in the Issue at any price within the Price Band, including any revisions thereof, pursuant to the terms of the Red Herring Prospectus and which shall also be an authorisation to an SCSB to block the Application Amount in the ASBA Account maintained with such SCSB. The ASBA Application will also be considered as the application for Allotment for the purposes of the Red Herring Prospectus and this Prospectus. The price per Equity Share and the number of Equity Shares applied for under an ASBA Application may only be revised upwards and any downward revision in price per Equity Share and/or the number of Equity Shares applied for under an ASBA Application or withdrawal of the ASBA Application is not permitted.
Basis of Allocation	The basis on which Equity Shares offered in the Issue will be Allocated to successful Applicants in the Issue and the CAN will be dispatched, as described in “***Issue Procedure***” beginning on page 124
Bidding Locations	Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Baroda and Surat
Book Running Lead Managers	Standard Chartered Securities (India) Limited, IDFC Capital Limited, SBI Capital Markets Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited, Deutsche Equities India Private Limited, Macquarie Capital (India) Private Limited and Goldman Sachs (India) Securities Private Limited

Term	Description
CAN or Confirmation of Allocation Note	Note, advice or intimation sent to the Applicants who have been Allocated Equity Shares offered in the Issue, confirming the Allocation of Equity Shares to such Applicants after the determination of the Issue Price in terms of the Basis of Allocation approved by the Stock Exchanges, and shall constitute a valid, binding and irrevocable agreement on part of the Applicant to subscribe to the Equity Shares Allocated to such Applicant at the Issue Price
Cap Price	The higher end of the Price Band, announced by our Company, above which the Issue Price will not be finalised and above which no ASBA Applications will be accepted, which was ₹ 158 per Equity Share
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Applications and a list of which is available at http://www.sebi.gov.in
Designated Date	The date on which funds blocked by the SCSB are transferred from the ASBA Accounts of the successful Applicants to the Public Issue Account or unblocked, as the case may be, after the Prospectus is filed with the RoC
DSP Merrill Lynch	DSP Merrill Lynch Limited
Floor Price	The price below which the Issue Price will not be finalised and the Equity Shares offered in the Issue shall not be Allotted. The Floor Price, which was decided by our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and was announced one day prior to the Issue Opening Date, which was ₹ 148 per Equity Share. Any ASBA Application made at a price per Equity Share below the Floor Price will be rejected
Floor Price / Price Band Announcement	The announcement of either the Floor Price or the Price Band, made by our Company at least one day prior to the Issue Opening Date
Global Coordinators and Book Running Lead Managers	DSP Merrill Lynch and Morgan Stanley
Institutional Placement Programme or IPP	Institutional placement programme in which offer, allocation and allotment of equity shares is made under Chapter VIII-A of the SEBI Regulations
Issue	The offer and issuance of 66,657,520 Equity Shares to QIBs, pursuant to Chapter VIII-A of the SEBI Regulations
Issue and Placement Agreement	The issue and placement agreement dated May 31, 2013, among our Company, Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers in relation to the Issue
Issue Closing Date	The last date up to which the ASBA Applications were accepted, which date was announced along with the Floor Price/Price Band Announcement
Issue Opening Date	The date on which the Designated Branches and the members of the Syndicate started accepting the ASBA Applications, which date was announced along with the Floor Price / Price Band Announcement
Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates during which QIBs submitted their ASBA Applications to the SCSBs and the members of the Syndicate (in the Bidding Locations)
Issue Price	The price at which the Equity Shares offered in the Issue will be Allotted to the successful Applicants, and indicated in the CAN, which shall be within the Price Band. The Issue Price is ₹ 150 per Equity Share
Issue Size	The aggregate size of the Issue, comprising of 66,657,520 Equity Shares each Allotted at the Issue Price
Morgan Stanley	Morgan Stanley India Company Private Limited

Term	Description
Price Band	Price band announced by our Company for the Issue, of a minimum price (Floor Price) and a maximum price (Cap Price), decided by our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and announced one day prior to the Issue Opening Date. The Price Band for the Issue was a minimum price (Floor Price) of ₹ 148 and a maximum price (Cap Price) of ₹ 158.
Pricing Date	The date on which our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers finalised the Issue Price
Prospectus	This Prospectus to be filed with the RoC in accordance with the provisions of the Companies Act, containing, *inter alia*, the Issue Size, the Issue Price and certain other information
Public Issue Account	The account opened with the Public Issue Account Banks in terms of Section 73 of the Companies Act to receive monies from the ASBA Accounts on the Designated Date
Public Issue Account Agreement	Public issue account agreement dated June 3, 2013 among our Company, Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members, the Registrar and the Public Issue Account Bank
Public Issue Account Banks	The banks which are clearing member and registered with SEBI as a banker to the issue with whom the Public Issue Account will be opened and in this case being Bank of America N.A. and Standard Chartered Bank
QIB or Qualified Institutional Buyer	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus	The Red Herring Prospectus dated May 31, 2013, issued in accordance with the provisions of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered in the Issue and the size of the Issue as supplemented by corrigendum notice published on June 4, 2013. The Red Herring Prospectus was filed with the RoC at least three days before the Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Registrar to the Issue	Link Intime India Private Limited
Revision Form	The form used by the Applicants, to modify the number of Equity Shares applied for or the price per Equity Share in any of their ASBA Applications or any previous Revision Form(s). Applicants are not allowed to revise downwards the price per Equity Share or the number of Equity Shares applied for
Self Certified Syndicate Bank(s) or SCSB(s)	A banker to the issue registered with SEBI, which offers the facility of ASBA and a list of which is available at http://www.sebi.gov.in
Stock Exchanges	The BSE and the NSE
Syndicate Agreement	The agreement dated May 31, 2013, as amended by the addendum dated June 3, 2013, among the Syndicate and our Company in relation to the Issue
Syndicate ASBA Bidding Centres	Centres in the Bidding Locations where the Applicants can register their ASBA Applications with a member of the Syndicate
Syndicate Members	Macquarie Capital Securities (India) Private Limited, SBICAP Securities Limited and IDFC Securities Limited
Syndicate or members of the Syndicate	The Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members
TRS or Transaction Registration Slip	The slip or document issued by a member of the Syndicate or the SCSB (only on demand), as the case may be, to the Applicant as proof of registration of the ASBA Application

Term	Description
Working Day	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Issue Closing Date and listing of the Equity Shares offered pursuant to the Issue on the Stock Exchanges, "Working Days", shall mean all days excluding Sundays and bank holidays in Mumbai in accordance with the SEBI Circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Conventional and General Terms

Term	Description
AGM	Annual General Meeting
Alternative Investment Fund/AIF	Alternative Investment Fund as defined in and registered under SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
Civil Procedure Code	Code of Civil Procedure, 1908
Client ID	Beneficiary account identity
Companies Act	Companies Act, 1956
CRM	Customer relationship management
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant identity
EPS	Earnings per share, i.e., profit after tax for a financial year divided by the weighted average number of equity shares during the financial year
Equity Listing Agreement	The equity listing agreements entered by our Company with each of the Stock Exchanges
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended
FIIs	Foreign institutional investors (as defined under the FII Regulations) registered with SEBI
Financial year or fiscal year or fiscal or FY	Period of 12 months ended March 31 of that particular year
FVCI or foreign venture capital investors	Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961

Term	Description
IFRS	International Financial Reporting Standards
IND AS	Indian Accounting Standards converged with International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
Insurance Company	An insurance company registered with the Insurance Regulatory and Development Authority in India
ISO	International Organization for Standardization
Limited liability partnership	A limited liability partnership registered with the Registrar of Companies under the Limited Liability Partnership Act, 2008
MAT	Minimum Alternate Tax
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
PAN	Permanent Account Number allotted under the I.T. Act
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
Rule 144A	Rule 144A under the Securities Act
Rs./ ₹	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Securities Act	The U.S. Securities Act of 1933
STT	Securities Transaction Tax
Supreme Court	Supreme Court of India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. QIB	A qualified institutional buyer, as defined under Rule 144A under the Securities Act and which is also a QIB eligible to participate in this Issue
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCF(s) or Venture capital funds	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

SUMMARY OF OUR BUSINESS

Overview

We are one of India's largest private developers and operators of ports and related infrastructure and provide fully integrated port and logistics services. We have developed and operate the port at Mundra, Gujarat, the largest Non-major Port in India by volume, handling 82 mmt for the fiscal year 2013; a dry bulk terminal at the port at Dahej, Gujarat; and a multi-purpose terminal and a container terminal at the port at Hazira, Gujarat; and are developing a coal handling terminal at the port at Mormugao, Goa; a coal handling terminal at the port at Visakhapatnam, Andhra Pradesh (also known as the "Vizag Port"); and a bulk cargo terminal at the port at Kandla, Gujarat. Our three operational facilities on the west coast of India are capable of handling capesize vessels. We also provide other services, including infrastructure, leasing and logistics services at the Mundra Port and through its surrounding infrastructure, including a special economic zone in the area surrounding the Mundra Port (the "Mundra SEZ"), which we develop and operate and is one of the largest operating port-based multi-product special economic zones in India. We are also the first and only privately owned Indian port operator to be awarded a seat at the C40 World Ports Climate Conference.

We have developed and operate six bulk terminals, four container terminals, automobile handling and coal handling facilities and two single-point mooring facilities across the Mundra Port, the Dahej Port and the Hazira Port, that together allow us to provide port services for dry and liquid bulk (including coal), container, crude oil and other cargo. Our port services include marine, intra-port transport, storage and handling, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users.

Our total cargo volume handled was 51 mmt, 65 mmt and 91 mmt for the fiscal years 2011, 2012 and 2013, respectively, representing a CAGR of 33.6% between the fiscal years 2011 and 2013. Our total cargo volume handled represented 18.8% and 25.5% of the total cargo handled at all Non-major Ports in India and Gujarat, respectively, for the fiscal year 2012. *(Source: "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)* Our total revenue was ₹ 21,101.5 million, ₹ 27,487.6 million and ₹ 38,410.7 million, and our net profit was ₹ 9,181.5 million, ₹ 11,020.7 million and ₹ 16,232.2 million, for the fiscal years 2011, 2012 and 2013, respectively.

We are a subsidiary of Adani Enterprises Limited, the flagship company of the Adani Group, one of India's largest business houses with a consolidated net totoal income from operations of approximately ₹ 464,624.07 million for the fiscal year 2013. The Adani Group has significant interests across the resources (coal mining and trading), logistics (ports and logistics, shipping and rail), energy (power generation and transmission) and other ancillary industries, with a presence in India, Indonesia, Singapore, Australia, China and the Middle East. The Adani Group includes three listed companies in India, Adani Enterprises Limited, Adani Power Limited and our Company.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Strategic Location and Advantageous Natural Characteristics

The Mundra Port, the Dahej Port and the Hazira Port are strategically located in Gujarat, close to the north, west and central hinterlands of India and major maritime trade routes, and have advantageous natural characteristics. We are also developing terminals at three additional ports, including at the Vizag Port, which represents our first foray into the east coast of India.

The north, west and central regions of India, which include the National Capital Region, Gujarat, Rajasthan, Haryana, Punjab, Madhya Pradesh and Uttar Pradesh, generate significant seaborne trade, from which the Mundra Port, only 341 kilometers from Ahmedabad, benefits. The Mundra Port is also connected by a railway line that is capable of handling double stack containers to Bathinda and the northern hinterland of India, and by branch lines to the Delhi-Mumbai freight corridor. The Mundra Port is located near the entrance of the Gulf of Kutch, close to one of the major global maritime trade routes that bridges resource rich Middle East, Africa and Australia, and regions with high resource demand and consumer exports in East and North Asia and Europe. The Dahej Port and the Hazira

Port enjoy proximity to central and southcentral India, including the hinterlands of Madhya Pradesh, Chhattisgarh, north Maharashtra and south Gujarat, and are in close proximity to the existing Delhi-Mumbai freight corridor. The Mundra Port, the Dahej Port and the Hazira Port are each close to the proposed dedicated high-speed freight corridor connecting Delhi and Mumbai.

Our facilities also benefit from advantageous geographic characteristics, with the ability to accommodate capesize vessels and operate all weather ports and terminals. All of our operational terminals enjoy deep drafts, ranging between 16 meters to 20 meters, which can accommodate capesize bulk vessels and container vessels with capacities of up to 10,000 TEUs to dock berthside. At the Mundra Port, we handle VLCCs and ULCCs, which moor at our two single-point mooring facilities each with drafts of 32 meters. We believe our terminals have among the deepest drafts of ports on the west coast of India. The Mundra Port is also protected by its location on the north shore of the Gulf of Kutch from the worst of the severe rain, wind and waves that accompany the monsoon season, reducing associated costs, delays and damages.

Track Record of Project Development and Execution

We have a successful track record of developing and executing projects, including waterfront, onshore, back-up area, evacuation and connectivity infrastructure across greenfield, brownfield and terminal locations. Our track record includes developing and operating 12 terminals and 31 berths (including two single point mooring facilities) with mechanized back-up and storage areas across the Mundra Port, the Dahej Port and the Hazira Port, since commencing commercial operations of the Mundra Port in October 2001, with one terminal with one berth under development at the Mormugao Port, one terminal with one berth under development at the Vizag Port and one terminal with four berths under development at the Kandla Port. We have also developed substantial infrastructure, including two inland container depots, 86 kilometers of railway track and a network of roads and flyovers connecting the Mundra Port to the regional road network.

Our project development and execution has been successful, with cargo volume handled and net revenue from operations increasing by a CAGR of 33.6% and 33.7%, respectively, between the fiscal years 2011 and 2013. The Mundra Port ranked second in terms of total cargo handled across all Non-major Ports and Major Ports in India for the fiscal year 2013. *(Source: Indian Ports Association.)* The Mundra Port handled more cargo than all of the ports in Goa, and more cargo than all of the Non-major Ports in each of Maharashtra and Andhra Pradesh, for the fiscal year 2012; and the Dahej Port, since commencing operations in 2011, has handled 8 mmt of cargo for the fiscal year 2013. *(Source: "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)* We believe that this track record provides us with a number of competitive advantages in implementing our growth strategy, achieving operational efficiencies and attracting customers. In particular, we believe this experience allows us to successfully execute projects on schedule and within cost, establish achievable objectives in our current and future development plans and recognize and capitalize on opportunities.

Extensive Dedicated Infrastructure

Our operational facilities have, and, once operational, our facilities under development are planned to have, extensive infrastructure with significant regional connectivity. We believe this extensive infrastructure allows us to realize synergies and offer value-added services through our integrated port services model.

- *Port Infrastructure.* We have developed and operate 12 terminals and 31 berths (including two single point mooring facilities) across India with mechanized back-up and storage areas across the Mundra Port, the Dahej Port and the Hazira Port. These terminals and their related infrastructure are multi-purpose, providing us with flexibility to handle a variety of cargo across various economic conditions. We also have an additional three terminals and six berths under development. At the Mundra Port, we have extensive infrastructure provides us with significant room for growth. The Mundra Port comprises four multi-purpose cargo terminals, including dedicated car handling and coal handling facilities, three container cargo terminals, two single-point mooring facilities and extensive supporting infrastructure. This supporting infrastructure includes mobile harbor cranes, conveyor systems, port craft and other equipment, and back-up and storage areas for dry and liquid bulk, container and crude oil cargo. We have also received notifications of land from the Government of India for 6,641 hectares (including 168 hectares that are sector specific) of the Mundra SEZ, providing us with considerable room to continue to accommodate supporting infrastructure for the expansion of the Mundra Port.

- *Connectivity Infrastructure.* We believe that infrastructure providing connectivity between our facilities and their respective hinterlands is integral to successfully developing ports and related facilities. At the Mundra Port and the Mundra SEZ, we benefit significantly from the proximity and connectivity to in-port and regional rail, road and pipeline infrastructure. Within and around the Mundra region, we have developed seven railway sidings, over 50 kilometers of roads and a private airstrip. The Mundra Port and the Mundra SEZ are well connected to the regional railway network by a private 86 kilometer double track railway line, which we have developed and operate. At the Mundra Port, our two single-point mooring facilities are connected by pipeline to petroleum refineries in Panipat, Haryana and Bhatinda, Punjab and the regional pipeline network, and our liquid cargo storage and handling facilities are connected by POL pipeline to Bahadurgarh, near Delhi. The Dahej Port and the Hazira Port benefit significantly from existing evacuation infrastructure, with each port well connected to the region by railway and road. We are also developing terminals at the Mormugao Port, the Vizag Port and the Kandla Port which enjoy extensive established rail and road connectivity to regional infrastructure.

  Our inland infrastructure includes six container cargo rakes, two rail-linked inland container depots at Patli, Punjab and Kishangarh, Rajasthan, and a license, and infrastructure and equipment, allowing us to operate container trains across our port facilities. The Dahej Port, the Hazira Port and the Mundra Port are also connected to a proposed dedicated high-speed freight corridor connecting Delhi and Mumbai.

Our extensive port and connectivity infrastructure with regional connectivity allows us to offer value-added services to our customers, including in-house customs clearance, logistics and storage services, to achieve vertical integration and the related synergies with the Adani Group in certain lines of business.

Fully Integrated Port and Logistics Services Provider for Diverse Range of Cargo

We offer customers fully integrated port and logistics services for a diverse range of cargo for each step of the value chain, between piloting vessels to their berths and evacuating cargo to, and beyond, the regional infrastructure network. These services include marine, intra-port transport, storage and handling, other value-added, evacuation and logistics services across road, railway and pipeline connectivity. We provide these services through our extensive infrastructure with the flexibility to accommodate, and provide dedicated facilities for, a diverse range of cargo, including dry and liquid bulk, container and crude oil cargo.

We believe that the fully integrated port and logistics services model provides a number of benefits to our customers and us. Our customers benefit from this model by having one vendor across the value chain that they can hold accountable for protecting their interests. We believe that this accountability fully aligns our and our customers' interests, and allows us to improve the speed and quality of the service our customers receive. We benefit from this model because it provides us with multiple streams of income and reduces the number of other service providers in the logistics chain, allowing us to capture revenue from additional services and charge premium pricing for a bundled, and what we believe is superior, service. We believe that our fully integrated port and logistics services model creates a sustainable competitive advantage in attracting customers against other ports in the region.

Long-standing Relationships with Customers

We have long-standing relationships with our top five customers, which we believe have been established and are strengthened by the strategic locations, extensive dedicated infrastructure and ability to handle additional cargo at each of our facilities. Our customers include leading state-owned petroleum refineries, Government-owned POL distribution companies, power plants, prominent automobile manufacturers and container service providers. These long-standing relationships have provided us with long-term agreements with customers across a variety of industries with varying cargo requirements, which we believe helps us to weather economic and commodity price volatility.

Experienced Senior Management Team

Our senior management team has significant industry experience and relationships in the port and related industries. Gautam Adani, Chairman, Managing Director and Chief Executive Officer of our Company and the founder of the

Adani Group, one of the leading business conglomerates in India, has over 30 years of experience as an entrepreneur across the power generation, coal mining, oil and gas exploration, bunkering and port development and operations industries. We also benefit from our senior management team, which has extensive strategic and operational experience in a variety of sectors. We believe that the knowledge and experience of our senior management team enables us to continue to build on our track record of project implementation and execution and respond to market opportunities.

Our Strategies

The primary elements of our business strategy are as follows:

Establish Pan-India Presence

We intend to expand our facilities and infrastructure to establish, and serve our customers through, a pan-India presence. We believe a pan-India presence will allow us to serve our customers particularly due to the extent to which economic output and port traffic are spread throughout India. West, east and south India accounted for 60.0%, 25.0% and 15.0%, respectively, of the total volume of cargo handled at Indian ports for the fiscal year 2012. *(Source: India Port Association.)* Our facilities in operation are positioned in west and south Gujarat to service northwest, west and central India. We are also developing terminals at the Mormugao Port and the Vizag Port to expand our presence to southwest and southeast India, respectively, and have developed two container depots at Patli, Punjab and Kishangarh, Rajasthan, which provide us with a strategic presence in the northern hinterland in India. We are also continuing to explore other opportunities, organic and inorganic, including to expand on the east coast of India, and may enter into agreements to provide port services, or aquire facilities at new ports on the east cost of India in the near future. With these additions to our existing footprint, we believe that the presence and locations of our ports and related infrastructure will allow us to provide customers with a full range of port services for their exports and imports.

Become Gateway for Energy Resource Imports to India

We intend to serve as a gateway for energy resource imports in India by providing coal and crude oil cargo handling services and providing connectivity to power plants and petroleum refineries. For coal cargo, we have operational dry bulk cargo facilities which can handle coal cargo at the Mundra Port and at the terminals at the Dahej Port and the Hazira Port, and are developing coal handling berths at the Mormugao Port and the Vizag Port and a dry bulk terminal which can handle coal cargo at the Kandla Port. By establishing facilities capable of handling coal cargo across India, we believe we will be able to continue to cater to growing demand for coal by operators of coal-fired power plants. For crude oil cargo, we have two operational single point mooring facilities and have the right to develop two additional single point mooring facilities at the Mundra Port. We believe that by establishing non-captive facilities for crude oil cargo, we retain the flexibility to cater to the increased demand by the private sector for crude oil cargo services as refineries and infrastructure are developed. We also have the right to develop a liquefied natural gas terminal at the Mundra Port.

Offer Customers Multi-cargo Ports and Related Infrastructure

We intend to continue to develop multi-cargo ports and related infrastructure to accommodate the diverse cargo needs of our customers. The pace of containerization has continued to accelerate, with container cargo accounting for 20.0% and 21.8% of total cargo handled at Major Ports in India for the fiscal years 2011 and 2013, respectively. *(Source: India Port Association.)* We have positioned our growth plans to accommodate this diversity of throughput by developing multi-cargo ports and infrastructure. At the Mundra Port, we have developed and operate three container terminals. We have developed storage and handling and evacuation facilities to accommodate container cargo as well, including infrastructure capable of double stacking containers on “python,” or long-haul, trains operated by Indian Railways which can carry up to 90 wagons. We also operate three complementary terminals at two ports: a container terminal and a multi-cargo terminal at the Hazira Port, and a dry bulk cargo terminal at the Dahej Port. Together, these terminals function as “twin” ports, allowing us to service a variety of cargo in the central and southwestern hinterlands of India.

Focus on Increasing Margins from Our Operational Facilities

We intend to continue to focus on increasing margins at our operational facilities by pursuing operational efficiencies, developing infrastructure and improving utilization**.** We intend to continue to pursue operational efficiencies by implementing cost management systems and upgrading our technology. For example, we intend to continue to outfit our facilities with various levels of mechanization for cranes, equipment and back-up areas, which we believe reduces operating costs and standardizes our services.

At the Mundra Port, we have recently commissioned a third container terminal, Container Terminal 3, which has two berths with deep drafts which are able to accommodate vessels capable of handling vessels of up to 10,000 TEUs. At the dry bulk terminal at the west basin of the Mundra Port (the "Coal and Bulk Terminal"), we recently developed a fourth berth, are mechanizing a part of the existing and new berths, and constructing additional back-up facility areas, with completion expected by the end of the fiscal year 2014. We are also in the process of upgrading the infrastructure in and connected to the Mundra Port, including recently completing a doubling of the railway line connecting the Mundra Port to Adipur and expanding storage facilities for dry bulk cargo at Multi-purpose Terminals 1 and 2.

Pursue Benefits of Both Long-term and Short-term Arrangements with Customers

We plan to continue to increase the volume of cargo we deliver pursuant to existing, and pursue new, long-term and short-term agreements with customers. We have existing long-term agreements with a number of customers, including petroleum refineries, power plants, automobile manufacturers and container service providers. We also enter into short-term agreements with a variety of importers, exporters and agents for port and related services. We plan to continue to increase the amount of cargo we deliver pursuant to these arrangements by increasing our capacity and continuing to refine our operating procedures. We also plan to continue to secure long-term and short-term agreements with new customers, as demand for port services at our facilities continues to increase. We believe that by pursuing incremental increases in our commitments to customers through a mix of long-term and short-term agreements, we will be able to continue to grow with reduced volatility.

SUMMARY OF THE ISSUE

This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including in "***Risk Factors***", "***Use of Proceeds***", "***Placement***" and "***Issue Procedure***" beginning on pages 35, 61, and 142 and 124 respectively.

The following is a general summary of the terms of the Issue:

Issuer	Adani Ports and Special Economic Zone Limited
Issue Size	66,657,520 Equity Shares
Issue Price	The price at which the Equity Shares offered in the Issue will be Allotted to the successful Applicants in terms of the Basis of Allocation, Allotment Criteria and the CAN. For details Please see "***Issue Procedure***" beginning on page 124.
Eligible Investors	QIBs
Class of Equity Shares	The Equity Shares offered in the Issue are securities of our Company of the same class and in all respects uniform with the Equity Shares listed and traded on the Stock Exchanges. For details, see "***Description of the Equity Shares***" beginning on page 155.
Equity Shares issued and outstanding immediately prior to the Issue	2,003,394,100 Equity Shares.
Equity Shares issued and outstanding immediately after the Issue	2,070,051,620 Equity Shares.
Price Band	The Price Band as decided by our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, which was announced one day prior to the Issue Opening Date. The Price Band for the Issue was a minimum price (Floor Price) of ₹ 148 and a maximum price (Cap Price) of ₹ 158.
Floor Price	The Floor Price which was decided by our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers which was announced one day prior to the Issue Opening Date.
Cap Price	The higher end of the Price Band announced by our Company, above which the Issue Price will not be finalised and above which no ASBA Applications will be accepted.
Listing	(i) Applications for in-principle approval, in terms of clause 24(a) of the Equity Listing Agreement, for listing and admission of the Equity Shares offered in the Issue and for trading on the Stock Exchanges, were made and approval has been received from BSE and the NSE vide letters dated May 31, 2013; and (ii) the application for the final listing and trading approval will be made after Allotment.
Lock-up	The Company will not, without consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, from the date hereof and for a period of up to 90 days from the Closing Date, directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares, or file any registration statement under the U.S. Securities Act or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or

	exchangeable for the Equity Shares; or (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or a deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise, provided, however, that the foregoing restrictions shall not be applicable to the issuance of the Issue Shares pursuant to the terms of Issue and Placement Agreement and the Red Herring Prospectus and this Prospectus. The Promoters, during the period commencing on the date hereof and ending 60 days after the date of Allotment of Equity Shares under the Issue (the "**Lock-up Period**"), agree not to (a) directly or indirectly, offer, lend, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Promoter Equity Shares or any securities convertible into or exercisable for Promoter Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Promoter Equity Shares which may be deemed to be beneficially owned by Promoters), or file any registration statement under the U.S. Securities Act of 1933, as amended, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Promoter Equity Shares or any securities convertible into or exercisable or exchangeable for Promoter Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Promoter Equity Shares or such other securities, in cash or otherwise); or (c) deposit Promoter Equity Shares with any other depositary in connection with a depositary receipt facility or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Promoter Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above; provided, however, that the foregoing restrictions do not apply (i) any inter-se transfer of Equity Shares between the Promoters and Promoter Group, provided that the lock-up shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the Lock-up Period set out herein has expired; (ii) to any sale, transfer or disposition of Promoter Equity Shares by the Promoters to the extent such sale, transfer or disposition is required by Indian law; and (iii) any sale, transfer or disposition of Equity shares by the Promoters, pursuant to enforcement of any pledge that has been created by the Promoters in respect of the Equity Shares.
Transferability Restrictions	The Equity Shares Allotted shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. Please see "***Transfer Restrictions***" beginning on page 150.
Closing	The Allotment of the Equity Shares offered pursuant to this Issue is expected to be made on or about June 8, 2013.
Use of Proceeds	Net proceeds of the Issue (after deduction of fees, commissions and expenses) are expected to total approximately ₹ 9,919.1 million. Please see "***Use of Proceeds***" on page 61.
Risk Factors	Please see "***Risk Factors***" beginning on page 35 for a discussion of factors you should consider before deciding whether to subscribe for the Equity Shares offered in the Issue.
Ranking	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum and the Articles of Association and shall rank *pari passu* in all

	respects with the existing Equity Shares, including rights in respect of voting and dividends. The shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Allotment of the Equity Shares issued, in compliance with the Companies Act, the Equity Listing Agreement and other applicable laws and regulations.
Security Codes for the Equity Shares	**ISIN:** INE742F01042 **BSE Code:** 532921 **NSE Code:** ADANIPORTS

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information derived from the reformatted audited consolidated financial statements as of and for the years ended March 31, 2011, 2012 and 2013.

*The reformatted audited consolidated financial statements have been prepared in accordance with Indian GAAP and the Companies Act and presented under the section "**Financial Statements**" beginning on page 196. The selected financial information presented below should be read in conjunction with the reformatted audited consolidated financial statements as of and for the years ended March 31, 2011, 2012 and 2013, the notes thereto, and the sections "**Financial Statements**" and "**Management's Discussion and Analysis of Our Financial Condition and Results of Operations**" beginning on pages 196 and 64, respectively.*

REFORMATTED CONSOLIDATED BALANCE SHEET

PARTICULARS	As at March 31, 2013 INR in Million	As at March 31, 2012 INR in Million	As at March 31, 2011 INR in Million
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	4,034.9	4,034.9	4,034.9
Reserves and Surplus	59,927.8	44,117.9	37,863.8
Sub Total	**63,962.7**	**48,152.8**	**41,898.7**
Minority Interest	1,423.1	1,348.8	987.1
NON-CURRENT LIABILITIES			
Long-Term Borrowings	102,575.0	154,462.4	17,168.6
Deferred Tax Liabilities (Net)	5,529.7	15,203.2	3,501.5
Other Long Term Liabilities	5,869.9	6,187.3	6,524.9
Long-Term Provisions	1,042.5	1,361.2	2.7
Sub Total	**115,017.1**	**177,214.1**	**27,197.7**
CURRENT LIABILITIES			
Short Term Borrowings	4,047.0	10,052.0	7,113.2
Trade Payables	1,742.2	4,025.2	1,342.6
Other Current Liabilities	21,403.4	15,758.6	15,649.9
Short-Term Provisions	3,000.5	2,609.2	1,047.2
Sub Total	**30,193.1**	**32,445.0**	**25,152.9**
Total			
	210,596.0	**259,160.7**	**95,236.4**
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
Tangible assets	112,179.3	170,450.5	62,391.3
Intangible assets	1,241.8	2,703.6	1,116.9
Capital work-in-progress	29,512.2	36,377.0	17,167.2
	142,933.3	**209,531.1**	**80,675.4**
Goodwill on consolidation	403.5	11,125.2	403.5
Non-current investments	770.8	697.5	666.2
Deferred Tax Assets (net)	243.9	24.1	33.9
Loans and Advances	11,510.5	12,192.7	4,501.9
Trade Receivables	739.9	917.8	-
Other Non-Current Assets	2,999.1	4,810.5	1,126.4
Sub Total	**159,601.0**	**239,298.9**	**87,407.3**
CURRENT ASSETS			
Current Investment	1,445.1	-	-
Inventories	979.5	691.0	423.4

PARTICULARS	As at March 31, 2013 INR in Million	As at March 31, 2012 INR in Million	As at March 31, 2011 INR in Million
Trade Receivables	7,282.8	3,022.2	2,839.9
Cash & Bank Balances	8,305.5	11,184.2	2,283.2
Loans and Advances	17,471.5	1,911.8	1,949.9
Other Current Assets	15,510.6	3,052.6	332.7
Sub Total	**50,995.0**	**19,861.8**	**7,829.1**
Total	**210,596.0**	**259,160.7**	**95,236.4**

REFORMATTED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PARTICULARS	For the Year ended March 31, 2013 INR in Million	For the Year ended March 31, 2012 INR in Million	For the Year ended March 31, 2011 INR in Million
Continuing operations			
Revenue from Operations (net)	35,766.3	26,972.6	20,001.1
Other Income	2,644.4	515.0	1,100.4
Total Revenue	**38,410.7**	**27,487.6**	**21,101.5**
Expenses			
Operating Expenses	9,128.6	6,735.2	5,321.1
Employee Benefits Expense	1,307.5	1,097.5	797.6
Other Expenses	1,570.4	1,673.8	897.5
Depreciation and Amortization Expense	4,219.7	3,159.3	2,387.6
Finance Costs	5,418.4	2,814.6	1,661.9
Total Expenses	**21,644.6**	**15,480.4**	**11,065.7**
Profit from ordinary activities before tax	**16,766.1**	**12,007.2**	**10,035.8**
Tax Expense:			
- Current Tax (including MAT)	3,874.2	2,543.3	223.4
- MAT Credit Entitlement	(3,655.8)	(2,421.7)	-
- Deferred Tax Charge	1,012.4	805.9	650.7
Profit After Tax from continuing operations (A)	**15,535.3**	**11,079.7**	**9,161.7**
Discontinuing operations			
(Loss) from ordinary activities attributable to discontinued operations before tax (Refer Note 41)	(3,690.9)	(184.7)	
			-
Tax Expenses:			
- Current Tax	62.2	23.6	-
- Deferred Tax Charge / (Credit)	(410.4)	(55.4)	-
Loss after tax from ordinary activities attributable to discontinued operations.	(3,342.7)	(152.9)	-
Gain on sale of discontinued operations (Refer Note 41)	4,195.7	-	-
Profit / (Loss) after tax from discontinued operations (B)	853.0	(152.9)	-
Profit after tax for the year (A + B)	16,388.3	10,926.8	9,161.7
Add / (Less) :- Share of minority shareholders in (profit) / loss of subsidiaries	(156.1)	93.9	19.8
Net Profit	**16,232.2**	**11,020.7**	**9,181.5**
Basic and Diluted Earning per Equity Share (in INR) face value of INR 2 each			
- From continuing operations	7.68	5.58	4.58
- From total operations	8.10	5.50	4.58

REFORMATTED CONSOLIDATED CASH FLOW STATEMENT

	Particular	For the year ended 31st March, 2013 INR in Million	For the year ended 31st March, 2012 INR in Million	For the year ended 31st March, 2011 INR in Million
A.	**Cash Flow from Operating Activities**			
	Net profit before tax (from Continuing Operations)	16,766.1	12,007.2	10,035.8
	Profit / (Loss) from Discontinued operations	504.8	(184.7)	-
	Adjustments for :	-	-	-
	Gain from Discontinued operations	(4,195.7)		
	Depreciation on continuing operations	4,219.7	3,159.3	2,387.6
	Depreciation on discontinued operations	3,344.1	1,471.0	
	Sundry Balances written off (Net)	-	43.7	12.7
	Unclaimed liabilities / excess provision written back	(14.0)	(0.8)	(52.2)
	Land Lease Income on Present Value Basis	(524.9)	(484.4)	(874.6)
	Cost of Land Leased	25.7	11.3	34.3
	Amortisation of Amounts Received under Long Term Land Lease/ Infrastructure Usage Agreements	(289.6)	(327.6)	(284.3)
	Interest Expense	4,894.1	3,818.7	1,489.3
	Service Line Contribution amortized during the year	(1.3)	(2.2)	-
	Unrealised Foreign Exchange (Gain) / Loss	88.9	(8.6)	9.0
	Foreign Exchange Monetary Item Difference (Gain) / Loss	-	-	(98.1)
	Unrealised derivative (Gain) / Loss	98.5	977.5	-
	Interest Income	(1,085.2)	(491.5)	(791.4)
	Dividend Income from long term and current investments	(75.0)	(20.0)	(62.1)
	Profit on sale of Current Investments	-	-	(2.0)
	(Profit)/Loss on sale of Fixed Assets	55.3	(9.5)	(2.3)
	Operating Profit before Working Capital Changes	**23,811.5**	**19,959.4**	**11,801.7**
	Adjustments for :			
	(Increase) in Trade Receivables	(4,663.7)	(2,265.4)	(1,119.1)
	(Increase) in Inventories	(288.5)	(267.6)	(102.3)
	Decrease / (Increase) in Other Non Current Assets	2,105.5	(3,193.3)	-
	Decrease / (Increase) in Other Current Assets	(2,730.3)	(2,653.0)	378.0
	(Increase) in Long term Loans and Advances	(206.2)	854.4	(81.8)
	(Increase) in Short term Loans and Advances	(4,518.0)	(1,781.5)	9.9
	Increase in Provision	(854.5)	19.8	39.6
	Increase in Long term Trade Payables and Other Liabilities	27.8	8.2	(279.9)
	Increase in Short term Trade Payables and Other Liabilities	4,842.5	3,839.9	1,479.9
	Cash Generated from Operations	**17,526.1**	**14,520.9**	**12,126.0**
	Direct Taxes (paid) / Refund (Net)	(3,735.0)	(2,523.8)	(33.2)
	Net Cash from Operating Activities	**13,791.1**	**11,997.1**	**12,092.8**
B.	**Cash Flow from Investing Activities**			
	Purchase / Construction of Fixed Assets	(38,366.5)	(45,599.9)	(18,613.2)
	Investments made in Associates / Subsidiaries / Share application paid (including acquisition from third parties)	(73.4)	(3,126.3)	(215.0)
	Investment in discontinued operations	-	(84,727.5)	
	Investment in Mutual Funds	(1,445.1)	-	-
	Inter-corporate deposit/ loans given	(18,813.3)	-	(10,350.0)

	Particular	For the year ended 31st March, 2013 INR in Million	For the year ended 31st March, 2012 INR in Million	For the year ended 31st March, 2011 INR in Million
	Inter-corporate deposit/ loans received back	4,180.3	80.0	12,190.0
	Proceeds from / (Deposits in)Fixed Deposits with a maturity period of more than 90 days (net)	6,920.1	(5,907.7)	4,584.5
	Proceeds from sale of fixed assets	52.5	127.9	355.7
	Proceeds from sale of investments	-	-	1,524.6
	Dividend Income	75.0	20.0	62.1
	Interest Received	572.4	373.2	757.4
	Net Cash used in Investing Activities	**(46,898.0)**	**(138,760.3)**	**(9,703.9)**
C.	**Cash Flow from Financing Activities**			
	Capital contribution Received	186.0	455.6	166.2
	Minority Adjustment on conversion of Subsidiary to JV	(266.4)	-	-
	Receipt of Long Term Borrowings	82,713.3	140,105.5	9,650.4
	Repayment of Long Term Borrowings (including Debentures)	(27,268.6)	(7,109.9)	(7,761.0)
	Receipt of Short Term Borrowings	18,117.0	30,222.3	5,000.0
	Repayment of Short Term Borrowings	(24,122.0)	(27,283.5)	(8,750.0)
	Inter-corporate deposit received	8,040.0	7,655.0	1,500.0
	Inter-corporate deposit refund	(8,040.0)	(7,655.0)	(1,500.0)
	Interest & Finance Charges Paid	(4,740.7)	(3,550.5)	(1,527.0)
	Interest & Finance Charges Paid and Capitalised	(1,632.5)	(1,684.2)	(455.0)
	Payment of Dividend and dividend distribution tax	(1,629.9)	(1,498.7)	(1,603.0)
	Service Line Contribution received	20.7	83.5	-
	Government Grant received	-	22.8	-
	Net Cash Flow from/(used in) Financing Activities	**41,376.9**	**129,762.9**	**(5,279.4)**
D	**Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve**	734.2	-	-
E	**Net Increase in Cash and Cash Equivalents (A+B+C+D)**	9,004.2	2,999.7	(2,890.5)
F	**Cash and Cash Equivalents at start of the year**	3,747.4	747.7	3,638.2
G	**Cash and Cash Equivalents on disposal of subsidiaries**	(5,193.6)	-	-
H	**Cash and Cash Equivalents at close of the year**	**7,558.0**	**3,747.4**	**747.7**

REFORMATTED CONSOLIDATED CASH FLOW STATEMENT

	Particular	**For the year ended 31st March, 2013 INR in Million**	**For the year ended 31st March, 2012 INR in Million**	**For the year ended 31st March, 2011 INR in Million**
I	**Components of Cash & Cash Equivalents**			
	Cash and Cheques on Hand	6.9	0.8	0.8
	Balances with Scheduled Banks			
	- On Current Accounts	7,538.2	3,184.2	658.8
	- On Current Accounts Earmarked for unpaid dividend and share application refund money	12.9	12.4	8.1
	- On Fixed Deposit Accounts	-	550.0	80.0
	Cash and Cash Equivalents at close of the year (refer note 20)	**7,558.0**	**3,747.4**	**747.7**

RECENT DEVELOPMENTS

Sale of Adani Abbott Point Port

On June 1, 2011, Mundra Port Pty Limited ("**MPPL**"), a wholly owned subsidiary of our Company, acquired all of the outstanding equity shares of APCT #1 Pty. Ltd., now known as Adani Abbot Point Terminal Pty. Ltd. ("Adani Abbot"), a company that owns a deepwater port facility in Queensland, Australia, from North Queensland Bulk Ports Corporation Limited. Subsequently, pursuant to an internal corporate organizational restructuring, the entire shareholding of Adani Abbot is currently held by Adani Abbot Point Holdings Pty. Ltd. ("**Adani Abbot Holdings**"), a wholly owned subsidiary of our Company. On June 1, 2011, Mundra Port Holding Trust entered into several lease agreements for the lease of the land and certain related assets in respect of the port facility from North Queensland Bulk Ports Corporation Limited. All units of Mundra Port Holding Trust are held by MPPL, which also holds the entire share capital of Mundra Port Holding Pty Ltd, the trustee company of Mundra Port Holding Trust. The total consideration paid by MPPL for the acquisition of equity shares of Adani Abbot and lease of land and certain related assets was A$1,829.0 million. After the completion of the acquisition, our Company had a total investment of A$235.7 million in equity shares of Adani Abbot Holdings and in equity shares and redeemable preference shares of MPPL, and Adani Abbot, as a borrower, had a term loan in the principal amount of A$1,250.0 million, out of which A$1,140.0 million is outstanding as of March 31, 2013, (with a term of five years and secured by the assets of Adani Abbot and Mundra Port Holding Trust) and MPPL, as a borrower, had a term loan in the outstanding principal amount of US$800.0 million (with a term of seven years and guaranteed by our Company).

On March 30, 2013, our Company entered into two share purchase agreements with Abbot Point Port Holdings Pte. Limited (the "**Purchaser**"), (the "**Abbot Share Purchase Agreements**"), to sell our Company's entire equity shareholding in Adani Abbot Holdings and our Company's entire preference shareholding in MPPL, for a total cash consideration of A$235.7 million (although, our Company would continue to own all of the outstanding equity shares of MPPL, aggregating A$1000). On May 14, 2013, our Company received the first tranche of consideration, comprising US$25.0 million, from the Purchaser. The balance of the consideration will be paid on or prior to completion of the sale, which is anticipated to happen in the quarter ending June 30, 2013. The sale of the equity and preference shares is subject to the satisfaction of certain conditions precedent, including an approval from one of the lenders of MPPL, which is currently pending. The conditions precedent are required to be completed by June 30, 2013. Our Company's application for a consent from such lender from the transfer of redeemable preference shares of MPPL and the equity shares of Adani Abbot Holdings is under consideration. As contemplated by the Abbot Share Purchse Agreements, in the event that this consent is not received by June 30, 2013, the parites may mutually decide to extend the completion period or terminate the Abbot Share Purchase Agreements.

While the parties to the Abbot Share Purchase Agreements agreed that the operations, risks and rewards with respect to the businesses of Adani Abbot Holdings and MPPL were transferred to the Purchaser with effect from March 31, 2013, our Company has agreed to indemnify the Purchaser against any loss or liability up to the date of the completion of the sale, including losses and liabilities relating to the businesses of Adani Abbot Holdings and MPPL.

Our Company treated the operations of Adani Abbot Holdings and MPPL (i) as discontinued operations for the purposes of the preparation of our audited consolidated financial statements as of and for the year ended March 31, 2013 (and as of and for the year ended March 31, 2012 for comparison purposes), in accordance with Accounting Standard – 24 – Discontinuing Operations; and (ii) based upon legal advice obtained from Indian counsel, for the purpose of the preparation of our audited consolidated financial statements as of and for the year ended March 31, 2013, as sold with effect from March 31, 2013, the day after the date of the Abbot Share Purchase Agreements, thus not consolidating Adani Abbot Holdings and MPPL in our audited consolidated financial statements as of and for the year ended March 31, 2013, with effect from such date. Consequently, our reformatted audited consolidated balance sheet as of March 31, 2013 does not include the assets and liabilities of Adani Abbot Holdings and MPPL and the results of operations of Adani Abbot Holdings and MPPL are recognized as discontinued operations from the date of their acquisition up to March 30, 2013 in our audited consolidated statements of profit and loss and cash flows for the years ended March 31, 2012 and 2013. Our auditors in their report on the audited consolidated financial statements as of and for the year ended March 31, 2013, have drawn attention to a matter of emphasis, which refers to Note 41 in our audited consolidated financial statements for the fiscal year 2013. This Note 41 relates to the recording of the transactions contemplated by the Abbot Purchase Agreements as sale of investments, and recognition of a gain of ₹ 4,195.7 million for the fiscal year 2013.

Our Company has provided two unconditional, absolute and irrevocable guarantees of up to US$807.0 million in aggregate principal amount, plus accrued interest, plus all other obligations and liabilities of MPPL towards the lenders of MPPL in respect of the loan incurred by MPPL in connection with the acquisition of the shares of Adani Abbot Holdings and the related leaseholds and assets, as disclosed as a contingent liability in our reformatted audited consolidated financial statements as of and for the year ended March 31, 2013. Our Company has also provided an unconditional, absolute and irrevocable guarantee to one of the lenders of MPPL to secure a standby letter of credit provided in respect of our Company's obligation to make capital contributions in MPPL. As of March 31, 2013, the total amount outstanding under this standby letter of credit and therefore, this guarantee, was A$22.03 million. Both of these guarantees and the standby letter of credit will survive the consummation of the transactions contemplated by the Abbot Share Purchase Agreements.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us, our Equity Shares, the industry in which we operate or India. Additional risks and uncertainties not presently known to us may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Issue.

Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated, the financial information of our Company used in this section has been derived from our reformatted audited consolidated financial statements.

Risks Related to Our Business

1. *We face a variety of risks in connection with our reliance on concessions, sub-concessions and licenses from government and quasi-governmental organizations, the occurrence of which could adversely affect our business, cash flows and results of operations.*

We operate and manage our business under concessions, sub-concessions and licenses granted by the relevant government agencies and concessionaires. We have entered into several concession and sub-concession agreements for the development, operation, maintenance and the use of the facilities at the Mundra Port, the Dahej Port, the Hazira Port, the Mormugao Port, the Vizag Port and the Kandla Port. The terms of these agreements include events of default, the occurrence of any of which entitles the relevant counterparties to take certain actions, including terminating such agreements. These events of defaults include:

- our failure, omission, neglect or negligence in complying with or performing any duties or obligations under the agreements, including the following:
  - incurring certain capital expenditures and providing ongoing services when in breach and penalty provisions for such breaches;
  - right to exclusive use of our facilities for the respective counterparties, including particular vessel berths and moorings and container terminals; and
  - right of first refusal for the usage of the additional capacity if we further expand or develop the facility.
- our failure to carry out the construction and implementation of the ports as specified in the respective detailed project report;
- our material breach of operations and maintenance requirements;
- our failure to make any required payment for the specified periods;
- our assignment of our rights, title and interest in the respective agreements without the prior written consent of the counterparties;
- our failure to maintain and repair assets of the port, as required;
- our use of the ports for purposes other than those allowed in the respective agreements without the prior written consent of the counterparties;
- our failure to achieve certain performance parameters, as indicated in the respective agreements;

- our creation of any encumbrance, charge or lien not otherwise permitted by the relevant agreements; and
- any reduction in shareholding of the promoters below the limit specified in the relevant agreements.

The termination of an agreement as a result of the occurrence of an event of default, or otherwise, requires us to cease our operations at the relevant port and hand over possession of the facilities to the relevant counterparty. In addition, we would be required to terminate all contracts entered into with third parties in relation to the relevant port facilities and transfer all of our rights, titles and interests in all contracts, licenses, permits and insurance policies to the relevant counterparty in the agreement. Upon the termination of the agreement, we would generally have the option to either remove the movable assets we owned on terms as set out in the respective agreements or to transfer such assets to the relevant counter party. Additionally, we are responsible for all defects and deficiencies in the ports for specified periods after termination and have the obligation to repair, at our own cost, all reasonable defects and deficiencies observed by an independent engineer or to reimburse the counter party for repairs that it performs during such period.

Cancellation, early termination or non-renewal of any such concession, sub-concession agreements or licenses or imposition of any further limitations could have an adverse effect on our ability to operate and manage our business and may have an adverse effect on our business, cash flows and results of operations.

Further, we cannot assure you that we will be able to renew these concessions, sub-concession or licenses when they expire or, if renewed, that the terms of such renewed concessions, sub-concessions or licenses would be on terms as favorable to us. Any of these contractual provisions could reduce our revenues, hinder our ability to compete in the market, any of which in turn could have an adverse effect on our business, cash flows and results of operations.

2. ***The CT1 Sub-concession Agreement contains certain restrictive provisions which could adversely affect our business, cash flows and results of operations.***

We have granted Mundra International Container Terminal Private Limited ("MICTL") the right to finance, design, operate and maintain Container Terminal 1 pursuant to the CT1 Sub-concession Agreement. See "Business—Mundra Port, Mundra, Gujarat (Operational)—Bulk Cargo Services—Container Cargo Services—Container Terminal 1." The CT1 Sub-concession Agreement contains a number of restrictive provisions, two of which require us to transfer assets to MICTL and adhere to non-compete restrictions on the occurrence of certain events, either of which could adversely affect our business and results of operations. The validity of the CT1 Concession Agreement, and these and certain other provisions contained therein, is also the subject of litigation.

Pursuant to the CT1 Sub-concession Agreement, MICTL is entitled to require us to transfer certain assets, including a quay wall and back-up area (the "Second Stage Assets"), to MICTL for a consideration to be mutually agreed. We are also subject to a non-compete provision, which prohibits us from developing or permitting the development of container terminals at the Mundra Port until the occurrence of a trigger event, and that MICTL handles a specified amount of cargo per annum for 12 years after Container Terminal 1 commences operations, neither of which has occurred. Once this trigger event occurs, if we permit any container terminal to operate at the Mundra Port, prior to our entering into any binding agreement with a third party with respect to such container terminal, we must offer MICTL a first right of refusal lasting 60 days to match the terms of the proposed binding agreement. In August 2007, MICTL alleged that our construction of Container Terminal 2 violated this non-compete clause and the matter is currently pending before the High Court of Gujarat. For further details, please see "***Legal Proceedings***." We operate Container Terminal 2 ourselves.

The validity of the CT1 Sub-concession Agreement is also the subject of litigation. In May 2003, MICTL was acquired by P&O Ports (Mundra) Limited, which furnished an undertaking to the GMB that it would adhere to certain shareholding requirements. A third party subsequently acquired the parent company of P&O Ports (Mundra) Limited. As a result, the GMB issued a show cause notice to MICTL to cancel the

CT1 Sub-concession Agreement, alleging that the acquisition breached the undertaking. In November 2007, MICTL filed an application for an injunction order against the GMB to prevent the GMB from cancelling the CT1 Sub-concession Agreement, and, in March 2008, MICTL filed an application for an injunction order against us to prevent us from taking any steps to prevent MICTL from using the Second Stage Assets. Both of these applications are currently pending before the High Court of Gujarat.

If the outcome of any of these disputes is adverse to us, our business at the Container Terminal 2 and the Container Terminal 3 may be adversely affected, we may be required to transfer the Second Stage Assets to MICTL, the CT1 Sub-concession Agreement may be canceled or we may be required to pay monetary damages or incur costs associated with complying with equitable remedies, any of which could adversely affect our business, cash flows and results of operations.

3. *Our business and operations may be adversely affected due to violations of environmental regulations during the development of port facilities at Mundra.*

A multi-disciplinary committee (the "Committee") appointed by the Ministry of Environment and Forest ("MoEF"), Government of India, in its report dated April 18, 2013, has alleged that we violated certain environmental regulations during the development of port facilities at Mundra. The Committee was appointed by the MoEF in response to a public interest litigation filed in response to complaints received from Kheti Vikas Sewa Trust and Machimar Adhikar Sangharsh Sangathan. We had also received a show cause notice from MoEF in December 2010, which related to similar allegations as alleged by the Committee and had submitted our reply on January 14, 2011. See "Legal Proceedings—Show Cause Notice."The violations alleged by the Committee include:

- degradation of mangroves near the port area due to construction and reclamation activity;
- diversion and blocking of creeks and the resultant distortion of original high tide line and ingress of salinity resulting from the creation of a body of seawater because of the port's operations;
- mismanagement of fly ash from the thermal power plant operated by our group company, Adani Power, resulting in emissions during disposal of fly ash and pollution of groundwater;
- non-compliance with certain monitoring and reporting conditions imposed at the time of the environmental clearance granted, including conditions to protect against coastal hazards and disasters;
- lacking clearance to construct the Samundra Township and Sterling Hospital; and
- preventing local fishermen from accessing fishing grounds.

The Committee's remedial recommendations include:

- that our Company establish an environment restoration fund consisting of 1% of the total project cost, (including the cost of development of the Mundra Port and the thermal power plant operated by Adani Power Limited) or ₹ 2,000 million, whichever is higher;
- cancellation of the environmental clearance granted for the development in the north area of the Mundra Port; and
- that our Company undertake various actions targeted at remedying specific alleged violations.

We have not received any notice or other communication from the MoEF or the High Court of Gujarat pursuant to the report of the Committee. However, we have submitted our response to the MoEF responding to the facts and conclusions made by the Committee and stating that we have not undertaken and we do not intend to undertake any commercial developments at the North Port area in the near future. Should the MoEF recommend any action in connection with the Committee's report and MoEF's subsequent determination, we intend to work with the MoEF, particularly to conserve the environment and take environmentally conscious steps towards future development in the region. See also "Business—Environmental Compliance and Eco-friendly Initiatives."

However, we cannot assure you that MoEF will accept our submissions or that the MoEF or the High Court of Gujarat will not implement the recommendations of the Committee or pass any other order against us, including imposing fines or penalties, directing the creation of a restoration fund, suspending our operations or cancelling our licenses or approvals. Any such costs or sanctions may have an adverse effect on our business and results of operations.

4. ***If the transactions contemplated by the Abbot Share Purchase Agreements are not completed due to the non receipt of the consent from one of the lenders of MPPL, as anticipated, or at all, our results of operations and financial condition could be adversely affected. In addition, if the indemnification provision under the Abbot Share Purchase Agreements are exercised or the guarantees provide by our Company to some of lenders of MPPL are invoked, our financial condition would be adversely affected.***

Adani Abbot Point Holdings, a wholly owned subsidiary of our Company holds the entire equity share capital of Adani Abbot Point, which owns a deepwater port facility in Queensland, Australia. MPPL, another wholly owned subsidiary of ours, holds all the units of Mundra Port Holding Trust, which has entered into several lease agreements for the lease of the land and certain related assets in respect of this port facility. MPPL also holds the entire share capital of Mundra Port Holding Pty Ltd, the trustee company of Mundra Port Holding Trust. Our Company has provided two unconditional, absolute and irrevocable guarantees in the aggregate amount of US$807.0 million in principal amount, plus accrued interest, plus all other obligations and liabilities of MPPL towards one of the lenders of MPPL in respect of a loan incurred by MPPL. Our Company has also provided an unconditional, absolute and irrevocable guarantee to one of the lenders of MPPL to secure a standby letter of credit provided in respect of our Company's obligation to make capital contributions in MPPL. As of March 31, 2013, the total amount outstanding under this standby letter of credit and therefore, this guarantee, was A$22.03 million.

On March 30, 2013, our Company entered into two share purchase agreements with Abbot Point Port Holdings Pte. Limited, a Promoter Group Entity, to sell our Company's entire equity shareholding in Adani Abbot Holdings and our Company's entire preference shareholding in MPPL, for a total cash consideration of A$235.7 million (although, our Company would continue to own all of the outstanding equity shares of MPPL, aggregating A$1000). The sale of the equity and preference shares is subject to the satisfaction of certain conditions precedent, including an approval from one of the lenders of MPPL, which is currently pending. The conditions precedent are required to be completed by June 30, 2013. Our Company's application for a consent from such lender from the transfer of redeemable preference shares of MPPL and the equity shares of Adani Abbot Holdings is under consideration. As contemplated by the Abbot Share Purchse Agreements, in the event that this consent is not received by June 30, 2013, the parites may mutually decide to extend the completion period or terminate the Abbot Share Purchase Agreements.

While the parties to the Abbot Share Purchase Agreements agreed that the operations, risks and rewards with respect to the businesses of Adani Abbot Holdings and MPPL were transferred to the Purchaser with effect from March 31, 2013, our Company has agreed to indemnify the Purchaser against any loss or liability up to the date of the completion of the sale, including losses and liabilities relating to the businesses of Adani Abbot Holdings and MPPL. Further, our reformatted audited consolidated balance sheet as of March 31, 2013 does not include the assets and liabilities of Adani Abbot Holdings and MPPL and the results of operations of Adani Abbot Holdings and MPPL are recognized as discontinued operations from the date of their acquisition upto March 30, 2013 in our reformatted audited consolidated statements of profit and loss and cash flows for the years ended March 31, 2013 (and 2012 for comparison purposes). However, the US$807.0 million guarantee by our Company towards one of the lenders of MPPL and the A$22.03 million guarantee to one of the lenders of MPPL to secure a standby letter of credit provided in respect of our Company's obligation to make capital contributions in MPPL will survive the consummation of the transactions contemplated by the Abbott Share Purchase Agreements.

Our auditors in their report on the audited consolidated financial statements as of and for the year ended March 31, 2013, have drawn attention to a matter of emphasis, which refers to Note 41 to our reformatted audited consolidated financial statements for the fiscal year 2013. This Note 41 relates to the recording of the transactions contemplated by the Abbott Purchase Agreements as sale of investments, and recognition of a gain of ₹ 4,195.7 million for the fiscal year 2013. See "Recent Developments" and Note 41 to our reformatted audited consolidated financial statements included elsewhere in this Prospectus.

If the sale of equity shares of Adani Abbot or preference shares of MPPL does not complete as expected due to our inability to obtain the approval of the lender of MPPL or otherwise, we will not receive the expected consideration for the sale and we will be required to make adjustments to our results of operations, with respect to the gain on sale of discontinued operations recorded in our statement of profit and loss for the fiscal year 2013, and to the assets and liabilities of Adani Abbot and MPPL, either of which would adversely affect our results of operations and financial condition.

Moreover, our Company may be required to indemnify the Purchaser for any liabilities incurred by Adani Abbot Holdings and MPPL up to the date of the completion of the sale or make payments for any default by MPPL of its obligations to its lenders pursuant to our Company's guarantees toward the lenders of MPPL, either of which could also adversely affect our results of operations and financial condition.

5. ***The nature of the contracts we have with certain of our customers contain inherent risks such as fixed-price clause for payments to us and contain certain rights for the counter-parties, which, if exercised, could result in an adverse effect on our business and results of operations.***

We have entered into strategic long-term contractual arrangements with some of our customers, including, our long-term agreement for the operation of container services at the Mundra Port, our agreements relating to the railway links and cargo services to and from Mundra Port and other agreements with leading state-owned petroleum refineries, government-owned POL distribution companies, coal traders, power plants, automobile manufacturers and container service providers for the handling of crude oil cargo, petroleum and other lubricants, coal and vehicles. We earn income from such customers comprising payments for services or royalties, which are generally based on a percentage of the revenues generated and the lease rent payable to us.

The commercial terms of such long-term agreements typically include fixed pricing based on number of units of cargo handled with limited CPI-based escalation clauses, thus exposing us to the risk that our actual expenses with respect to performance of the services under the terms of the engagement could be higher than we estimated at the time of entering into the contract. Our failure to estimate accurately the resources and time required for such contracts, future wage increases or currency fluctuations or failure to complete our contractual obligations may have an adverse effect on our business and results of operations.

Further, in connection with our obligations and in order to provide the services contemplated under such agreements, we have incurred, and may incur in the future, significant capital expenditures for the development of infrastructure and facilities pursuant to which services may be provided by third parties. We may not be able generate revenues commensurate the capital expenditure incurred under these agreements. In addition, certain of our agreements with these customers contain preferential utilization clauses under which we are required to keep our capacities free for utilization by such customers. If such free capacities are not utilized by these customers, we will lose revenue that we could have earned from making these capacities available to other customers. Any decrease in revenues from the customers with whom we have such long term agreements may have an adverse effect on our business and results of operations.

Although some of these customers have committed to provide us with a minimum volume of work and fees, there is no exclusive arrangement where such customers would be required to use only our facilities for additional cargo and other services beyond the minimum guaranteed volume.

6. ***We rely on a small number of customers and partners for a large proportion of our income.***

We currently derive and believe that we will continue to derive a substantial portion of our income from a small number of customers, including Adani Power Limited and other power plants, Adani Enterprises Limited, leading state-owned petroleum refineries, Government-owned POL distribution companies, automobile manufacturers and container service providers. We expect that a significant portion of our income will continue to be attributable to a limited number of customers in the immediate future.

Certain of our significant customer agreements allow our customers to terminate such contracts unilaterally. In addition, our significant customers may demand price reductions and value-added services for no additional charge, which could reduce our profitability. Any significant reduction in or the elimination of the use of the services that we provide to any of our customers, or any requirement to reduce our prices, could adversely affect our profitability. In addition, adverse developments affecting our significant customers, such as bankruptcy, change of management, mergers and acquisitions could also adversely affect our business.

The loss of, or significant decreases in the volumes from, or any adverse development concerning, our significant customers could have an adverse effect on our business and results of operations.

7. ***The lack of an efficient transportation network and reliable transportation infrastructure in India or inadequacies in the connectivity of our ports to the Indian road and rail network may have an adverse effect on our business and results of operations.***

We rely on and benefit from transportation and logistics networks, and the connectivity and conditions of the road, rail and general transportation infrastructure in India. Generally, the investment in, and maintenance of, transportation infrastructure in India has been poor compared to developed countries. Inadequacies in the transportation infrastructure in India may result in delays in our deliveries or schedules. While the Government has announced and implemented several initiatives such as the "python," or long-haul, trains operated by Indian Railways which can carry up to 90 wagons to improve the transportation infrastructure in the country, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus. We cannot assure you that the road, rail and general transportation infrastructure will improve to a level or be maintained at such level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, or at all. Moreover, as we continue to expand our operations, we cannot assure you that our evacuation infrastructure will be able to accommodate increase in the volume of cargo handled.

We have made, and will continue to make, transportation and infrastructure investments to improve the connectivity of our ports with the inland regions of India. Under our long-term arrangement with Indian Railways, we have invested in Kutch Railway Corporation Limited ("KRCL") for the purpose of upgrading the railway infrastructure connecting the Mundra Port to Adipur. We also intend to make additional investments to make transportation of cargo from the Mundra Port to interior parts of India more efficient. Similarly, we have also invested in a special purpose vehicle incorporated to upgrade the existing narrow gauge railway line from the Dahej Port to Bharuch to broad gauge. However, our or the Government's investments in improving the connectivity between our ports and the inland regions of India may not be successful or be completed in a timely manner, which could have an adverse effect on our business and results of operations.

8. ***We may be adversely affected by increases and changes in royalties and fees payable by us.***

Our concession and sub-concession agreements and licenses require us to pay royalties and fees for the use of facilities at locations where our ports our situated. Pursuant to our concession agreement for the Mundra Port and our sub-concession agreements for the terminals at Dahej and Hazira, we are required to pay concessional waterfront royalties on the cargo handled on a per tonne basis of cargo handled. Under the terms of these agreements, we have a capital set-off option, which allows us to deduct our capital expenditures from the royalties payable by us for a period of 10 years from the date of commercial operation. We are required to pay the full waterfront royalties after we have set-off all the capital expenditures against payment of such royalties. In addition, these agreements also have certain escalation clauses in respect of royalties payable by us. An increase in the royalties or fees payable by us could have an adverse effect on our business and results of operations.

9. ***We are currently availing certain benefits and exemptions under the Income Tax Act, 1961 which are subject to the policies and decisions of the Income Tax authorities***

We have received several notifications from time to time from the Government of India with respect to the establishment of the Mundra SEZ and the surrounding areas. For the fiscal years 2007 to 2011, we availed of the tax incentives under section 80 IAB of the Income Tax Act, 1961 provided to developers of a SEZ and therefore, we were not required to make the payment of minimum alternate tax ("MAT") in those fiscal years. However, with the amendment to section 115JB of the Income Tax Act 1961, we are paying MAT and are continuing to claim benefits of tax incentives under section 80 IAB of the Income Tax Act, 1961 with effect from April 1, 2011. We believe that we avail the tax benefits under section 80 IAB of the Income Tax Act, 1961 on the entire income of our Company. The Central Board of Direct Taxes could have a contrary view in terms of the availability of tax benefits to our Company. Any ruling by the tax authorities to the contrary could have an adverse effect on our results of operations and financial condition.

10. ***We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service, and limits our ability to operate freely.***

As of March 31, 2013, our total borrowings (including current maturities of secured and unsecured long term borrowings) outstanding principal amount of indebtedness was ₹ 115,858.1 million on a consolidated basis. We intend to finance the majority of the cost of our planned capital expenditures through debt and therefore expect to incur substantial additional borrowings in the future. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Increasing our level of indebtedness also has important consequences to us such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to borrow additional funds; and
- increasing our interest expenditure, since a substantial portion of our debt bears interest at floating rates.

We cannot assure you that we will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on our business, cash flows and results of operations.

11. ***Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.***

Our financing agreements contain certain restrictive covenants and events of default that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. Such covenants include restrictions on:

- creation of security over existing and future assets of our port facilities;
- incurrence of additional indebtedness;
- making certain restricted payments;
- prepaying any indebtedness prior to its maturity date;
- investing in equity interests or purchasing assets, other than in ordinary course of our business, unless certain conditions are satisfied;
- sale or other disposition of assets;
- change or expansion in scope of business;
- entering into certain corporate transactions such as reorganizations, amalgamations and mergers;

and

- pledges over the shares of our subsidiaries for financing of specific projects.

These agreements also require us to maintain certain financial ratios such as debt-equity ratio and debt service coverage ratio. Our future borrowings may also contain similar restrictive provisions.

If we fail to meet our debt service obligations or covenants (or receive approvals from our lenders to undertake certain transactions) provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements, accelerate the maturity of our obligations or take over the financed project or other security made available to the lenders. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay borrowings.

Furthermore, certain of our financing arrangements may contain cross default provisions which could automatically trigger defaults under other financing arrangements. We may be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments. Additionally, because some of our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets to enforce their claims for repayment. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, cash flows and results of operations.

12. *Our investments in developing additional services, facilities and sources of income for our port business may not be successful.*

We continue to make investments in additional services and facilities in order to further diversify and grow our operating income. We believe that continued expansion is essential for us to remain competitive and to capitalize on the growth potential of our industry.

Our current expansion plans include developing:

- a coal handling terminal at the Mormugao Port, Goa;
- a coal handling terminal at the Vizag Port in Visakhapatnam, Andhra Pradesh; and
- a bulk cargo terminal at the Kandla Port in Gandhidham, Gujarat;

Our future expansion plans will involve significant capital expenditures and operational and management resources. However, we may not be successful in expanding our services and diversifying our income which could have an adverse effect on our business and results of operations We may not be successful in implementing these expansion plans and there could be significant delays, disruptions or cost overruns which could have an adverse effect on our business and financial condition. In general, the success of these and other projects is dependent on a variety of factors, including the timely completion of the project, the ability to complete the development of the project without cost overruns and the demand for our services once the project is operational. In addition, the concession agreements for these developments contain liquidated damages provisions which require us to pay damages for each day of delay in completing the project from the scheduled completion date.

We are often required to enter into binding contracts with potential partners and customers to complete such projects and provide such services. We may not be able to negotiate such contracts on terms favorable to us, or at all or complete the development of the project within the time anticipated, or at all. Any resulting delay or failure to complete a project or deliver additional services may adversely affect our competitiveness and our business and results of operations.

13. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business and results of operations.*

We have experienced considerable growth over the past five years. We have significantly expanded our operations and services. Between the fiscal years 2011 and 2013, our net revenue from operations has grown at a CAGR of 33.7%. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further or diversify our business further.

Our inability to manage our expansion effectively and execute our growth strategy could have an adverse effect on our business, results of operations and cash flows. We intend to continue expansion to pursue existing and potential market opportunities. Our future prospects will depend on our ability to grow our business and operations in India further. The development of such future business could be affected by many factors, including general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and construction materials, fuel supply and currency exchange rates.

In order to manage our growth effectively, we must implement and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees, pursue new business, complete future strategic agreements or operate our business effectively. Failure to effectively budget capital expenditures or accurately estimate operational costs associated with new contracts could result in delays in contractual commitments, penalties, give customers the right to terminate contracts for breach, or cause our profit margins not to meet our expectations or our historical profit margins. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to selecting and retaining key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges.

There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

14. ***Our current and future expansion plans required for future growth may require significant capital. If we are unable to raise additional capital, our business prospects could be adversely affected.***

We operate in a capital intensive industry, which requires substantial levels of funding. We are currently developing terminals at the Mormugao Port, the Vizag Port and the Kandla Port, which will require significant capital expenditure. We intend to fund these development plans through borrowings, our cash on hand, cash flow from operations and from the proceeds of this Issue. We will continue to incur significant expenditure in maintaining and growing our existing ports, their respective facilities and infrastructure. We expect our long-term capital requirements to increase significantly to fund our intended growth.

We cannot assure you that we will have sufficient capital resources for these new expansion plans or any future expansion plans that we may have. While we expect our cash on hand, cash flow from operations and available borrowings under our credit facilities to be adequate to fund our existing commitments, our ability to pay these amounts is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing or the inability of one or more of our financiers to provide committed funding could adversely affect our ability to complete expansion plans. Moreover, we cannot assure you that market conditions and other factors would permit us to obtain future financing on terms acceptable to us, or at all. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, if we decide to raise additional funds through the issuance of equity or equity-linked instruments, your interests as our shareholders will be diluted. If we decide to meet our capital requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business prospects could be adversely affected.

15. ***We may enter into future acquisitions, the financing of which may adversely affect our liquidity and***

financial condition, and the unsuccessful integration of which could result in operating difficulties and adversely affect our business and results of operations.

We are exploring opportunities to expand inorganically, including on the east coast of India, and may enter into agreements to provide port services, or acquire facilities at new ports, on the east coast of India in the near future. The identification of suitable acquisition candidates can be difficult, time-consuming and costly.

Any acquisitions could result in, among other things, potentially dilutive issuances of our equity securities, the incurrence of debt and contingent liabilities, any of which could adversely affect our liquidity and financial condition. In addition, the process of integrating an acquired company or facilities is risky and may create unforeseen operating difficulties and expenditures, including:

- difficulties in integrating the operations, technologies, services and personnel of acquired businesses;
- additional financing required to make contingent payments;
- unavailability of favorable future financing;
- potential loss of key employees of acquired businesses and cultural challenges associated with integrating employees from the acquired company into our organization;
- inability to maintain the key business relationships and the reputations of acquired businesses;
- responsibility for liabilities of acquired businesses;
- diversion of management's attention from other business concerns;
- an inability to maintain our standards, controls, procedures and policies, which could affect our ability to assess the effectiveness of our internal control structure and procedures for financial reporting; and
- increased fixed costs.

Additionally, the anticipated benefits of our future acquisitions may not materialize. If we are unsuccessful in smoothly integrating an acquired company or facilities, our business, financial condition and results of operations may be adversely affected.

16. ***We have significant related party transactions and will continue to do so in the future.***

We have entered into transactions with other Adani Group companies, including Adani Enterprises Limited, Adani Power Limited, AICTPL and Adani Infra (India) Limited, including a loan and advance of ₹ 2,500.0 million to Adani Infra (India) Limited and divesting our Company's entire shareholding in Adani Abbot and MPPL to a Promoter Group company. See "Management's Discussion and Analysis of Our Financial Condition and Results of Operations—Related Party Transactions" and "Recent Developments." While we believe that all such transactions have been conducted on, an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations.

17. ***Our port services and other operations are subject to operational risks such as breakdown of equipment, accidents, labor disputes and natural disasters. If any of these risks were to materialize, our business and results of operations could be adversely affected.***

The operation of our port services, comprising handling of bulk goods, container handling, warehousing, customs inspection, and other operations may be adversely affected by many factors, such as the breakdown of equipment, accidents, labor disputes, natural disasters, increasing government regulations, lack of qualified equipment operators and a downturn in the overall performance of the container and shipping industry.

Further, our business requires individuals to work with potentially hazardous materials, which may be volatile and often highly flammable. If improperly handled or subjected to unsuitable conditions, such materials could seriously hurt or even kill employees or other persons, and could cause damage to our properties and the properties of others or could cause environmental damages. This could subject us to disruptions in our business and expose us to legal and regulatory costs and liabilities, which could adversely affect our results of operations and reputation.

In addition, our business relies on a number of third-parties involved in activities such as stevedoring, handling of liquid cargo, hiring of equipment and vehicles, survey of ships, supply of water and provision of transportation and evacuation services from our ports and contract labor. The failure or inability of these parties to provide the required services efficiently, or at all, could disrupt our operations and thus, have an adverse effect on our business and results of operations.

18. ***Most of our operations are geographically concentrated. Any significant social, political or geological disruption in the region could have an adverse effect on our business and results of operations.***

Except for the planned development of the coal handling terminal at the Vizag Port, all our infrastructure, facilities and business operations and concentrated on the Western coast of India, particularly in the state of Gujarat. Any significant social, political or geological disruption in this region, including in state of Gujarat, or changes in the state or local governments of Gujarat, could require us to incur significant capital expenditure, change our business structure or strategy, which could have an adverse effect on our business and results of operations.

19. ***We face risks relating to our joint ventures and certain key strategic arrangements such as non-corporation or non-compliance by or financial difficulties faced by our partners. If any of these risks were to materialize, our business could be adversely affected.***

Certain of our operations are conducted through joint ventures and strategic arrangements. Co-operation among our joint-venture and others partners on existing or future projects is an important factor for the smooth operation and financial success of such projects. Our joint ventures and strategic arrangements may involve risks associated with the possibility that any joint venture or other partner may (i) have economic or business interests or goals that are inconsistent with ours, (ii) be unable or unwilling to fulfill their obligations under the relevant joint venture or other agreements, or (iii) experience financial or other difficulties. Further, we may not have majority control of our joint ventures or otherwise be able to control the decision-making process of our joint ventures. We do, however, through contractual provisions or representatives appointed by us, typically have the ability to influence certain material decisions. No assurance can be given that disputes will not arise in the future and that such disputes will not result in an adverse effect on our business and results of operations.

20. ***Our plans for developing a multi-product SEZ are subject to various contingencies, uncertainties and competition, which may adversely affect our business prospect.***

We have received an approval from the Government of India permitting us to establish a multi-product special economic zone in an area measuring 6,641 hectares (including 168 hectares that are sector specific) covering Mundra Port and the surrounding areas. Special economic zone development results in several fiscal incentives and other benefits for special economic zone developers and their customers, including exemptions from income tax and duties. The policy of the Government of India or the State Governments with respect to the regulation of special economic zones, including the norms for land development and usage, compensation payable for land holdings and the fiscal incentives available to special economic zones, may change. Such changes in policies or regulatory frameworks may result in delays with respect to special economic zones, thereby, adversely affecting our special economic zone development plans.

Further, special economic zone projects usually involve a long development period. Such projects are subject to a variety of risks, which are not within our control. These include construction delays, unanticipated cost increases and changes in the regulatory and business environment, which may adversely affect our business and results of operations.

A large number of special economic zones have been approved since the SEZ Act was enacted. This is likely to result in increased competition among different special economic zones to attract manufacturing and industrial units. Any inability on our part to compete with the other special economic zones in terms of quality infrastructure and other incentives to attract potential customers may adversely affect our proposed special economic zone plans.

21. ***Our business and facilities may be adversely affected by severe weather conditions and natural disasters.***

Severe weather conditions, resulting in conditions such as dense fog, low visibility, heavy rains, wind and waves, may force us to temporarily suspend operations at our ports. In some cases, we may temporarily suspend operations based on warnings from local and national meteorological departments. If weather conditions or of any type were to force our ports to close for an extended period of time, our business may be adversely affected. In addition, any weather condition, including but not limited to severe monsoons and flooding, that affects ports that serve as starting points or final destinations for shipping lines calling at our ports could harm our business.

Our operational facilities may be damaged in natural disasters such as earthquakes, tsunamis, tornados, hurricanes and cyclones, particularly in the western cost of India. Such natural disasters in India, or in Southeast Asia, may lead to a disruption of transportation networks, information systems and telephone service for sustained periods of time. Damage or destruction that interrupts our business operations may cause us to incur substantial additional expenses to repair or replace damaged facilities or equipment. We may also be liable to our customers for disruption in our operations resulting from such damage or destruction. While we currently have commercial liability insurance, our insurance coverage may not be sufficient. Furthermore, we may not be able to secure any additional insurance coverage, at premiums acceptable to us. Prolonged disruption of our operations as a result of natural disasters would also entitle our customers to terminate their contracts with us, which may have an adverse effect on our business and results of operations.

22. ***Upgrading or renovation works or physical damage to our port terminals may disrupt our operations.***

Our ports and terminals may need to undergo upgrading or renovation works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. Our ports and terminals may suffer some disruptions and it may not be possible to continue operations on areas affected by such upgrading or renovation works. In addition, physical damage to our terminal resulting from fire, severe weather or other causes may lead to a significant disruption to business and operations and, together with the foregoing, may result in unforeseen costs which may an adverse affect on our business and results of operations.

23. ***We rely on security procedures carried out at other port facilities or by our customers, which are outside our control.***

We inspect the physical condition of cargo that enters our ports in accordance with our own practice and the inspection procedures prescribed by, and under the authority of, the relevant regulations. We also rely on the security procedures carried out by our customers or the port facilities that cargo, especially containers, have previously passed through to supplement our own inspection to varying degrees.

However, there can be no assurance that the cargo that passes through or received at our ports will not be affected by breaches in security or acts of terrorism, either directly or indirectly, in other areas of the supply chain, which would have an adverse effect on our operations. A security breach or act of terrorism that occurs at one or more of the facilities, or at another port facility that has handled cargo prior to the cargo arriving at our port facilities, could subject us to significant liability, including the risk of litigation and loss of goodwill.

24. ***Our operating results may experience fluctuations and as a result, the trading price of our Equity Shares could be adversely affected.***

Our operating results may fluctuate significantly from period to period due to various factors, such as customer losses, delays or failure by us or our partners to generate the projected level of business, variations in our operating efficiency and manpower, delays or difficulties in expanding our operations, changes to our pricing structure or that of our competitors, seasonal changes and other fluctuations in the operations of our customers and other events identified under "Forward-Looking Statements." In addition, the commencement of income-generating operations from our projects and capital expenditures, such as the terminals at the Mormugao Port, the Vizag Port and the Kandla Port, may affect our results of operations considerably based upon the size and complexity of the project being implemented. We recently divested our shareholding in Adani Abbot, which owns and operates a deepwater port facility in Queensland, Australia. See "Recent Developments." These factors may make it difficult to make accurate financial forecasts or replace anticipated income that we do not receive as a result of delays in implementing our services, due to losses of customers or the proposed divestment. If our actual results do not meet estimates or expectations, or if we under-perform market expectations as a result of such factors, trading prices for our Equity Shares could be adversely affected.

25. ***Our senior management team and other key personnel in our business units are critical to our continued success and the loss of, or the inability to attract and retain, such personnel in the future could adversely affect our business and results of operations.***

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy.

There is intense competition for experienced senior management and other key personnel with technical and industry expertise in the port business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business and results of operations.

Our performance also depends on our ability to attract and train highly skilled personnel. We are subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Any shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

26. ***Any disruption to the steady and regular supply of labor for our port operations or our inability to control the composition and cost of our labor force could adversely affect our business and results of operations.***

We had 1,535 permanent employees as of March 31, 2013. We also use contract workers for discrete assignments. Although we maintain cordial relations with these employees, there can be no assurance that our cordial relations will continue in the future. We cannot assure you that we will not experience disruptions in our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

Although we engage contract laborers only for discrete assignments, it is possible under Indian law that we may be held responsible for wage payments to laborers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to absorb a portion of such contract laborers as our employees. Any such order from a court or any other regulatory authority may adversely affect our business and results of operations.

Further, work stoppages or slow-downs experienced by us could result in slow-downs or closures of our ports. In the event that we experience a work stoppage, such work stoppage could have an adverse effect on our business or results of operations.

27. ***Our operations are subject to extensive environmental and other related regulations.***

Our business and operations are subject to various environmental risks such as oil spills and disposal of hazardous waste and chemicals. We, like other port operators and manufacturers in India, are subject to various central, state and local environmental, health and safety laws and regulations concerning issues such as damage caused by air emissions, wastewater discharges, solid and hazardous waste handling and disposal. These laws, rules and regulations also prescribe the punishments for any violations. While we believe that our facilities are in compliance in all material respects with applicable environmental laws and regulations and we have obtained the requisite permissions and clearances in this regard, we may incur additional costs and liabilities in relation to compliance with these laws and regulations or any remedial measures in relation thereto. These additional costs and liabilities could be on account of penalties, fines, remedial measures and clean up liabilities or due to compliance with more onerous laws or regulations.

We are also involved in disputes involving breach of environmental regulations which are pending in various courts in India including disputes in relation to our port operations at the Mundra Port. For details in relation to our material environmental disputes, see "Legal Proceedings." If any of these disputes are decided against us, we may be subject to fines and other penalties, including suspension of our operations, cancellation of our approvals, undertaking remedial procedures. Any such additional costs or liabilities could have an adverse effect on our business, financial condition and results of operations.

Moreover, the laws and regulations under which we operate are subject to change and any change to these laws and regulations could adversely affect our business and results of operations. For example, the Government of India has prepared the Draft Ports Bill, 2011 to consolidate the Indian Ports Act, 1908 and the Major Ports Act, 1963 into a single piece of legislation that would be applicable to Major as well as Non-Major Ports, whether public or private. The Draft Ports Bill, 2011 contains enhanced penalties and fines compared to those specified in the Indian Ports Act, 1908. If the Draft Ports Bill, 2011 is enacted and we are found to be in violation of the provisions of the enacted legislation, certain penalties or terms of imprisonment may be imposed thereunder, which could adversely affect our business and results of operations.

28. ***Significant land-related disputes could adversely affect our expansion and development plans.***

We are involved in certain significant land-related disputes which are pending in various courts in India including disputes in relation to allotment of land to us for the Mundra SEZ. For details in relation to our material land disputes, see "Legal Proceedings." If any of these disputes are decided against us, we could face difficulties in pursuing our expansion plans and development activities which could have an adverse effect on our business and results of operations.

29. ***We may not have adequate insurance to cover all losses we may incur in our business operations or otherwise.***

Operations in our port business, and specifically the cargo handling operations, carry inherent risks of personal injury and loss of life, damage to or destruction of property, plant and equipment and damage to the environment, and are subject to risks such as fire, theft, flood, earthquakes and terrorism. We maintain insurance coverage in such amounts and against such risks which we believe are in accordance with industry practice. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation.

In addition, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our reputation, business and results of operations.

30. ***We operate in a competitive environment and if we are not able to compete effectively, our business and results of operations may be adversely affected.***

We compete primarily against Non-Major Ports and Major Ports that cater to the hinterlands of north, west and central India. Competition is based primarily on the characteristics and location of the ports, including capacity, congestion, ability to berth large vessels, proximity and connectivity to inland cargo centers and refineries. Some of these ports have significant financial resources, marketing and other capabilities. In India, some domestic competitors may have extensive local knowledge and business relationships and a longer operational track record in selected areas of the domestic market than us. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. As a result, there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors or that the business and results of operations will not be adversely affected by increased competition.

Competition may increase as a result of the development of new ports in India. In addition, port operator companies from other countries that establish operations in India may compete with us, particularly if they are more efficient and have lower costs. Current and future competitors may also introduce new and more competitive port services, make strategic acquisitions or establish cooperative relationships among themselves or with third parties, thereby increasing their ability to address the needs of our target customers. We cannot assure you that we will be able to retain our customers as a result of increased competition. If we lose customers as a result of competition, our market share will decline. If we cannot compete in providing competitive port services or expand into new markets, this could have an adverse effect on our business and results of operations.

31. ***If our contingent liabilities materialize, our results of operations could be adversely affected.***

Our contingent liabilities as of March 31, 2013 were ₹ 50,773.8 million, which include a corporate guarantee provided by our Company with respect to indebtedness incurred by Adani Abbot and MPPL, which were recently sold to a Promoter Group entity; various matters pending with certain authorities and service tax authorities; civil suits filed by customers; pending export obligations under the Export Promotion Capital Goods (“EPCG”) scheme; and other claims against the Company not acknowledged as debts. For further details on the nature of our contingent liabilities, see “Management’s Discussion and Analysis of Our Financial Condition and Results of Operations—Financial Condition, Liquidity and Capital Resources—Contingent Liabilities.” If these or any other contingent liabilities materialize, our results of operations could be adversely affected.

32. ***We have a significant amount in inter-corporate deposits outstanding, the non-payment of which could adversely affect our results of operations.***

From time to time, we extend inter-corporate deposits, on which we receive interest, to third parties as a means of investing our unutilized cash. As of March 31, 2013, we had ₹ 12,119.8 million in inter-corporate deposits outstanding. These inter-corporate deposits are non-recourse. As a result, if borrowers under these inter-corporate deposits do not fulfill their obligations as expected, or at all, we will have no recourse for repayment against these borrowers. The non-payment of these inter-corporate deposits could adversely affect our results of operations.

33. ***Our Promoters will continue to retain majority shareholding in us after the Issue, which will allow them to exercise significant influence over us.***

The substantial majority of the issued and outstanding Equity Shares are currently beneficially owned by our Promoter, Adani Enterprises Limited Upon completion of the Issue, our Promoter, including members of the Promoter Group, will own approximately 1,552,538,715 Equity Shares of our post-Issue Equity Share capital. Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders’ approval, including the composition of our

Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our company and may make some transactions more difficult or impossible without the support of the Promoter. The interests of the Promoter may not necessarily be aligned with your interests.

34. ***We are involved in certain legal proceedings and claims that, if determined against us, could adversely impact our business and financial condition.***

There are certain ongoing legal proceedings against us pending at different levels of adjudication before various courts and tribunals. Such litigation diverts management time and attention and consumes financial resources in their defense or prosecution. For further details of such litigation against us, see "Legal Proceedings," "—The CT1 Sub-concession Agreement contains certain restrictive provisions which could adversely affect our business and results of operations," and "–Our business and operations may be adversely affected due to violations of environmental regulations during the development of port facilities at Mundra**.**"

No assurance can be given as to whether these matters will be decided in favor of or against us. If we are held liable under any of these matters it may have an adverse effect on our business and results of operations.

35. ***We do not own "adani" trademark, name or logo and our ability to use the trademark, name or logo may be impaired.***

The "adani" trademark, name and logo do not belong to us. Shantilal Bhudarmal Adani Family Trust ("**SBAFT**"), a member of our Promoter Group, has applied for the "adani" trademark, which is pending with the trademark registry. We do not have a formal agreement with, or pay, SBAFT for the use of the "adani" trademark, name or logo. If SBAFT withdraws, or its application is rejected for, the "adani" trademark, we will not be able to use the "adani" trademark, name or logo in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with the "adani" trademark.

Further, we cannot assure you that the "adani" trademark, name or logo will not be adversely affected in the future by events such as actions that are beyond our control, including action or inaction of entities using the "adani" trademark, name or logo, regulatory actions against such companies or adverse publicity from any other source. Any damage to this trademark, name or logo, if not immediately and sufficiently remedied, could have an adverse effect on our financial condition and results of operations.

36. ***If we are unable to obtain required approvals and licenses or renewals thereof in a timely manner, our business and operations may be adversely affected.***

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. We may not receive such approvals or renewals in the time frame anticipated by us or at all, which could adversely affect our business.

We have applied for and are awaiting Environment and CRZ clearance in respect of the Mundra SEZ. We believe that based on the recommendations of the Expert Appraisal Committee to the MoEF and in accordance with the provisions the Environmental Impact Assessment Notification, 2006, we have deemed the receipt of environmental clearance for the Mundra SEZ and are continuing our operations accordingly. However, we are currently involved in certain litigations wherein the validity of such deemed clearance has been challenged. See "*Legal Proceedings*".

Our failure to obtain any of these or any other applicable approvals or licenses, or renewals thereof, required to operate our business in a timely manner, or at all, may have an adverse effect on the continuity of our business and may hinder our operations in the future.

37. ***Our Promoters and certain Promoter Group entities have in the past been subject to criminal litigations initiated by SEBI which were compounded pursuant to consent applications.***

SEBI had filed a criminal complaint against Adani Enterprises Limited, Rajeshbhai S. Adani Family Trust (represented by its trustees Rajesh S. Adani and Ms. Shilin R. Adani) and certain other Promoter Group entities (collectively the "**Promoter Group Entities**") in the Court of Additional Chief Metropolitan Magistrate, Mumbai in relation to violation of various provisions of the SCRA and certain notifications issued by SEBI. In accordance with the SEBI Circular no. EFD/ED/Cir-I/2007 dated April 20, 2007 (the "**Circular**"), the Promoter Group Entities had filed consent applications dated January 16, 2008 (the "**Consent Applications I**"). Pursuant to the Consent Applications I, the criminal case was compounded by the Court of Additional Chief Metropolitan Magistrate Court, Mumbai through order dated August 30, 2008 upon payment of ₹ 3.00 million.

SEBI had issued a show cause notice to certain entities forming part of the Promoter Group ("**Prohibited Entities**") in relation to aiding and abetting entities associated with Ketan Parekh in manipulating the price of the equity shares of Adani Enterprises Limited. Further, by an order dated May 25, 2007, SEBI prohibited the Prohibited Entities entities from accessing the securities market directly or indirectly and also prohibited them from buying, selling or otherwise dealing in securities, in any manner whatsoever, for a period of two years. An appeal was filed with Securities Appellate Tribunal ("**SAT**") against the above mentioned SEBI order. In accordance with the Circular the Prohibited Entities had filed consent applications dated November 28, 2007. SEBI vide its letter dated April 17, 2008 agreed to settle the case upon payment of certain amounts by the Prohibited Entities. The terms of the settlement were approved by SAT by its order dated April 24, 2008.

38. ***SEBI has passed an order in relation to non-compliance by certain listed companies, including our Company, with the minimum public shareholding requirements stipulated under the SCRR.***

SEBI has passed an order dated June 4, 2013 ("**Order**") in connection with non-compliance by certain listed companies with minimum public shareholding requirements stipulated under the SCRR ("**Minimum Public Shareholding**"). The Order, which came into force with immediate effect, is applicable to our Company and in terms thereof certain restrictions have been imposed on our Promoters, Promoter Group entities and Directors till our Company achieves Minimum Public Shareholding. For further details, please see "***Legal Proceedings – Show Cause Notices***" on page 180. We cannot assure you that the restrictions placed on our Promoters, Promoter Group entities and the Directors will not have an adverse impact on our Company, especially any fund raising plans to achieve our business strategy.

The Order further specifies that SEBI reserves the right to take further action against the non-compliant companies, their promoters or their directors or issue directions in accordance with law. For further details of the actions that SEBI may take in the future, please see "***Legal Proceedings – Show Cause Notices***" on page 180. While our Company has undertaken this Issue solely for achieving Minimum Public Shareholding and we expect to complete the Issue on or about June 8, 2013, we cannot assure you that either our Company or our Promoters, Promoter Group entities or the Directors would not be subject to any further action by SEBI. Any such action in the future could adversely affect our business and reputation and may also have an adverse impact on free trading of our Equity Shares and their price.

39. ***Third party statistical and financial data in this Prospectus may be incomplete or unreliable.***

We have not independently verified data obtained from industry publications and other sources referred to in this Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

Risks Related to India and the International Nature of Our Business

40. ***A slowdown in economic growth in India or certain other countries could cause our business to suffer.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates, inflation, natural disasters, increases in commodity and energy prices, and protectionist efforts in other countries or various other factors. For the month of March 2013, the inflation rate in India was 5.96%, based on monthly wholesale price index. An increase in inflation in India could cause a rise in the price of wages or some of our other expenses. The current slowdown in the Indian economy has also adversely affected expectations of reforms from the current Government, including its ability to implement its growth strategy and consider future expansion plans. While the current Government has encouraged private participation in various sectors, any adverse change in, or failure to successfully implement, policies could further adversely affect the Indian economy.

Moreover, the global economy is currently in a state of uneven recovery. India's economy has been affected by the current and sustained global economic uncertainties, including periods of volatility in interest rates, inflation, currency exchange rates, commodity and power prices, adverse conditions affecting agriculture and other factors. As a result, a slowdown in the Indian and global economies could adversely affect our business.

41. ***Our assets and operations are subject to uncertainties of regulatory and economic policies in India*.**

The Government of India and each State Government have broad powers to affect the Indian economy and our business. In the past, the Government of India and State Governments have used these powers to influence, directly and indirectly, Indian import-export trade. Examples of such measures include: (i) imposing import restrictions, customs duties on imported commodities, in particular on coal and iron ore (ii) granting concessions for operation of new ports and (iii) allocating Government of India and State Government funding for infrastructure programs. Some of these measures, which help local port operators, are currently being employed by the Government of India and State Governments. In addition, if regulations are enacted in the future that restrict our ability to determine the tariffs we charge at our ports, our results of operations could be adversely affected.

Any change in existing Government of India or State Government policies or new policies providing or withdrawing support to the Indian import-export trade industry could adversely affect the supply and demand balance and competition in commodities and may result in a commodity shift, which will directly impact our port handling business and may negatively affect its cost structure. In the event of such a change, we cannot assure you that we would be able to adapt our port handling business effectively or pass on any increase in costs to its customers through an increase in our prices, which could adversely affect our business and results of operations.

Our business, and the market price and liquidity of our Equity Shares, may also be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or social developments in or affecting India. Since 1991, successive Governments have pursued policies of economic liberalization and financial sector reforms. However, the rate of economic liberalization could change and we cannot assure you that such policies will be continued. A change in the Government or in the Government's future policies could affect business and economic conditions in India and could also adversely affect our business, prospects and results of operations.

42. ***Growth in our business is heavily reliant on continuing growth in international trade between India and the rest of the world.***

The port business in India is heavily dependent on the levels of international trade between India and the rest of the world, which ultimately depends on global economic prosperity and the continued flow of trade. Economic downturns, recession, trade protectionist measures or fears of any of these could significantly reduce international trading volumes, which, in turn, is likely to reduce the cargo volumes and may have an adverse effect on our business and results of operations. Furthermore, although the Indian Government has implemented various measures to encourage economic growth and international trade, there is no assurance that the government will not change its current market-based macroeconomic policies, which could adversely affect our business and results of operations. In particular, our business relies on the continued growth in the trade of coal cargo, which accounts for a significant portion of the total volume of cargo we handle. Any developments that adversely affect the trade of coal cargo in India could adversely affect our business and results of operations.

43. ***We are subject to risks associated with the international nature of our business, which could adversely affect our business and results of operations.***

Although our operations are primarily in India, we service customers from around the world, including customers based or with substantial interests in Europe, Africa, North America and other parts of Asia. As a result, we are exposed to risks typical of international businesses, many of which are beyond our control, including:

- fluctuations in foreign currency exchange rates and the resulting effect on customer demand, perceived attractiveness of our services and our competitiveness against ports in other countries and against ports in India that are less exposed to such fluctuations;
- the macroeconomic effects on us of, the obligations of complying or for paying for non-compliance with, and changes in, existing and future local or international laws, including regulatory requirements, tariffs or other trade barriers;
- adverse regulatory developments in the countries where our customers or the counter-party of our customers are based, such as imposition of additional taxes on export of coal by Indonesia or similar export related restrictions in other countries or imposition of sanctions on countries from where our customers import crude oil;
- potentially adverse tax consequences, such as scrutiny of transfer pricing arrangements by authorities of other countries; and
- adverse weather, social, economic and geopolitical conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action, of other countries.

The occurrence of any of these events could adversely affect our business and results of operations.

44. ***Additional security requirements may increase the operating costs and restrict our ability to conduct its ports business.***

In recent years, various international bodies and governmental agencies and authorities have implemented numerous security measures that affect port operations and the costs associated with such operations. Examples of new security measures include the International Ship and Port Facility Security Code, which was implemented in 2004, and, to the extent our ports handle cargo destined for the United States, the global security initiatives emanating from the U.S. Security and Accountability for Every Port Act of 2006. Failure to comply with the security requirements applicable to our operations or to obtain relevant security-related certifications may, among other things, prevent certain our customers from using our facilities and result in higher insurance premiums, which could have an adverse effect on our business and results of operations.

The costs associated with existing and any additional or updated security measures will negatively affect our operating income to the extent that we are unable to recover the full amount of such costs from our customers, who generally also have faced increased security-related costs. Similarly, additional security measures that require us to increase the scope of our screening procedures may effectively reduce the capacity of, and increase congestion at our ports, which may adversely affect our business and results of operations.

45. ***The occurrence of natural or man-made disasters could adversely affect our results of operations.***

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations. The spread of pandemic diseases, or the occurrence of natural disasters, in

India or the international markets in which we operate, could restrict the level of economic activities generally or slow down or disrupt our business activities, which could in turn adversely affect our business and results of operations.

46. ***Any downgrade of credit ratings of India may adversely affect our ability to raise debt financing.***

India's sovereign foreign currency long-term debt is currently rated (i) "BBB-" (negative) by Standard & Poor's, (ii) "BBB-" (negative) by Fitch and (iii) "Baa3" (stable) by Moody's. Between April and June 2012, Standard and Poor's and Fitch each downgraded India's sovereign credit outlook from "stable" to "negative," citing the absence, or inadequacy, of domestic reforms. These ratings reflect an assessment of the Indian government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.

No assurance can be given that Standard & Poor's, Fitch, Moody's or any other statistical rating organization will not downgrade the credit ratings of India. Any such downgrade would result in India's sovereign debt rating being rated speculative grade, which could adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance.

47. ***Companies operating in India are subject to a variety of central and state government taxes and surcharges.***

We are subject to taxes and other levies imposed by the Central or State Governments in India, including customs duties, central sales tax, state sales tax, service tax, income tax, value added tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Central or State Governments may adversely affect our business and results of operations.

48. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on our business growth and results of operations.

49. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

According to a weekly statistical supplement released by RBI, India's foreign exchange reserves totalled over US$ 293.7 billion as of May 10, 2013. Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

50. ***Indian corporate and other disclosure and accounting standards differ from those observed in other jurisdictions such as U.S. GAAP and IFRS.***

Our financial statements are prepared in accordance with Indian GAAP, which differs in significant respects from U.S. GAAP and IFRS. As a result, our financial statements and reported earnings could be significantly different from those which would be reported under U.S. GAAP or IFRS, which may be material to your consideration of the financial information prepared and presented in accordance with Indian GAAP contained in the Prospectus. You should rely on your own examination of our Company, the terms of the Issue and the financial information contained in the Prospectus.

51. ***Our business may be adversely affected by recent changes in competition law in India.***

The Competition Act, 2002, of India ("**Competition Act**") regulates practices having an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government of India issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India ("**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for transaction of business relating to combinations) Regulations, 2011 (as amended) which sets out the mechanism for implementation of the merger control regime in India ("**Combination Regulations**").

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. Any prohibition or substantial penalties levied under the Competition Act could adversely affect our results of operations.

Risks Related to this Issue and the Equity Shares

52. ***After this Issue, our Equity Shares may experience price and volume fluctuations or an active trading market for our Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in, and changing perceptions concerning the industries in which we operate, adverse media reports on us, changes in the estimates of our performance or recommendations by financial analysts and significant developments in India's economic liberalization, deregulation policies and fiscal regulations. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

53. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

The Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit the circuit breaker for our Equity Shares is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without its knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot make any assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

54. ***There may be less information available about companies listed on Indian stock exchanges than***

companies listed on stock exchanges in other countries.

There may be less publicly available information about companies listed on Indian stock exchanges, including us, than is regularly disclosed by companies listed on stock exchanges in other countries. There is also a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in those markets, and that of markets in certain other economies. In India, while there are certain regulations and guidelines on disclosure requirements, insider trading and other matters, there may be less publicly available information about Indian companies than is regularly made available by public companies in many certain other countries. As a result, you may have access to less information about our business and results of operations, and those of our competitors that are listed on the Indian stock exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

55. ***An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognised Indian stock exchange for a period of 12 months from the date of the Allotment of the Equity Shares.***

Pursuant to the SEBI Regulations, for a period of 12 months from the date of the Allotment of Equity Shares, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot assure you that these restrictions will not have an adverse effect on the price of the Equity Shares.

56. ***You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution, or unless we have obtained government approval to issue without such special resolution, subject to votes being cast in favor of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without us filing an offering document or registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian would receive upon the sale of such securities, if any, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in us would be reduced.

57. ***Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.***

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares, and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Under the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"), listed companies are required to maintain public shareholding of at least 25.0% of their issued share capital. Pursuant to the Securities Contracts (Regulation) (Amendment) Rules, 2010, notified on June 4, 2010 ("**Amendment Rules**") we are required to increase our public shareholding to at least 25.0% of our issued share capital within three years of the notification of the Amendment Rules. Failure to comply with the minimum public shareholding provision may result in regulatory action being taken against us. We may not be able to meet these requirements even after the Allotment of Equity Shares pursuant to the Issue and to meet such requirements, our Promoters may sell or we may issue Equity Shares in the future.

58. ***Fluctuations in the exchange rate between the Rupee and the U.S. dollar could have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Our Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees and subsequently converted into U.S. dollars for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

59. ***You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India. For details, see “Taxation.”

60. ***Our ability to pay dividends in the future will depend upon our and our subsidiary future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

Our future ability to pay dividends will also depend on the earnings, financial condition and capital requirements and the dividends distributes by our subsidiaries to us. Dividend distributed by our subsidiaries will attract dividend distribution tax at rates applicable from time to time. Our business is capital intensive and we may plan to make additional capital expenditures to complete our current expansion plans. We cannot assure you that we will generate sufficient cash from our operations or receive dividends from our subsidiaries sufficient to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for our expansion plans and results of operations.

61. ***We cannot assure you that our Equity Shares issued in the Issue will be listed on the Stock Exchanges in a timely manner or at all, which may restrict your ability to dispose of the Equity Shares.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted by the Stock Exchanges until after the Equity Shares offered in this Issue have been allotted. In addition, we are required to deliver the Red Herring Prospectus and the Prospectus to the Registrar of Companies for registration under the applicable provisions of the Companies Act and the SEBI Regulations. Approval will require all other relevant documents authorizing the issuance of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

MARKET PRICE INFORMATION

As of the date of this Prospectus, 2,003,394,100 Equity Shares have been issued and are fully paid up. The Equity Shares have been listed on the Stock Exchanges since November 27, 2007. As the Equity Shares are actively traded on the BSE and the NSE, the stock market data has been given separately for each of them.

The table set forth below indicates the high and low prices of the Equity Shares and the volume of trading activity for the specified periods. The closing prices of the Equity Shares on both BSE and the NSE on June 4, 2013 were ₹ 155.20 and ₹ 155.35 per Equity Share, respectively.

The high, low and average market prices of the Equity Shares for the periods indicated are as below:

BSE									
Year ending March 31,	**Date of High**	**High (₹)(1)**	**Volume on date of High (No. of Equity Shares)(2)**	**Volume on date of High (In ₹ million)**	**Date of Low**	**Low (₹)**	**Volume on Date of Low (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)(3)**
2011	8-Oct-10	181.00(4)	248,115	45.10	9-Feb-11	128.65(4)	609,751	78.17	147.84(4)
2012	4-Nov-11	164.40	324,841	53.56	2-Jan-12	114.60	389,560	44.99	144.43
2013	7-Feb-13	156.00	707,575	109.46	27-Aug-12	108.10	178,213	19.35	127.61

(Source: www.bseindia.com)

NSE									
Year ending March 31,	**Date of High**	**High (₹)(1)**	**Volume on date of High (No. of Equity Shares)(2)**	**Volume on date of High (In ₹ million)**	**Date of Low**	**Low (₹)**	**Volume on Date of Low (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)(3)**
2011	8-Oct-10	181.50(4)	882,766	160.51	25-May-10	128.65(4)	361,246	237.43	147.90(4)
2012	4-Nov-11	165.00	1,747,474	288.87	2-Jan-12	114.70	1,572,363	182.24	144.54
2013	7-Feb-13	155.85	4,047,635	625.68	27-Aug-12	108.00	1,101,295	119.46	127.69

(Source: www.nseindia.com)

Notes:

1 High, low and average prices are of the daily closing prices.

2 In case of two days with the same closing price, the date with the higher volume in terms of number of Equity Shares has been considered.

3 Average price represents the average of the daily closing prices of each day for each year presented.

4 Stock Prices adjusted from September 22, 2010 for stock split of 1:5

Monthly high, low and average prices and trading volumes on the Stock Exchanges for the six months preceding the date of filing of this Prospectus:

BSE									
Month	**Date**	**High (₹) (1)**	**Volume (No. of Equity Shares) (2)**	**Volume on date of High (In ₹ million)**	**Date**	**Low (₹)**	**Volume (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹) (3)**
May -13	17-May-13	168.25	632,855	105.52	02-May-13	146.25	113,782	16.66	154.81
Apr-13	10-Apr-13	151.00	224,398	33.27	17-Apr-13	141.05	169,586	24.31	145.62
Mar-13	7-Mar-13	145.90	86,981	12.65	22-Mar-13	124.15	208,806	25.70	137.26
Feb-13	7-Feb-13	156.00	707,575	109.46	28-Feb-13	138.55	406,022	56.19	149.49
Jan-13	31-Jan-13	150.00	1,896,936	281.69	24-Jan-13	129.60	120,268	15.77	136.83
Dec-12	19-Dec-12	145.00	520,580	75.62	13-Dec-12	130.80	135,189	17.99	136.32

(Source: www.bseindia.com)

NSE									
Month	**Date**	**High (₹)(1)**	**Volume (No. of Equity Shares)(2)**	**Volume on date of High (In ₹ million)**	**Date**	**Low (₹)**	**Volume (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)(3)**
May -13	17-May-13	168.25	9,076,436	1,503.25	02-May-13	146.30	1,253,183	183.35	154.95
Apr-13	10-Apr-13	151.30	2,267,790	333.54	4-Apr-13	140.75	1,364,325	193.53	145.79
Mar-13	5-Mar-13	145.95	1,772,006	254.05	22-Mar-13	124.10	2,379,340	292.75	137.39
Feb-13	7-Feb-13	155.85	4,047,635	625.68	28-Feb-13	138.65	4,173,623	578.77	149.60
Jan-13	31-Jan-13	150.55	8,895,649	1,319.65	24-Jan-13	129.95	948,386	124.18	136.90
Dec-12	19-Dec-12	145.25	1,845,672	267.91	13-Dec-12	130.70	680,712	90.74	136.35

(Source: www.nseindia.com)

Notes:

1 High, low and average prices are of the daily closing prices.
2 In case of two days with the same closing price, the date with the higher volume has been considered.
3 Average Price represents the average of the daily closing prices of each day for each month presented.

Market price of our Equity Shares on May 15, 2012, the first working day following the Board meeting approving the Issue was:

Date	**BSE**				**NSE**			
	Open	**High**	**Low**	**Close**	**Open**	**High**	**Low**	**Close**
May 15, 2012	115.10	115.40	112.40	114.90	114.00	115.45	112.25	114.70
Volume (No. of Equity Shares)	122,036				921,396			

(Source: www.bseindia.com, www.nseindia.com)

Details of the volume of business transacted during the last six months on the Stock Exchanges:

Period	BSE (No. of Equity Shares)	NSE (No. of Equity Shares)
May-13	7,443,863	62,511,711
Apr-13	3,040,731	23,664,594
Mar-13	4,418,384	24,380,420
Feb-13	7,845,773	46,828,458
Jan-13	11,000,291	63,898,609
Dec-12	5,282,322	27,594,941

(Source: www.bseindia.com, www.nseindia.com)

USE OF PROCEEDS

The total proceeds of the Issue will be approximately ₹ 9,998.6 million. After deducting fees and expenses of approximately ₹ 79.5 million, the net proceeds of the Issue will be approximately ₹ 9,919.1million.

Subject to compliance with applicable laws and regulations, we intend to use the net proceeds of the Issue for capital expenditure, working capital, strategic initiatives (including acquisitions) and general corporate purposes.

Subject to supervision of the Audit Committee and the Board as required under the provisions of the Equity Listing Agreement, the management of our Company will have flexibility in deploying the proceeds received by our Company from the Issue. Pending utilisation of the net proceeds of the Issue as described above, our Company intends to temporarily invest the funds in interest bearing instruments including deposits with banks and investments in mutual funds and liquid funds.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation and total debt, on a consolidated basis, as of March 31, 2013 and on an as adjusted basis to give effect only to the equity share capital and the related securities premium raised through the Issue. This table should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and our financial information contained in "***Financial Statements***" beginning on pages 64 and 196 respectively.

(In ₹ Million)

	As of March 31, 2013	**As adjusted for the Issue***
(A). Shareholders' funds		
Equity share capital	4,006.8	4,140.1
Preference share capital	28.1	28.1
Reserves and surplus		
a) Securities Premium Account	18,204.2	28,069.5
b) Reserves and surplus excluding Securities Premium Account	41,723.6	41,723.6
Reserves and surplus (Total)	**59,927.8**	**69,793.1**
Total shareholders' funds (A)	**63,962.7**	**73,961.3**
(B). Total Debt		
Long-term Borrowings (including current maturities)	111,811.1	111,811.1
Short Term Borrowings	4,047.0	4,047.0
Total Debts (B)	**115,858.1**	**115,858.1**
Total (A+B)	**179,820.8**	**189,819.4**

* *The Issue consisted of issuance and allotment of 66,657,520 Equity Shares of face value of ₹ 2 each at a price of ₹ 150 per Equity Share (including a share premium of ₹ 148)*

There will be no further issue of Equity Shares whether by way of public issue, issue of bonus shares, preferential allotment, rights issue, qualified institutions placement or in any other manner during the period commencing from the date of registering the Red Herring Prospectus with the RoC until the Equity Shares offered in the Issue have been listed on the Stock Exchanges or the Application Amounts are refunded, on account of *inter alia*, refusal of the listing of such Equity Shares by the Stock Exchanges.

DIVIDENDS

Our Company does not have a formal dividend policy. Dividend amounts are determined from year to year in accordance with the Board's assessment of our Company's earnings, capital requirements, overall financial position and other factors prevailing at the time.

The dividend paid by our Company in the last three Fiscals is as provided below:

Particulars	Financial Year 2011	Financial Year 2012		Financial Year 2013
	Interim	Interim	Final	Final **
Face value per Equity Share (₹)	2	2	2	2
Dividend (₹ Million)*	1,803.20	601.02	1,402.38	2,003.40
Dividend per equity share (₹)	0.90	0.30	0.70	1.00
Dividend rate (% to paid up capital)	45	15	35	50

**Excluding corporate dividend tax*

*** This dividend has been recommended by the Board of Directors at its meeting held on May 15, 2013*

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our reformatted audited consolidated financial statements as of and for the years ended March 31, 2011, 2012 and 2013, and the related notes. Our reformatted consolidated statements, as of and for the fiscal years ended March 31, 2013, 2012 and 2011, have been prepared in accordance with, inter alia, Indian GAAP and the requirements of the Revised Schedule VI of the Companies Act, 1956 and are based on our audited consolidated financial statements as of and for the fiscal years ended March 31, 2013, 2012 and 2011. Indian GAAP differs in certain material respects with IFRS and U.S. GAAP. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" included elsewhere in this Prospectus.

Overview

We are one of India's largest private developers and operators of ports and related infrastructure and provide fully integrated port and logistics services. We have developed and operate the port at Mundra, Gujarat, the largest Non-major Port in India by volume, handling 82 mmt for the fiscal year 2013; a dry bulk terminal at the port at Dahej, Gujarat; and a multi-purpose terminal and a container terminal at the port at Hazira, Gujarat; and are developing a coal handling terminal at the port at Mormugao, Goa; a coal handling terminal at the port at the Vizag Port; and a bulk cargo terminal at the port at Kandla, Gujarat. Our three operational facilities on the west coast of India are capable of handling capesize vessels. We also provide other services, including infrastructure, leasing and logistics services at the Mundra Port and through its surrounding infrastructure, including the Mundra SEZ, which we develop and operate and is one of the largest operating port-based multi-product special economic zones in India. We are also the first and only privately owned Indian port operator to be awarded a seat at the C40 World Ports Climate Conference.

We have developed and operate six bulk terminals, four container terminals, automobile handling and coal handling facilities and two single-point mooring facilities across the Mundra Port, the Dahej Port and the Hazira Port, that together allow us to provide port services for dry and liquid bulk (including coal), container, crude oil and other cargo. Our port services include marine, intra-port transport, storage and handling, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users.

Our total cargo volume handled was 51 mmt, 65 mmt and 91 mmt for the fiscal years 2011, 2012 and 2013, respectively, representing a CAGR of 33.6% between the fiscal years 2011 and 2013. Our total cargo volume handled represented 18.8% and 25.5% of the total cargo handled at all Non-major Ports in India and Gujarat, respectively, for the fiscal year 2012. *(Source: "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)* Our total revenue was ₹ 21,101.5 million, ₹ 27,487.6 million and ₹ 38,410.7 million, and our net profit was ₹ 9,181.5 million, ₹ 11,020.7 million and ₹ 16,232.2 million, for the fiscal years 2011, 2012 and 2013, respectively.

We are a subsidiary of Adani Enterprises Limited, the flagship company of the Adani Group, one of India's largest business houses with a consolidated net totoal income from operations of approximately ₹ 464,624.07 million for the fiscal year 2013. The Adani Group has significant interests across the resources (coal mining and trading), logistics (ports and logistics, shipping and rail), energy (power generation and transmission) and other ancillary industries, with a presence in India, Indonesia, Singapore, Australia, China and the Middle East. The Adani Group includes three listed companies in India, Adani Enterprises Limited, Adani Power Limited and our Company.

Significant Factors Affecting Our Results of Operations

Acquisition and Sale of Adani Abbot and Related Assets

Our financial statements for the fiscal years 2012 and 2013 have been affected by activities related to the acquisition and subsequent sale of Adani Abbot Point port and the related assets. On June 1, 2011, MPPL, a wholly owned subsidiary of our Company, acquired all of the outstanding equity shares of APCT #1 Pty. Ltd., now known as Adani Abbot. Pursuant to an internal corporate organizational restructuring, the entire shareholding of Adani Abbot is currently held by another of our wholly owned subsidiaries, Adani Abbot Holdings. MPPL, also holds all the units of Mundra Port Holding Trust, which has entered into several lease agreements for the lease of the land and certain related assets in respect of this port facility. In connection with these acquisitions, our Company provided an unconditional guarantee of US$807.0 million to one of the lenders of MPPL with respect to indebtedness incurred by MPPL. Our Company has also provided an unconditional, absolute and irrevocable guarantee to one of the lenders of MPPL to secure a standby letter of credit provided in respect of our Company's obligation to make capital contributions in MPPL. As of March 31, 2013, the total amount outstanding under this standby letter of credit and therefore, this guarantee, was A$22.03 million. On March 30, 2013, our Company agreed to sell our Company's entire equity shareholding in Adani Abbot Holdings and our Company's entire preference shareholding in MPPL, for a total cash consideration of A$235.7 million to Abbot Point Port Holdings Pte. Limited, a Promoter Group entity (although, our Company would continue to own all of the outstanding equity shares of MPPL, aggregating A$1,000). For more information, see "Recent Developments" and Note 41 to our reformatted audited consolidated financial statements included elsewhere in this Prospectus. These transactions and the related corporate guarantee have affected, or will affect, our consolidated results of operations and financial condition due to the following, among other reasons:

- the recognition of A$235.71 million sale consideration in our consolidated profit and loss statement for the fiscal year 2013;

- two guarantees aggregating to US$807.0 million, which is classified as contingent liabilities and a guarantee of A$22.03 million to secure a standby letter of credit provided to one of the lenders of MPPL as on March 31, 2013; and

- significant movements in our non-current assets, including significant increases in fixed assets and goodwill on consolidation in the fiscal year 2012, and significant decreases in these line items in the fiscal year 2013.

If the sale of equity shares of Adani Abbot or preference shares of MPPL does not complete as expected due to our inability to obtain the approval of the lender of MPPL or otherwise, we will not receive the expected consideration for the sale and we will be required to make adjustments to our results of operations, with respect to the gain on sale of discontinued operations recorded in our statement of profit and loss for the fiscal year 2013, and to the assets and liabilities of Adani Abbot and MPPL, either of which would adversely affect our results of operations and financial condition.

Cargo Volumes

Our results of operations depend, to a significant extent, on the cargo volumes handled at our facilities. Our cargo volume handled depends in turn on the strength of the Indian economy, any slowdown in which could result in a decrease in cargo volume handled and adversely affect our results of operations. Other factors that affect cargo volume handled include (i) the levels of global and regional trade, (ii) the continued globalization of world trade, which has historically led to an increase in the volume of seaborne cargo, (iii) competition from new and existing ports in India, particularly in west India, (iv) industry trends such as consolidation and changes in shipping alliances and (v) new long-term and short-term agreements into which we enter. See "Risk Factors".

Our cargo volume handled has increased in recent years as we have developed new terminals, berths and other infrastructure at the Mundra Port and commenced commercial operations at the Dahej Port and the Hazira Port. We expect our cargo volume handled to continue to increase as we expand the capacities and utilizations at the Mundra Port, the Dahej Port and the Hazira Port, and as we commence operations at our terminals at the Mormugao Port, the Vizag Port and the Kandla Port. Our total cargo volume handled by facility is set out below for the periods indicated:

	Fiscal Year		
	2011	**2012**	**2013**
	(in mmt)		

	Fiscal Year		
	2011	2012	2013
	(in mmt)		
Facility			
Mundra Port	51	63	82
Dahej Port	-	2	8
Hazira Port	-	-	1
Total	**51**	**65**	**91**

Our Expansion Plans

We have recently completed, and are in the process of implementing, expansion plans which could significantly affect our results of operations. We have recently commenced operations at the Hazira Port and at Container Terminal 3 and a fourth berth at the Coal and Bulk Terminal at the Mundra Port. We are also in the process of developing facilities at the Mormugao Port, the Vizag Port and the Kandla Port. Although we believe that the majority of our capital expenditure at our operational facilities and the Mormugao Port have been completed, our future expansion plans may require a significant amount of expenditure, and, once operational, are expected to provide us with additional capacity to handle cargo in new and existing geographies, and, in turn, revenue from cargo handled and related services. The amounts and timing of realizing these revenues depends on a number of factors, including our ability to commission these facilities on time and within budget; and once these facilities are operational, our ability to secure agreements to handle cargo at these facilities, as well as the margins we realize from these facilities. Our results of operations depend significantly on our ability to implement our expansion plans and commence operations at the expansions to existing facilities and at new facilities.

Pricing

Generally, the prices we charge for our services depend on a number of factors, including (i) the volume of cargo handled, (ii) the type of cargo handled, (iii) the types of customized services undertaken for customers, (iv) specific incentives for individual customers including the size and nature of our existing arrangements with the customers and other business factors and (v) competitive pricing by other ports. We have been able to increase our pricing for certain services, particularly those that capture the extent of our vertically integrated business and for value-added services.

We enter into long-term contractual arrangements with royalty pricing based on a percentage of the gross revenue generated by certain customers for container cargo. For certain customers with respect to coal, crude oil, automobile and other dry and liquid bulk cargo, we typically enter into long-term agreements, which provide for some, or all, of the following: fixed charges per year, variable charges and freight charges based on the volume or value of cargo handled or transported, each with an periodic adjustment linked to an index; and various value-added charges. For other customers, we enter into spot contracts and short or medium term agreements, which allow us to renegotiate the terms and pricing of these agreements to account for prevailing market conditions.

Cargo and Service Mix

Our results of operations depend substantially on the mix of cargo and services that we provide to our customers. Our three broad categories of cargo handled are bulk (consisting primarily of coal cargo), container and crude oil cargo. In addition to port services, we provide value-added, evacuation and other logistics services to our customers. The services we provide have pricing that depends on, among other things, the type of cargo handled and the type of service offered. As a result, the mix of cargo we handle may substantially affect our results of operations. Our ability to maintain a diverse mix of cargo handled and other services performed allows us to diversify our income sources, reduce financial risk and compete more effectively. Consequently, our cargo and service mix has a significant effect on our results of operations.

Capacity and Utilization

Our results of operations are affected by the capacities and utilizations of our terminals, berths, equipment and other infrastructure. Between the fiscal years 2011 and 2013, our volume of cargo handled increased at a CAGR of 33.3%, which was accommodated by a substantial increase in cargo handling capacities at our facilities. Our capacities have increased significantly in recent years as we have commissioned new terminals and expanded the capacity at our operational facilities. We also benefit from, and our capacities are higher because of, the deep drafts at our facilities, which allow us to accommodate larger ships that can handle larger volumes of cargo. We have recently expanded our facilities at the Mundra Port to accommodate these larger ships, including the recent commissioning of Container Terminal 3, which is capable of handling ships of up to 10,000 TEUs, and the Coal and Bulk Terminal, which has a draft of up to 20 meters and is capable of handling up to super capesize ships, at the Mundra Port.

Tax Incentives

We receive various tax incentives from the Government of India, including tax incentives available for special economic zones. For the fiscal years 2007 to 2011, we, as developers of the Mundra SEZ, claimed tax incentives under section 80 IAB of the Income Tax Act, 1961. These tax incentives are available to us for a period of 10 consecutive years in a block of 15 years from commencing business, and include an annual deduction equivalent to 100.0% of profits derived from developing or operating the Mundra SEZ, as well as exemptions from taxes on dividend distribution, other indirect taxes and duties. Between the fiscal years 2007 and 2011, we were not required to pay minimum alternate tax ("MAT"). However, with the amendment to section 115JB of the Income Tax Act 1961, with effect from April 1, 2011, we have been paying MAT and continue to claim benefits of tax incentives under section 80 IAB of the Income Tax Act, 1961. We believe that we can avail the tax benefits under section 80 IAB of the Income Tax Act, 1961 on the entire income of our Company. The non-availability of these tax incentives in the future, as a result either of expending the years in which we qualify for deductions or due to any change in Indian tax policy or laws, could adversely affect our results of operations.

Our Critical Accounting Policies

Basis of Presentation / Consolidation

Our consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("AS") 21 - Consolidated Financial Statements, AS 23 – Accounting for Investments in Associates in Consolidated Financial Statements and AS 27 – Financial Reporting of Interests in Joint Ventures, each as notified in accounting standards by Companies Accounting Standards Rules, 2006, as amended. The financial statements of our Company and our Subsidiaries are consolidated on a line by line basis, and intra group balances, intra group transactions and unrealized profits or losses are eliminated. Minority interests in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the respective dates on which investments are made by our Company in the subsidiary and further movements in their share in the equity, subsequent to the dates of investment as stated above. The carrying amount of investments in associates are effected using the "equity method" and includes our Company's share of post-acquisition profits or losses. For joint ventures, the interests in the assets, liability, income and expense are consolidated using proportionate consolidation method. Intra-group balances, transactions and unrealized profit and losses are eliminated to the extent of our Company's proportionate share.

The financial statements of our Subsidiaries are drawn up to the same reporting date as our Company, which are the years ended March 31, 2011, 2012 and 2013, and audited prior to consolidation.

Basis of Consolidation

Our consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements set out in Accounting Standard (AS 21) "Consolidated Financial Statements." Investments in Associates are accounted for under the "Equity Method" set out in Accounting Standard (AS 23). Our consolidated financial statements are prepared using uniform accounting policies.

Use of Estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires our management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- *Port Operation Services.* Revenue from port operation services including related infrastructure is recognized on proportionate completion method basis based on the services rendered. Income in the nature of license fees or royalty is recognized as and when the right to receive such income is established as per terms and conditions of relevant agreement.

- *Income from Long Term Leases.* As a part of its business activity, the Company leases / sub-leases land on a long term basis to its customers. In some cases, the Company enters into cancellable lease / sub-lease transaction, while in other cases, it enters into non-cancellable lease / sub-lease transaction. The Company recognizes the income based on the principles of leases as per Accounting Standard – 19, Leases and accordingly in cases where the land lease / sub-lease transaction are cancellable in nature, the income in the nature of upfront premium received / receivable is recognized on operating lease basis i.e. on a straight line basis over the period of lease / sub-lease agreement / date of Memorandum of understanding takes effect over lease period and annual lease rentals are recognized on an accrual basis. In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognized on finance lease basis i.e. at the inception of lease / sub-lease agreement / date of Memorandum of understanding takes effect over lease period, the income recognized is equal to the present value of the minimum lease payment over the lease period (including non-refundable upfront premium) which is substantially equal to the fair value of land leased / sub-leased. In respect of land given on finance lease basis, the corresponding cost of the land and development cost incurred are expensed off in the statement of profit and loss. In case of Subsidiary Mundra SEZ Textile and Apparel Park Private Limited ("MITAP") the upfront premium received/receivable is recognized as income pro-rata over the period of sub-lease agreement.

- *Income from Multi-modal Cargo Storage cum Logistics Services.* Multi-modal and transportation income are recognized on the basis of proportionate services provided as per the contractual terms.

- *Non Scheduled Aircraft Services.* Revenue from chartered services is recognized when the service is performed under contractual obligations.

- *Utilities Services.* Revenue is recognized as and when the service performed under contractual obligations and the right to receive such income is established. Delayed payment charges are accounted as and when received.

- *Contract Revenue.* Revenue from construction contracts is recognized on a percentage completion method, in proportion that the contract costs incurred for work performed up to the reporting date stand to the estimated total contract costs indicating the stage of completion of the project. Contract revenue earned in excess of billing has been reflected under the head "Other Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen.

- *Income from fixed price contracts*. Revenue from infrastructure development project and services under fixed price contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based on milestones reached under the contract.

- *Interest.* Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

- *Dividends.* Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

Foreign Currency Translation

- *Initial Recognition.* Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

- *Conversion.* Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

- *Exchange Differences.*

  a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

  b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

  c) All other exchange differences are recognized as income or as expenses in the period in which they arise.

  For the purpose of (a) and (b) above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference

- *Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability.* The premium or discount arising at the inception of forward exchange contracts and recognized is amortized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period. Any gain/loss arising on forward contracts which are long term foreign currency monetary items is recognized in accordance with the above.

- *Derivative transactions.* In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the consolidated statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when we have a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best management estimate of what is required to settle such obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted the current best management estimates. Contingent liabilities are not recognized but are disclosed in the notes to our reformatted audited consolidated financial statements. Contingent assets are neither recognized nor disclosed in our reformatted audited consolidated financial statements.

Fixed Assets

Fixed assets are valued at cost less accumulated depreciation and impairment losses. The fixed asset cost consists of the purchase price and any attributable costs for bringing such asset into working condition for its intended use. Such costs include borrowing costs relating to the acquisition of the fixed asset until such asset is in working condition and put to its intended use. We capitalize insurance spares and stand-by equipment as part of the associated fixed asset.

Subsequent expenditures relating to fixed assets are added to the book value only if such expenditures increase the future benefits of the asset beyond its previously assessed standard of performance. All other expenses on fixed assets, including repair and maintenance expenditures and costs of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognizing or proceeds from the sale of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure on New Projects and Substantial Expansion

Expenditure directly relating to construction activity (net of income, if any) is capitalized. Indirect expenditure incurred during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the consolidated statement of profit and loss.

Depreciation of Fixed Assets

Depreciation of our fixed assets is accounted for using the higher of the straight-line method at rates prescribed under Schedule XIV of the Companies Act, 1956, or the rates determined on the basis of the respective assets useful lives. However, individual assets costing up to ₹ 5,000 and mobile phones included under office equipment are depreciated at a rate of 100.0% in the month of purchase. Insurance spares and standby equipment are depreciated prospectively over the remaining useful lives of the respective mother assets on which they are used. Moreover, for our domestic operations, certain assets are depreciated over an estimated useful life, as set out below:

Assets	Estimated Useful Life
Leasehold Land Development, Marine Structure and Dredged Channel	Over the balance period of Lease / Concession agreements and supplements thereto
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Machinery	4 Years and 10 Years respectively
Inner Floating Hose String of Single Point Mooring - Plant and Machinery	5 years
Fender, Buoy, Capstan installed at Jetty - Marine Structures	10-15 years

Intangible assets

Intangible assets are amortized on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life (Years)
Leasehold Land – Right to Use	Over the balance period of Lease Agreements
Goodwill arising on the amalgamation of Adani Port Limited	Over the balance period of Concession Agreement computed from the Appointed Date of the Scheme of Amalgamation (28 years)
Software	3 years
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	Over the period of 20 years
Rights for expansion of existing assets	Over the period of 5 years
User agreements and customers relationships	Over the period of 5 to 10 years

Impairment

We review the carrying amounts of assets at each balance sheet date to determine if there is any indication of impairment based on internal and/or external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, we estimate future cash flows discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. We are eligible and claims tax deductions available under section 80IAB of the Income Tax Act, 1961, in respect of income attributable to "special economic zone activities." Certain of the subsidiaries are eligible for tax holiday benefits under section 80IA of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In view of our Company and some of our subsidiaries availing tax deduction under Section 80IAB and section 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of timing difference, which originates during the tax holiday period but reverse after the tax holiday period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

Minimum alternate tax ("MAT") paid in a year is charged to the consolidated statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Results of Operations

The following table sets forth select financial data from our consolidated profit and loss statement for the fiscal years 2011, 2012 and 2013, the components of which are also expressed as a percentage of total revenue for such periods:

	Year Ended March 31,					
	2011		**2012**		**2013**	
	(₹ in millions, except for percentages)					
Continuing Operations						
Revenue from Operations (Net)	20,001.1	94.8%	26,972.6	98.1%	35,766.3	93.1%
Other Income	1,100.4	5.2%	515.0	1.9%	2,644.4	6.9%
Total Revenue	21,101.5	100.0%	27,487.6	100.0%	38,410.7	100.0%
Expenses						
Operating Expenses	5,321.1	25.2%	6,735.2	24.5%	9,128.6	23.8%
Employee Benefits Expense	797.6	3.8%	1,097.5	4.0%	1,307.5	3.4%

	Year Ended March 31,					
	2011		2012		2013	
	(₹ in millions, except for percentages)					
Other Expenses	897.5	4.3%	1,673.8	6.1%	1,570.4	4.1%
Depreciation and Amortization Expenses	2,387.6	11.3%	3,159.3	11.5%	4,219.7	11.0%
Finance Costs	1,661.9	7.9%	2,814.6	10.2%	5,418.4	14.1%
Total Expenses	11,065.7	52.4%	15,480.4	56.3%	21,644.6	56.4%
Profit from Ordinary Activities, before Taxation	10,035.8	47.6%	12,007.2	43.7%	16,766.1	43.6%
Tax Expense						
Current Tax (including MAT)	223.4	1.1%	2,543.3	9.3%	3,874.2	10.1%
MAT Credit Entitlement	-	-	(2,421.7)	(8.8)%	(3,655.8)	(9.5)%
Deferred Tax Charge	650.7	3.1%	805.9	2.9%	1,012.4	2.6%
Profit after tax from continuing operations	9,161.7	43.4%	11,079.7	40.3%	15,535.3	40.4%
Discontinuing Operations						
Loss from ordinary activities attributable to discontinued operations	-	-	(184.7)	(0.7)%	(3,690.9)	(9.6)%
Tax expense						
Current tax	-	-	23.6	0.1%	62.2	0.2%
Deferred tax charge / (credit)	-	-	(55.4)	(0.2)%	(410.4)	(1.1)%
(Loss) from ordinary activities attributable to discontinued operations before tax	-	-	(152.9)	(0.6)%	(3,342.7)	(8.7)%
Gain on sale of discontinued operations	-	-	-	-	4,195.7	10.9%
Profit/(Loss) after tax from discontinued operations	-	-	(152.9)	(0.6)%	853.0	2.2%
Profit after tax for the year	9,161.7	43.4%	10,926.8	39.8%	16,388.3	42.7%
Add/(Less): Share of Minority Shareholders in (Profit)/Loss of Subsidiaries	19.8	0.1%	93.9	0.3%	(156.1)	(0.4)%
Net Profit	9,181.5	43.5%	11,020.7	40.1%	16,232.2	42.3%

Total Revenue. Total revenue consists of net revenue from continuing operations and other income.

Revenue from Operations, Net. Net revenue from continuing operations primarily consists of income from port operations (including related infrastructure), land lease, upfront premium and deferred infrastructure income (including annual discounting in respect of land leases), and other operating income including construction and related income, income from operations of an aircraft and provision of utility services. Income from port operations (including related infrastructure) accounted for 82.8%, 85.1% and 81.4% of revenue from operations (net) for the fiscal years 2011, 2012 and 2013.

Other Income. Other income includes profit on proposed dilution of investments, income from interest bearing bank deposits and inter-corporate deposits, dividend income on long-term investments, scrap sales, net profit on sale of fixed assets, net gain on foreign exchange variation and miscellaneous income. Other income as a percentage of our total revenue was 5.2%, 1.9% and 6.9% for the fiscal years 2011, 2012 and 2013, respectively.

Total Expenses. Total expenses consist of operating expenses, employee benefits expense, other expenses, finance costs and depreciation and amortization expense. Our total expenses as a percentage of our total revenue was 52.4%, 56.3% and 56.4% for the fiscal years 2011, 2012 and 2013, respectively.

- *Operating Expenses*. Operating expenses includes handling expenses, power and fuel costs, costs incurred in repairs of plant and machinery, railway operating charges, waterfront charges paid to the respective port authorities, tug and pilotage charges, construction contract expenses, cargo freight and transportation expenses and maintenance dredging expenses. Operating expenses as a percentage of total revenue were 25.2%, 24.5% and 23.8% for the fiscal years 2011, 2012 and 2013, respectively.

- *Employee Benefits Expense.* Employee benefits expense consists of salaries, wages and bonus paid to employees, contributions to provident and other funds for the benefit of our employees, gratuity, workmen and staff welfare expenses. Employee benefits expense as a percentage of total revenue was 3.8%, 4.0%

and 3.4% for the fiscal years 2011, 2012 and 2013, respectively.

- *Other Expenses*. Other expenses consist of legal and professional expenses, net loss on foreign exchange variation attributable to the effect of foreign exchange rate fluctuation on our non-Indian Rupee denominated supplier credit, charitable donations, travelling and conveyance expenses; other repairs and maintenance expenses, insurance expenses and advertisement and publicity costs. Other expenses as a percentage of total revenue were 4.3%, 6.1% and 4.1% for the fiscal years 2011, 2012 and 2013, respectively.

- *Finance Costs*. Finance costs consist primarily of interest expense on debentures, fixed loans, buyers credit and other borrowings, (net of finance costs capitalized to tangible fixed assets on our consolidated balance sheet) bank and other finance charges, and net loss on derivatives and swap contracts. Finance costs as a percentage of total revenue were 7.9%, 10.2% and 14.1% for the fiscal years 2011, 2012 and 2013, respectively.

- *Depreciation and Amortization Expense.* Depreciation and amortization expense relates to the depreciation of our tangible and intangible fixed assets. Depreciation and amortization expense as a percentage of total revenue was 11.3%, 11.5% and 11.0% for the fiscal years 2011, 2012 and 2013, respectively.

Tax Expense. Tax expense comprises current tax, MAT entitlement and deferred tax.

Profit / (Loss) after Tax from Discontinued Operations. Profit or loss after tax from discontinued operations consists of the profit or loss attributable to the businesses of Adani Abbot Holdings and MPPL, which were divested on March 30, 2013 and are treated as discontinued operations in our reformatted audited consolidated profit and loss statement from June 1, 2011 to March 31, 2013. See "Recent Developments."

Gain on Sale of Discontinued Operations. The gain on sale of discontinued operations consists of (i) the effect of the depreciation of the Rupee against the Australian Dollar on the investment made in Adani Abbot Holdings and MPPL and (ii) the reversal of accumulated losses of Adani Abbot Holdings and MPPL, which were subsequently credited to our reformatted audited consolidated statement of profit and loss as of and for the year ended March 31, 2013.

Share of Minority Shareholders in (Profit)/Loss of Subsidiaries. Share of minority shareholders in profit or loss of subsidiaries consists of the share of profit or loss of Adani Dahej, Adani Kandla, Adani Mormugao and MITAP attributable to minority shareholders of these entities.

Fiscal Year 2013 Compared to Fiscal Year 2012

Total Revenue. Total revenue increased by 39.7% to ₹ 38,410.7 million for the fiscal year 2013 from ₹ 27,487.6 million for the fiscal year 2012, primarily due to an increase in net revenue from continuing operations.

Revenue from Operations (Net). Net revenue from continuing operations increased by 32.6% to ₹ 35,766.3 million for the fiscal year 2013 from ₹ 26,972.6 million for the fiscal year 2012, primarily due to increases in income from port services (including related infrastructure) by 26.8% to ₹ 29,127.5 million for the fiscal year 2013 from ₹ 22,964.1 million for the fiscal year 2012; land lease, upfront premium and deferred infrastructure income by 61.9% to ₹ 2,765.2 million for the fiscal year 2013 from ₹ 1,708.1 million for the fiscal year 2012; and income from provision of logistic services to ₹ 2,462.7 million for the fiscal year 2013 from ₹ 1,228.8 million for the fiscal year 2012.

The increase in income from port services (including related infrastructure) and land lease, upfront premium and deferred construction income were primarily attributable to an increase in cargo volumes handled and fixed income from port service agreements and pilotage charges, and income from related activities such as the lease of land. The increase in cargo volumes handled was attributable to an increase in bulk, container and crude oil cargo handled for the fiscal year 2013. The increase in income from logistics services was on account of entering into new arrangements to transport coal and automobiles.

Other Income. Other income increased to ₹ 2,644.4 million for the fiscal year 2013 from ₹ 515.0 million for the fiscal year 2012, primarily due to profit on dilution of investment, which was ₹ 1,257.6 million for the fiscal year

2013 and nil for the fiscal year 2012 on account of profit recognized on converting AICTPL to a joint venture of our Company, an increase in interest income on bank deposits and inter-corporate deposits to ₹ 1,085.2 million for the fiscal year 2013 from ₹ 388.9 million for the fiscal year 2012 due to an average increase in bank deposits and inter-corporate deposits in the fiscal year 2013, and an increase in interest income on customers advances to ₹149.5 million for the fiscal year 2013 from ₹ 23.0 million for the fiscal year 2012.

Total Expenses. Total expenses increased by 39.8% to ₹ 21,644.6 million for the fiscal year 2013 from ₹ 15,480.4 million for the fiscal year 2012, primarily as a result of increases in operating expenses, finance costs and other expenses.

- *Operating Expenses.* Operating expenses increased by 35.5% to ₹ 9,128.6 million for the fiscal year 2013 from ₹ 6,735.2 million for the fiscal year 2012. This increase was primarily as a result of an increase in handling expenses by 70.0% to ₹ 3,312.2 million for the fiscal year 2013 from ₹ 1,948.7 million for the fiscal year 2012 on account of an increase in the volume of cargo, an increase in waterfront charges by 91.3% to ₹ 1,379.2 million for the fiscal year 2013 from ₹ 720.9 million for the fiscal year 2012 on account of an increase in concessional waterfront royalty as stipulated in the concession agreement for the Mundra Port and an increase in the volume of cargo handled on which we pay royalty to the GMB in respect of the Mundra Port, an increase in cargo freight and transportation expenses to ₹ 336.8 million for the fiscal year 2013 from ₹ 166.8 million for the fiscal year 2012 on account of an increase in the volume of cargo handled, and an increase in repairs to plant and machinery by 29.7% to ₹ 870.5 million for the fiscal year 2013 from ₹ 671.0 million for the fiscal year 2012. These increases in operating expenses were partially offset by a decrease in power and fuel cost by 33.8% to ₹ 851.5 million for the fiscal year 2013 from ₹ 1,287.1 million for the fiscal year 2012 on account of the electrification of cranes allowing us to use electrical power instead of fuel to operate cranes.

- *Employee Benefits Expense*. Employee benefits expense increased by 19.1% to ₹ 1,307.5 million for the fiscal year 2013 from ₹ 1,097.5 million for the fiscal year 2012, primarily as a result of an increase in salaries, wages and bonus by 18.1% to ₹ 1,127.8 million for the fiscal year 2013 from ₹ 954.8 million for the fiscal year 2012 on account of an annual increase in the salaries paid and an increase in the average number of employees.

- *Other Expenses*. Other expenses decreased by 6.2% to ₹ 1,570.4 million for the fiscal year 2013 from ₹1,673.8 million for the fiscal year 2012, primarily as a result of a decrease in net loss on foreign exchange variation by 83.9% to ₹ 74.7 million for the fiscal year 2013 from ₹ 465.3 million for the fiscal year 2012 on account of a decrease in our outstanding U.S. Dollar and Euro denominated supplier credit for the fiscal year 2013 resulting in a reduced effect of the depreciation of the Indian Rupee against the U.S. Dollar and Euro, which was partially offset by an increase in legal and professional expenses by 40.4% to ₹ 341.8 million for the fiscal year 2013 from ₹ 243.4 million for the fiscal year 2012.

- *Depreciation and Amortization Expense*. Depreciation and amortization expense increased by 33.6% to ₹ 4,219.7 million for the fiscal year 2013 from ₹ 3,159.3 million for the fiscal year 2012, primarily as a result of commissioning the Container Terminal 3 at the Mundra Port and one dry and liquid bulk cargo terminal and one container cargo terminal at the Hazira Port during the fiscal year 2013.

- *Finance Costs*. Finance costs increased by 92.5% to ₹ 5,418.4 million for the fiscal year 2013 from ₹ 2,814.6 million for the fiscal year 2012, primarily as a result of an increase in interest cost on fixed loans and buyer's credit and short-term borrowings to ₹ 3,595.1 million for the fiscal year 2013 from ₹ 1,243.9 million for the fiscal year 2012 on account of an increase in indebtedness, an increase in interest cost on debentures by 51.5% to ₹ 917.4 million for the fiscal year 2013 from ₹ 605.7 million for the fiscal year 2012 and an increase in bank and other financial charges to ₹ 348.7 million for the fiscal year 2013 from ₹ 146.7 million for the fiscal year 2012. These increases in finance costs were partially offset by a decrease in net loss on derivatives and swap contracts by 32.2% to ₹ 524.3 million for the fiscal year 2013 from ₹ 773.8 million for the fiscal year 2012.

Profit from ordinary activities before Tax. As a result of the foregoing, profit from ordinary activites before tax increased by 39.6% to ₹ 16,766.1 million for the fiscal year 2013 from ₹ 12,007.2 million for the fiscal year 2012.

Tax Expense. Tax expense increased by 32.7% to ₹ 1,230.8 million for the fiscal year 2013 from ₹ 927.5 million for the fiscal year 2012, primarily due to an increase in current tax by 52.3% to ₹ 3,874.2 million for the fiscal year 2013 from ₹ 2,543.3 million for the fiscal year 2012 and an increase in deferred tax by 25.6% to ₹ 1,012.4 million for the fiscal year 2013 from ₹ 805.9 million for the fiscal year 2012, partially offset by an increase in MAT credit entitlement by 51.0% to ₹ 3,655.8 million for the fiscal year 2013 from ₹ 2,421.7 million for the fiscal year 2012. Our effective tax rates were 7.3% and 7.7% for the fiscal years 2013 and 2012, respectively.

Profit / (Loss) after Tax from Discontinued Operations. We had a profit after tax from discontinued operations of ₹ 853.0 million for the fiscal year 2013, as compared to a loss after tax from discontinued operations of ₹ 152.9 million for the fiscal year 2012, primarily due to gain on the sale of discontinued operations of ₹ 4,195.7 million for the fiscal year 2013 on account of (i) the effect of the depreciation of the Rupee against the Australian Dollar on the investment made in Adani Abbot Holdings and MPPL and (ii) the reversal of accumulated losses of Adani Abbot Holdings and MPPL, which were subsequently credited to our audited consolidated statement of profit and loss as of and for the year ended March 31, 2013, which was partially offset by an increase in the loss after tax from discontinued operations for the fiscal year 2013 on account of increase in finance costs and depreciation and amortization expenses of Adani Abbott Holdings and MPPL.

Share of Minority Shareholders in Profit / Loss of Subsidiaries. Share of minority shareholders in profit of our subsidiaries was ₹ 156.1 million for the fiscal year 2013 on account of net profit primarily attributable to an increase in the volume of cargo handled at our terminal at the Dahej Port, as compared to a share of minority shareholders in loss of our subsidiaries of ₹ 93.9 million for the fiscal year 2012 on account of a net loss attributable to losses incurred by these subsidiaries in commencing operations.

Net Profit. As a result of the foregoing, net profit increased by 47.3% to ₹ 16,232.2 million for the fiscal year 2013 from ₹ 11,020.7 million for the fiscal year 2012. Our profit for the year as a percentage of total revenue increased to 42.3% for the fiscal year 2013 from 40.1% for the fiscal year 2012.

Fiscal Year 2012 Compared to Fiscal Year 2011

Total Revenue. Total revenue increased by 30.3% to ₹ 27,487.6 million for the fiscal year 2012 from ₹ 21,101.5 million for the fiscal year 2011, primarily due to an increase in net revenue from continuing operations.

Revenue from Operations (Net). Net revenue from continuing operations increased by 34.9% to ₹ 26,972.6 million for the fiscal year 2012 from ₹ 20,001.1 million for the fiscal year 2011, primarily due to increases in income from port services (including related infrastructure) by 38.6% to ₹ 22,964.1 million for the fiscal year 2012 from ₹ 16,568.7 million for the fiscal year 2011; land lease, upfront premium and deferred infrastructure income by 18.0% to ₹ 1,708.1 million for the fiscal year 2012 from ₹ 1,446.9 million for the fiscal year 2011; and logistics services by 3.6% to ₹ 1,228.8 million for the fiscal year 2012 from ₹ 1,186.6 million for the fiscal year 2011.

The increases in income from port services (including related infrastructure) and in land lease, upfront premium and deferred construction income were primarily attributable to an increase in cargo volumes handled and fixed income from port service agreements and pilotage charges, and income from related activities such as the lease of land. The increase in cargo volumes handled was attributable to an increase in bulk, container and crude oil cargo handled for the fiscal year 2012.

Other Income. Other income decreased by 53.2% to ₹ 515.0 million for the fiscal year 2012 from ₹ 1,100.4 million for the fiscal year 2011, primarily due to a decrease in interest income on bank deposits and inter-corporate deposits by 50.7% to ₹ 388.9 million for the fiscal year 2012 from ₹ 789.1 million for the fiscal year 2011 on account of an average decrease in bank deposits and inter-corporate deposits in the fiscal year 2012, and a decrease in net gain on foreign exchange variation to nil for the fiscal year 2012 from ₹ 130.5 million for the fiscal year 2011 on account of the effect the appreciation of the Rupee against the U.S. Dollar and Euro on our U.S. Dollar and Euro denominated indebtedness.

Total Expenses. Total expenses increased by 39.9% to ₹ 15,480.4 million for the fiscal year 2012 from ₹ 11,065.7 million for the fiscal year 2011, primarily as a result of increases in operating expenses, depreciation and amortization expense, finance costs and other expenses.

- *Operating Expenses.* Operating expenses increased by 26.6% to ₹ 6,735.2 million for the fiscal year 2012 from ₹ 5,321.1 million for the fiscal year 2011. This increase was primarily as a result of an increase in railway operating expenses to ₹ 1,253.6 million for the fiscal year 2012 from ₹ 495.4 million for the fiscal year 2011 on account of an increase in the volume of cargo handled, an increase in power and fuel costs by 72.3% to ₹ 1,287.1 million for the fiscal year 2012 from ₹ 746.9 million for the fiscal year 2011 on account of an increase in the cost of fuel and an increase in the volume cargo handled, an increase in handling expenses to contractors by 14.5% to ₹ 1,948.7 million for the fiscal year 2012 from ₹ 1,702.1 million on account of an increase in the volume of cargo handled, which were partially offset by a decrease in cargo freight and transportation expenses by 82.1% to ₹ 166.8 million for the fiscal year 2012 from ₹ 930.5 million for the fiscal year 2011.

- *Employee Benefits Expense*. Employee benefits expense increased by 37.6% to ₹ 1,097.5 million for the fiscal year 2012 from ₹ 797.6 million for the fiscal year 2011, primarily as a result of an increase in salaries, wages and bonus by 36.0% to ₹ 954.8 million for the fiscal year 2012 from ₹ 702.0 million for the fiscal year 2011 on account of an annual increase in the salaries paid and an increase in the average number of employees.

- *Other Expenses*. Other expenses increased by 86.5% to ₹ 1,673.8 million for the fiscal year 2012 to ₹ 897.5 million for the fiscal year 2011, primarily as a result of net loss on foreign exchange variation to ₹ 465.3 million for the fiscal year 2012 to nil for the fiscal year 2011 on account of the effect on our U.S. Dollar denominated indebtedness of the depreciation of the Indian Rupee against the U.S. Dollar, and an increase in legal and professional expenses 64.1% to ₹ 243.4 million for the fiscal year 2012 to ₹ 148.3 million for the fiscal year 2011.

- *Depreciation and Amortization Expense*. Depreciation and amortization expense increased by 32.3% to ₹ 3,159.3 million for the fiscal year 2012 from ₹ 2,387.6 million for the fiscal year 2011, primarily as a result of commissioning the terminal at the Dahej Port.

- *Finance Costs*. Finance costs increased by 69.4% to ₹ 2,814.6 million for the fiscal year 2012 from ₹ 1,661.9 million for the fiscal year 2011, primarily as a result of an increase in net loss on derivatives and swap contacts to ₹ 773.8 million for the fiscal year 2012 from ₹ 45.3 million for the fiscal year 2011 on account of mark-to-market losses due to the depreciation of the Indian Rupee against the U.S. Dollar and an increase in the notional amount of derivatives and swap contracts outstanding , an increase in interest cost on fixed loans and buyer's credit and short-term indebtedness by 90.8% to ₹ 1,243.9 million for the fiscal year 2012 from ₹ 651.9 million for the fiscal year 2011 on account of an increase in indebtedness incurred for the purposes of active treasury management, which were partially offset by a decrease in interest cost on debentures by 18.9% to ₹ 605.7 million for the fiscal year 2012 from ₹ 747.2 million for the fiscal year 2011.

Profit from Ordinary Activities before Tax. As a result of the foregoing, profit from ordinary activities before tax increased by 19.6% to ₹ 12,007.2 million for the fiscal year 2012 from ₹ 10,035.8 million for the fiscal year 2011.

Tax Expense. Tax expense increased by 6.1% to ₹ 927.5 million for the fiscal year 2012 from ₹ 874.1 million for the fiscal year 2011, primarily due to an increase in current tax to ₹ 2,543.3 million for the fiscal year 2012 from ₹ 223.4 million for the fiscal year 2011 and an increase in deferred tax by 23.9% to ₹ 805.9 million for the fiscal year 2012 from ₹ 650.7 million for the fiscal year 2011, partially offset by an increase in MAT credit entitlement to ₹ 2,421.7 million for the fiscal year 2012 from nil for the fiscal year 2011. Our effective tax rates were 7.7% and 8.7% for the fiscal years 2012 and 2011, respectively.

Loss after Tax from Discontinued Operations. We had a loss after tax from discontinued operations of ₹ 152.9 million for the fiscal year 2012, as compared to nil for the fiscal year 2011, primarily due to the loss after tax from discontinued operations on account of finance costs and depreciation expense.

Share of Minority Shareholders in Loss of Subsidiaries. Share of minority shareholders in loss of subsidiaries increased to ₹ 93.9 million for the fiscal year 2012 from ₹ 19.8 million for the fiscal year 2011 on account of losses incurred by these subsidiaries in commencing operations.

Net Profit. As a result of the foregoing, net profit increased by 20.0% to ₹ 11,020.7 million for the fiscal year 2012 from ₹ 9,181.5 million for the fiscal year 2011. Our profit for the year as a percentage of total revenue decreased to 40.1% for the fiscal year 2012 from 43.5% for the fiscal year 2011.

Financial Condition, Liquidity and Capital Resources

We broadly define liquidity as our ability to generate sufficient funds from internal and external sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our capital requirements primarily through cash generated from our operations, financing from banks and other financial institutions in the form of term loans and cash generated from the issuance of equity shares of our Company and the sale of investments. Our primary capital requirements have been capital expenditures to develop new and expand and improve existing facilities and other capital expenditure and working capital requirements. We believe that we will have sufficient capital resources from our operations, net proceeds of the Issue and other financings from banks, financial institutions and other lenders to meet our capital requirements for at least the next 12 months.

Cash Flows

The table below summarizes our cash flows for the fiscal years 2011, 2012 and 2013:

	Year Ended March 31,		
	2011	**2012**	**2013**
	(₹ in millions)		
Statement of Operations Data:			
Net cash generated from operating activities..............	12,092.8	11,997.1	13,791.1
Net cash (used in) investing activities	(9,703.9)	(138,760.3)	(46,898.0)
Net cash (used in) / generated from financing activities	(5,279.4)	129,762.9	41,376.9
Exchange difference arising on conversion debited to foreign currency translation reserve...	-	-	734.2
Net (decrease) / increase in cash and cash equivalents	**(2,890.5)**	**2,999.7**	**9,004.2**
Cash and cash equivalents at start of year	3,638.2	747.7	3,747.4
Cash and cash equivalents on disposal of subsidiary...	-	-	(5,193.6)
Cash and cash equivalents at close of year	747.7	3,747.4	7,558.0

Operating Activities

Net cash generated from operating activities was ₹ 13,791.1 million for the fiscal year 2013, and consisted of net profit before tax (from continuing operations) of ₹ 16,766.1 million, as adjusted primarily for interest expense, gain from discontinued operations, depreciation on continued operations, depreciation on discontinued operations, profit on proposed sale of investment and interest income; working capital changes, such as an increase in trade receivables of ₹ 4,663.7 million, an increase in short-term loans and advances of ₹ 4,518.0 million and an increase in other current assets of ₹ 2,730.3 million, which were partially offset by an increase in short-term trade payables and other liabilities of ₹ 4,842.5 million and a decrease in other non-current assets of ₹ 2,105.5 million; and net direct taxes paid of ₹ 3,735.0 million. The changes in working capital were primarily attributable to the expansion of our business.

Net cash generated from operating activities was ₹ 11,997.1 million for the fiscal year 2012, and consisted of net profit before tax (from continuing operations) of ₹ 12,007.2 million, as adjusted primarily for interest expense, depreciation on continuing operations, depreciation on discontinued operations and unrealized derivative loss; working capital changes, such as an increase in short-term trade payables and other liabilities of ₹ 3,839.9 million, which was partially offset by an increase in other non-current assets of ₹ 3,193.3 million, an increase in other current assets of ₹ 2,653.0 million, an increase in trade receivables of ₹ 2,265.4 million and an increase in short-term loans and advances of ₹ 1,781.5 million; and net direct taxes paid of ₹ 2,523.8 million. The changes in working capital were primarily attributable to the expansion of our business, including on commissioning the terminal at the Dahej Port.

Net cash generated from operating activities was ₹ 12,092.8 million for the fiscal year 2011, and consisted of net profit before tax (from continuing operations) of ₹ 10,035.8 million, as adjusted primarily for depreciation on continuing operations, interest expense, land lease income on a present value basis and interest income; and working capital changes, such as an increase in short-term trade payables and other liabilities of ₹ 1,479.9 million, which was partially offset by an increase in trade receivables of ₹ 1,119.1 million. The changes in working capital were primarily attributable to the expansion of our business, including expanding our facilities at the Mundra Port.

Investing Activities

Net cash used in investing was ₹ 46,898.0 million for the fiscal year 2013, primarily due to the purchase or construction of fixed assets of ₹ 38,366.5 million on account of the construction of fixed assets related to Container Terminal 3, the terminals at the Hazira Port and the fourth berth at the Coal and Bulk Terminal and inter-corporate deposits and loans given of ₹ 18,813.3 million on account of active treasury management, which were partially offset by net cash generated from investing activities primarily due to net proceeds from fixed deposits with a maturity of more than 90 days of ₹ 6,920.1 million and inter-corporate deposits and loans received back of ₹ 4,180.3 million.

Net cash used in investing activities was ₹ 138,760.3 million for the fiscal year 2012, primarily due to investments in discontinued operations of ₹ 84,727.5 million on account of the acquisition of Adani Abbot Point and MPPL, the purchase of fixed assets of ₹ 45,599.9 million on account of the construction or purchase of fixed assets related to the terminal at the Dahej Port and proceeds from net deposits in fixed deposits with a maturity period of more than 90 days of ₹ 5,907.7 million.

Net cash used in investing activities was ₹ 9,703.9 million for the fiscal year 2011, primarily due to the construction or purchase of fixed assets of ₹ 18,613.2 million and inter-corporate deposits and loans given of ₹ 10,350.0 million on account of active treasury management, which were partially offset by net cash generated from investing activities, primarily due to inter-corporate deposits and loans received of ₹ 12,190.0 million on account of active treasury management, net proceeds from fixed deposits with a maturity period of more than 90 days of ₹ 4,584.5 million and proceeds from the sale of investments of ₹ 1,524.6 million.

Financing Activities

Net cash generated from financing activities was ₹ 41,376.9 million for the fiscal year 2013, primarily due to proceeds from long-term borrowings of ₹ 82,713.3 million and proceeds from short-term borrowings of ₹ 18,117.0 million, which were partially offset by net cash used in financing activities, primarily due to repayment of long-term borrowings (including debentures) of ₹ 27,268.6 million and the repayment of short-term borrowings of ₹ 24,122.0 million. We also received, and then repaid, inter-corporate deposits of ₹ 8,040.0 million.

Net cash generated from financing activities was ₹ 129,762.9 million for the fiscal year 2012, primarily due to proceeds from long-term borrowings of ₹ 140,105.5 million and receipt of short-term borrowings of ₹ 30,222.3 million, which were partially offset by net cash used in financing activities, primarily due to repayment of short-term borrowings of ₹ 27,283.5 million, repayment of long-term borrowings (including debentures) of ₹ 7,109.9 million and interest and finance charges paid of ₹ 3,550.5 million. We also received, and then repaid, inter-corporate deposits of ₹ 7,655.0 million.

Net cash used in financing activities was ₹ 5,279.4 million for the fiscal year 2011, primarily due to repayment of short-term borrowings of ₹ 8,750.0 million and repayment of long-term borrowings (including debentures) of ₹ 7,761.0 million, which were partially offset by net cash generated from financing activities, primarily due to receipt of long-term borrowings of ₹ 9,650.5 million and receipt of short-term borrowings of ₹ 5,000.0 million.

Indebtedness

As of March 31, 2013, our consolidated total borrowings were ₹ 115,858.1 million, consisting of short-term borrowings and current maturities of secured and unsecured long-term borrowings and long-term borrowings. The following table summarizes our consolidated long-term and short-term indebtedness as of March 31, 2013:

	As of March 31, 2013 *(₹ in millions)*
Short-term Borrowings	
Secured	1,447.0
Unsecured	2,600.0
Total Short-term Borrowings	**4,047.0**
Other Current Liabilities	
Current maturities of secured long-term borrowings	7,399.9
Current maturities of unsecured long-term borrowings	1,836.2
Total Other Current Liabilities	**9,236.1**
Long-term Borrowings	
Secured	101,026.7
Unsecured	1,548.3
Total Long-term Borrowings	**102,575.0**
Total	**115,858.1**

There are certain restrictive covenants in the agreements we have entered into with our lenders, including:

- creation of security over existing and future assets of our port facilities;
- incurrence of additional indebtedness;
- making certain restricted payments;
- prepaying any indebtedness prior to its maturity date;
- investing in equity interests or purchasing assets, other than in ordinary course of our business, unless certain conditions are satisfied;
- sale or other disposition of assets;
- change or expansion in scope of business;
- entering into certain corporate transactions such as reorganizations, amalgamations and mergers; and
- pledges over the shares of our subsidiaries for financing of specific projects.

See "*Risk Factors—Risks Related to Our Business—Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations*" for further details.

Contractual Obligations and Commercial Commitments

Our material contractual obligations are short-term and long-term borrowings, contract (net of advance remaining) to be executed on capital account and not provided for and other capital commitments. Our payments due in respect of these contractual obligations for the periods indicated are set out below, as of March 31, 2013:

	As of March 31, 2013
	Total
Contractual Obligation	*(₹ in millions)*
Capital Commitments	₹ 14,334.9
Indebtedness	115,858.1
Total	**₹ 130,193.0**

Capital Expenditures

As of March 31, 2011, 2012 and 2013, our total capital work in progress was ₹ 17,167.2 million, ₹ 36,377.0 million and ₹ 29,512.2 million, respectively. Most of our capital expenditure was incurred in connection with the development of port facilities, including the purchase of machinery and equipment.

Contingent Liabilities

Our contingent liabilities as of March 31, 2013 in accordance with AS 29 are set out below:

	As of March 31, 2013
	(₹ in millions)
Corporate guarantees(1)	47,064.9
Various matters pending with certain authorities	182.7
Civil suits filed by customers	304.9
Various matters pending with service tax authorities	1,237.0
Pending export obligation under EPCG scheme	1,979.7
Other claims against Company not acknowledged as debts	4.6
Total	**50,773.8**

Note:

1 Corporate guarantees consist of (i) the unconditional guarantee of up to US$ 807.0 million to the lenders of Adani Abbot Holdings and MPPL in respect of the repayment of the principal and interest on the loan incurred in connection with the acquisition of the shares of Adani Abbot Holdings and the related leaseholds and assets; (ii) bank guarantees.

Related Party Transactions

We have in the past engaged, and in the future may engage, in transactions with related parties, including with our affiliates. Such transactions could be for, among other things, rent or lease of certain properties, sale and purchase of machinery, products or raw materials, dividends, remuneration, the purchase or sale of investments and the purchase or sale of Equity Shares.

Significant related party transactions for the fiscal year 2013 include rendering of services to Adani Enterprises Limited and Adani Power Limited; lease and infrastructure usage or upfront premium and the purchase of goods from AICTPL; loans given to Adani Power Limited and Adani Infra (India) Limited; loans received from Adani Power Limited; additional borrowings taken from and repaid to Adani Enterprises Limited; advances from customers, including to AICTPL; loans and advances to Adani Infra (India) Limited; and the divestment in our Company's entire shareholding in Adani Abbot and MPPL. See Note 41 to our reformatted audited consolidated financial statements as of and for the year ended March 31, 2013.

We believe each of these arrangements has been entered into on arm's lengths terms, or on terms that we believe are at least as favourable to us as similar transactions with unrelated parties.

For additional details of our related party transactions, see our reformatted audited consolidated financial statements as of and for the year ended March 31, 2013.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodities risk. We are exposed to interest rate risk, commodity risk, credit risk and inflation risk in the normal course of our business.

Exchange Rate Risk

We face exchange rate risk because certain of our obligations and assets are denominated in foreign currencies. To manage exchange rate risk, we enter into forward and swap contracts with various counterparties to protect against the volatility of the Rupee against the U.S. Dollar, Euro and Japanese Yen. Details of outstanding positions under our forward and swap contracts are set out below as of the periods indicated:

Nature of Instrument (in millions)	As of March 31,		
	2011	2012	2013
Currency swap	US$ 100.0	US$ 149.7	US$ 296.7
Forward contract	-	JPY 1,817.4	US$ 235.1
	-	-	US$ 9.0
	-	-	EUR 8.8

While we believe that our forward contracts protect us against certain short-term swings in the Indian Rupee-U.S. Dollar, Indian Rupee-Euro and Indian Rupee-Japanese Yen exchange rates, there can be no assurance that they will fully mitigate any adverse movements in exchange rates. Details of our foreign currency exposures that are not hedged by a derivative instrument or otherwise are set out below:

	As of March 31, 2013
Denominated Currency	***(₹ in millions)***
Foreign Currency Loans	
U.S. Dollar	62,525.9
Euro	4,381.3
Japanese Yen	1,562.3
Buyer's Credit	
U.S. Dollar	3,121.1
Euro	2,486.5
Great Britain Pound	15.5
Trade Payables	
U.S. Dollar	241.8
Euro	103.8
Australian Dollar	0.6
Great Britain Pound	1.7
Interest Accrued but Not Due	
U.S. Dollar Euro Japanese Yen Great Britain Pound	256.3 46.0 15.0 0.3
Other Receivable[(1)]	

	As of March 31, 2013
Denominated Currency	***(₹ in millions)***
Australian Dollar	13,347.0
Total	**88,105.1**

Note:

[1] Other receivable consists of a receivable for the Australian Dollar-denominated consideration from the divestment of Adani Abbot Holdings and MPPL.

Interest Rate Risk

We are subject to interest rate risk, primarily because some of our borrowings and our deposits of cash and cash equivalents with banks and other financial institutions are at floating interest rates. As of March 31, 2013, 78.9% of our indebtedness consisted of floating rate indebtedness.

To manage interest rate risk, from time to time we enter into swap contracts with various counterparties to protect against the volatility of interest rates of our outstanding indebtedness. Details of our interest rate swap contracts are set out below as of the dates indicated:

		As of March 31,		
Nature of Instrument	**Currency**	**2011**	**2012**	**2013**
Interest rate swap	AUD	-	A$ 891.0	-

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations.

Commodity Risk

We are exposed to market risk with respect to the prices of raw material cargo we handle, particularly coal and crude oil cargo. The prices of such raw materials are subject to fluctuation based on commodity prices, which may affect the volumes of such cargo handled.

Credit Risk

We are exposed to credit risk on trade receivables from customers and other counterparties. We try to control our credit risk by assessing the credit quality of our customers, taking into account their financial position, past experience and other factors.

Inflation Risk

India has experienced high inflation for the last 12 to 18 months, which has contributed to an increase in interest rates, adversely affecting both sales and margins. See “Risk Factors—Risks Related to India and the International Nature of Our Business—A slowdown in economic growth in India or certain other countries could cause our business to suffer.”

Seasonality of Business

Our results of operations do not generally exhibit seasonality.

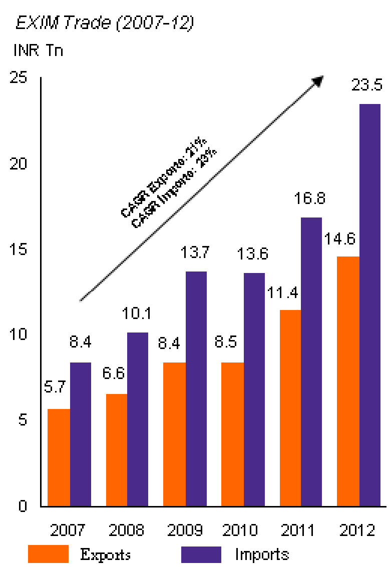
INDUSTRY OVERVIEW

In this section, we have included data relating to the port industry, both internationally and within India, and other statistics. This information is based on industry publications, published sources and other publicly available information, as well as beliefs of our management. We believe that the sources used are reliable; however, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and none of the Company, the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or any other person connected with the Issue has independently verified this information. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends, or based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on this industry information Unless noted otherwise, the information in this section is derived from "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India. In this section, amounts of POL cargo volume handled include crude oil cargo. In the other sections of this Prospectus, amounts of POL cargo volume handled exclude crude oil cargo.

Indian Port Industry

India has an extensive coastline of 7,517 kilometers (excluding the Andaman and Nicobar Islands), with a port industry that has grown dramatically, from five ports with cargo traffic tonnage handled of between 19 and 20 mmt at the time of independence, to 13 Major Ports and 199 Non-major Ports with total cargo traffic tonnage handled of 911.69 mmt for the fiscal year 2012. *(Source: First Five Year Plan of India.)*

Ports handle approximately 95% of India's total trade in terms of volume and 70% in terms of value. *(Source: Maritime Agenda: 2010-2020 (the "Maritime Agenda 2020")*.*)* Total volumes are expected to increase further as India continues its economic expansion, with real GDP growth in India expected to average 7.0% and 7.8% per year for the five and 10 years from the fiscal year 2014, respectively, making India one of the fastest growing economies in the world. *(Sources: Maritime Agenda; Reserve Bank of India.)* Between the fiscal years 2007 and 2012, total cargo volume handled at Major Ports and Non-major Ports increased at a compound annual growth rate ("CAGR") of 3.8% and 13.7%, respectively, and the value of imports to, and exports from, India increased at a CAGR of 21.0% and 23.5%, respectively, as set out below:



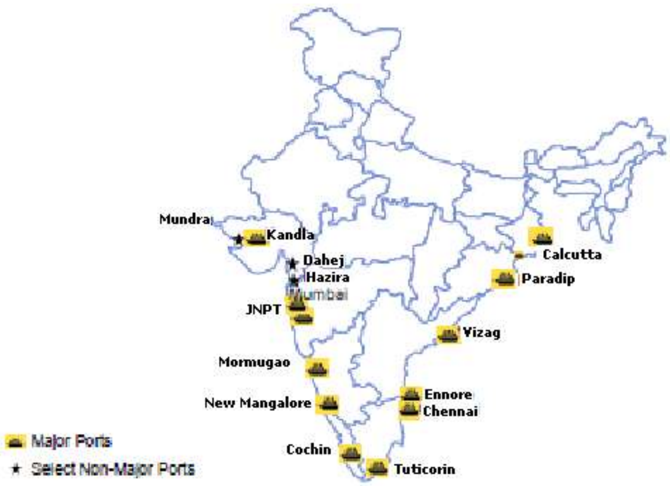
(Source: RBI.)

India is the world's largest democracy by population size and has an estimated GDP of approximately US$1.947 trillion in 2012, making it the fourth largest economy in the world after the United States, China and the European Union. *(Source: CIA World Factbook.)*

Major Ports and Non-Major Ports

Indian ports are classified as either “Major Ports” and “Non-major Ports,” a distinction rooted in the level of control and governance of the port—not the capacity or cargo traffic. There were 13 Major Ports and 199 Non-major Ports, as of March 31, 2012. 12 of the 13 Major Ports are managed by Port trusts, which are regulated by the Government of India and fall under the purview of the Major Port Trusts Act, 1963, with Ennore, a corporate entity incorporated under the Companies Act, 1956, the remaining Major Port. Non-major Ports are instead regulated by the respective state governments of the Non-major Ports’ respective locations. Major Ports are typically large ports with a combination of dedicated bulk terminals, specialized container terminals and general cargo berths; Non-major Ports are typically private or captive ports.

The following map shows the location of Major Ports and certain of the Non-major Ports in India:



(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

Ports have increasingly attracted private sector investment, including in the form of investments in terminals. Private sector investment has also been encouraged by significant developments in the regulatory environment concerning Non-major Ports, including proactive policies of state maritime boards, especially in Gujarat, Andhra Pradesh and Orissa, but also in Tamil Nadu and Maharashtra. The Government of Gujarat in particular has been a leader in formulating proactive policies to develop Non-major Ports on a public-private basis, the most prominent of which are the Mundra Port, the Sikka Port, the Hazira (or Magdalla) Port, the Dahej Port and the Pipavav Port.

Port Development in India

Port and terminal development activities by private sector participation has been done through three models of development: Greenfield projects, Brownfield projects and terminal development.

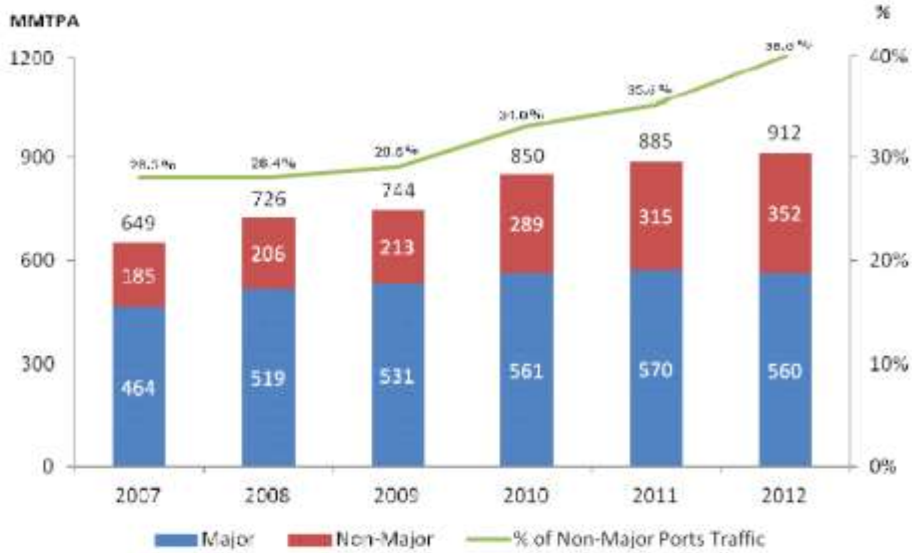
- *Greenfield Port Development* involves developing a port without any existing port, storage or evacuation infrastructure. Greenfield port development requires the developer to obtain new approvals, sanctions and statutory clearances.

- *Brownfield Port Development* involves developing a port where certain infrastructure exists. For example, a port developer may receive a concession to develop LNG and bulk cargo port terminals, but then enter into a sub-concession agreement with a third party to develop the bulk cargo port terminal. The third party would be undertaking a brownfield port development.

- *Terminal Development* involves developing cargo handling terminals through the public-private participation route, where the developer develops only a terminal, back-up area and internal connectivity. Basic amenities and evacuation infrastructure, such as rail and road, will already be existing and need not be developed.

Cargo Traffic at Indian Ports

The total cargo traffic tonnage handled at Indian ports was 911.69 mmt for the fiscal year 2012, reflecting a year-on-year increase of 3.0%, as compared to a year-on-year increase for the fiscal year 2011 of 4.2%. Cargo traffic tonnage handled at Major Ports and Non-Major Ports decreased by 1.7% and increased by 11.5%, respectively, for the fiscal year 2012, as compared to increases of 1.6% and 9.1%, respectively, for the fiscal year 2011. The cargo traffic tonnage handled at Major and Non-major Ports is set out below for the periods indicated:



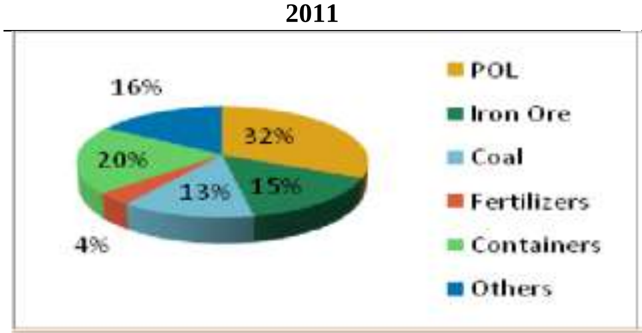
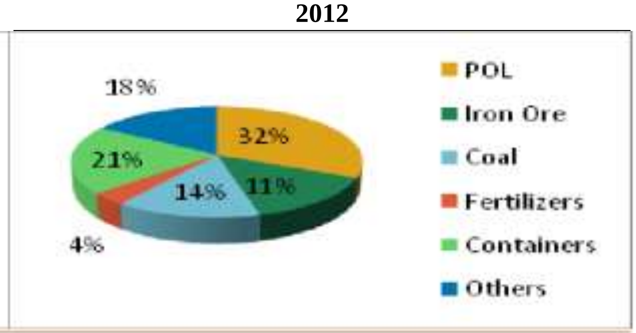
(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

The lower growth for the fiscal year 2012 was primarily due to decreased growth in major industrial countries, which form the largest market for Indian merchandise trade and a decrease in GDP growth for India. Between the fiscal years 2007 and 2012, container traffic and fertilizer traffic increased most significantly.

Cargo Traffic at Major Ports

Cargo traffic at Major Ports consists primarily of POL, container, iron ore and coal cargo. Notable recent trends in cargo traffic at Major Ports include a 30.8% decrease in the traffic tonnage of iron ore for the fiscal year 2012, as well as decreases in the traffic tonnage of coking coal and finished fertilizer of 3.5% and 1.2%, respectively. The decrease in traffic tonnage of iron ore was attributable to restrictions in mining of iron ore in Karnataka and Goa. Between the fiscal years 2007 and 2012, the tonnage handled of POL, container and bulk cargo increased at CAGRs of 4.7%, 10.4% and 1.0%, respectively, at Major Ports. The percent of each cargo handled at Major Ports for the fiscal years 2011 and 2012 are set out below:

Fiscal Year

2011	**2012**
	

(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

At Major Ports, the volume of cargo traffic handled at west coast ports grew at a CAGR of 5.1% between the fiscal years 2007 and 2012, while the volume of cargo traffic handled at east coast ports grew at a CAGR of 2.5% over the same period. The west coast ports primarily serve the landlocked hinterland of the north and northwestern regions of India. Ports on the northwestern coast of India, particularly those in the vicinity of Mumbai and those in Gujarat, are in close proximity to, and have relatively good transportation connectivity with, this hinterland, with Major and Non-major Ports in Gujarat and Maharashtra contributing approximately 53.0% of the cargo handled at all ports in India for the fiscal year 2012. The volume of cargo handled at the Kandla Port, which is the premier crude oil cargo port, and at the Jawaharlal Nehru Port, which is the premier container cargo port, has grown at a CAGR of 9.3% and 8.0%, respectively between the fiscal years 2007 and 2012.

Details of cargo handled at Major Ports are set out below for the periods indicated:

(in mmt)	**Fiscal Year**						
Major Port	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2007-2012 CAGR**
East Coast							
Kolkata*							
Kolkata DS	12.60	13.74	12.43	13.05	12.54	12.23	(0.6)%
Haldia DC	42.45	43.59	41.79	33.38	35.01	31.01	(6.1)%
Paradip	38.52	42.44	46.41	57.01	56.04	54.25	7.1%
Visakhapatnam	56.39	64.60	63.91	65.50	68.04	67.42	3.6%
Ennore	10.71	11.56	11.50	10.70	11.01	14.96	6.9%
Chennai	53.41	57.15	57.49	61.06	61.46	55.71	0.9%
V.O. Chidambaranar**	18.80	21.48	22.01	23.79	25.73	28.11	8.4%
Total:	**232.88**	**254.56**	**255.54**	**264.48**	**269.82**	**263.69**	**2.5%**
West Coast							
Cochin	15.26	15.81	15.49	17.43	17.87	20.09	5.7%
New Mangalore	32.04	36.02	36.69	35.53	31.55	32.94	0.6%
Mormugao	34.24	35.13	41.68	48.85	50.06	39.00	2.6%
Mumbai	52.36	57.04	51.88	54.54	54.59	56.19	1.4%
J.N.P.T.***	44.82	55.84	57.30	60.76	64.32	65.73	8.0%
Kandla	52.98	64.92	72.22	79.50	81.88	82.50	9.3%
Total:	**231.70**	**264.75**	**275.26**	**296.61**	**300.27**	**296.45**	5.1%
Total:	**464.58**	**519.31**	**530.80**	**561.09**	**570.09**	**560.14**	**3.8%**

(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

Notes:

* Kolkata includes Kolkata Dock System and Haldia Dock Complex.

** V.O. Chidambaranar was previously named Tuticorin.

*** J.N.P.T. stands for Jawaharlal Nehru Port

Cargo Traffic at Non-major Ports

Total traffic at Non-major Ports increased at a CAGR of 13.7% between the fiscal years 2007 and 2012, driven primarily by an increase in traffic at Non-major Ports in Andhra Pradesh at a CAGR of 14.6% and an increase in traffic at Non-major Ports in Gujarat at a CAGR of 18.7% over the same period. Total traffic at Non-major Ports is set out below by state for the periods indicated:

(in mmt)	**Fiscal Year**						
State of Non-major Ports	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2007-2012 CAGR**
Gujarat	131.27	150.52	152.81	205.58	230.91	259.04	14.6%
Maharashtra	11.58	11.61	10.42	12.05	14.88	19.95	11.5%

(in mmt)	**Fiscal Year**						
State of Non-major Ports	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2007-2012 CAGR**
Andhra Pradesh	18.61	19.26	29.72	43.69	43.27	43.92	18.7%
Goa	14.31	12.83	11.90	13.90	14.58	14.47	0.2%
Other States / Union Territories	9.16	12.16	8.37	13.72	11.73	14.17	9.1%
All	**184.92**	**206.38**	**213.22**	**288.94**	**315.36**	**351.56**	**13.7%**

(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

Projected Cargo Traffic

The Maritime Agenda 2020 set out projected traffic and capacity numbers for the fiscal years 2012, 2017 and 2020. However, the actual traffic and capacity numbers for the fiscal year 2012 lagged the projections, as set out below:

(in mmt)	**Projected Traffic**	**Actual Traffic**	**Shortfall**	**Projected Traffic**		**Projected Capacity**	**Actual Capacity**	**Shortfall**	**Projected Capacity**	
	2012	**2012**		**2017**	**2020**	**2012**	**2012**		**2017**	**2020**
Major Ports	629.64	560.15	**69.49**	1,031.50	1,214.82	741.36	696.53	**44.83**	1,328.26	1,459.53
Non-Major Ports	402.50	351.56	**48.94**	987.81	1,280.13	498.68	483.10	**15.58**	1,263.86	1,670.51
TOTAL	1,032.14	911.71	**118.43**	2,019.31	2,494.95	1,240.04	1,179.63	**60.41**	2,592.12	3,130.04

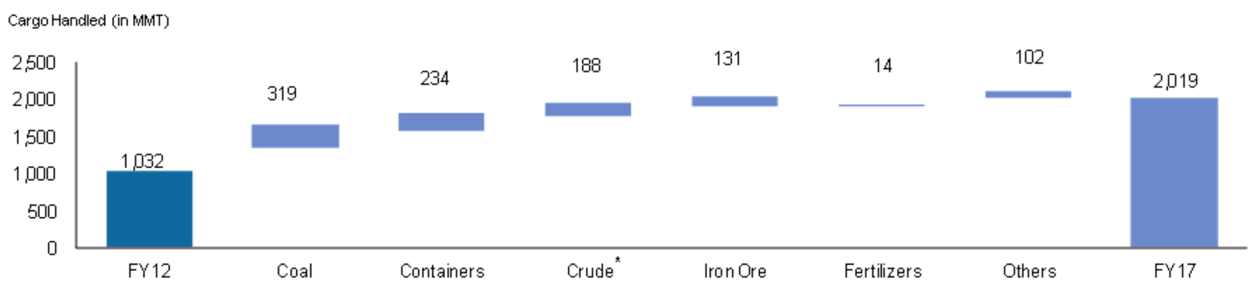
(Sources: Transport Research Wing, Ministry of Road Transport & Highways, Government of India; Maritime Agenda 2020.)

Note:

* Actual cargo traffic and capacity figures are derived from "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India. Projected cargo traffic and capacity figures are derived from the Maritime Agenda 2020.

That actual traffic and capacity have lagged projected traffic and capacity may present opportunity for port developers in India that can capitalize on pent-up demand. Cargo traffic handled at ports in India is projected to increase to 2,019 mmt and 2,495 mmt for the fiscal years 2017 and 2020, respectively, from a projected 1,032.14 mmt for the fiscal year 2012. *(Source: Maritime Agenda 2020.)* These increases in cargo traffic handled are expected to be accommodated by increases in cargo handling capacities.

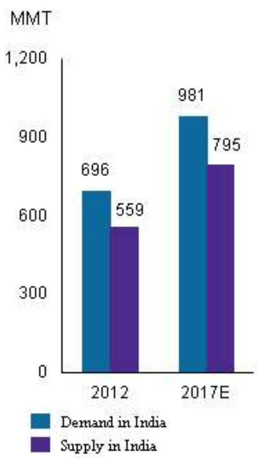
Increases in projected cargo traffic handled are expected to be attributable primarily to increases in coal and container cargo traffic handled, as set out below through the fiscal year 2017:



(Sources: Transport Research Wing, Ministry of Road Transport & Highways, Government of India; Maritime Agenda 2020.)

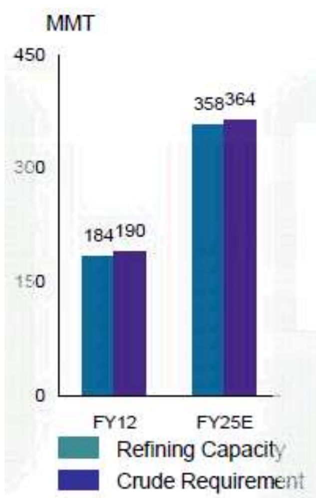
Note: 1,032 mmt was the projected cargo volume handled for the fiscal year 2012. The actual cargo volume handled was 912 mmt

These projections reflect continued containerization of cargo and continued demand for fuel for the energy sector. The pace of containerization in India is expected to continue, with the volume of container cargo handled expected from 150 mmt to 384 mmt between the fiscal years 2012 and 2017. *(Source: Maritime Agenda 2020.)* Demand for fuel for the energy sector is expected to continue to increase in light of India's power deficit, estimated at 10.6% at peak demand for the fiscal year 2013. Between the fiscal years 2012 and 2025, the estimated crude requirement of India is expected to increase from 190 mmt to 364 mmt, and, between the fiscal years 2012 and 2017, coal demand is expected to increase from 696 mmt to 981 mmt. *(Sources: Central Electricity Authority of India; Working Group on Coal and Lignite for the Twelfth Five Year Plan of India.)* Details concerning the current and projected demand for coal in India are set out below:



(Source: Working Group on Coal and Lignite for the Twelfth Five Year Plan of India.)

Imports of crude oil are expected to increase with the increase in domestic refining capacity, as set out below:



(Source: Maritime Agenda 2020.)

Operating Characteristics of Indian Ports

Historically, Major Ports have generally had inadequate capacity and expansion constraints resulting in part from, and compounded further by, operating inefficiencies, which led to low utilization (in absolute terms) of existing facilities. Major Ports also suffered from inadequate facilities, supplies and processes, including in berth layout, maintenance, equipment, labor, logistics and land transport. For example, railways lacked the necessary equipment and structure to ensure a steady flow of container traffic, concentrating instead primarily on bulk cargo. Inadequate road linkage also impeded the flow of cargo to Major Ports.

As a result of these constraints, the operating performance of Indian ports has typically lagged behind that of its foreign counterparts. Even with considerable recent advances in developing infrastructure and processes, average turnaround time across Major Ports varied between 3.81 and 5.29 days, as compared to ports in Singapore, which was 0.50 days. *(Source: Maritime Agenda 2020.)* As a result of these inefficiencies, other ports have emerged as regional hubs for cargo and ship repair, such as Colombo, Dubai, Singapore and Bahrain, from which cargo is transhipped to ports in India, resulting in additional costs and longer transit times.

The following table provides the key operating performance indicators for Major Ports for the fiscal year 2012:

	Average Turnaround Time (days)	**% of Total Cargo Handled for Major Ports**
East Coast		
Kolkata (Kolkata Dock Systems)	4.96	2.2%
Kolkata (Haldia Dock Complex)	3.65	5.5
Paradip	6.33	9.7
Visakhapatnam	5.68	12.0
Ennore	2.17	2.7
Chennai	3.91	9.9
V.O. Chidambaranar	4.89	5.0
West Coast		
Cochin	1.82	3.6
New Mangalore	2.94	5.9
Mormugao	4.80	7.0
Mumbai	4.93	10.0
J.N.P.T.*	2.46	11.7
Kandla	6.42	14.7
All Major Ports	**4.60**	**100.0%**

(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

Notes:

***** J.N.P.T. stands for Jawaharlal Nehru Port

** V.O. Chidambaranar was previously named Tuticorin.

Many of the Major Ports, including three of the busiest Major Ports, have some of the highest average turnaround times due to overutilization, which increases the operating costs of port users. This overutilization, coupled with the inability of certain of these ports to expand in the short-term, may present opportunities for ports with room for additional capacity as cargo traffic is diverted.

Investment in Ports

As set out in projections in the Twelfth Five Year Plan, investment in ports in India is expected to be dominated by private funding and focused on developing Non-major Ports. A summary of the broad expectations of the Twelfth Five Year plan for port investment in India is set out below:

(Source: Maritime Agenda 2020.)

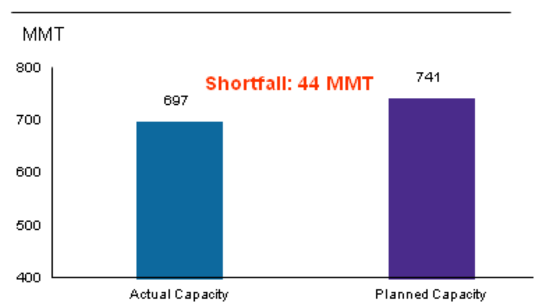
Specific initiatives include developing the Andaman & Nicobar and Lakshadweep ports, research and development including towards developing deep draft ports, green port initiatives to reduce carbon emissions and to enhance dredging capabilities. The Twelfth Five Year Plan also highlighted emerging areas for private sector investment, including dredging, which is currently carried out primarily by ports themselves, road infrastructure, special economic zones, integrated parking zones and energy generation. However, projected investments and their resulting capacity increases did not materialize between the fiscal years 2007 and 2012. For the fiscal year 2012, there were capacity shortfalls of 44.83 mmt and 15.58 mmt, for Major Ports and Non-Major Ports in India, respectively, as compared to the projected capacities set out in the Twelfth Five Year Plan. *(Source: Maritime Agenda 2020.)*

Growth Drivers and Industry Trends

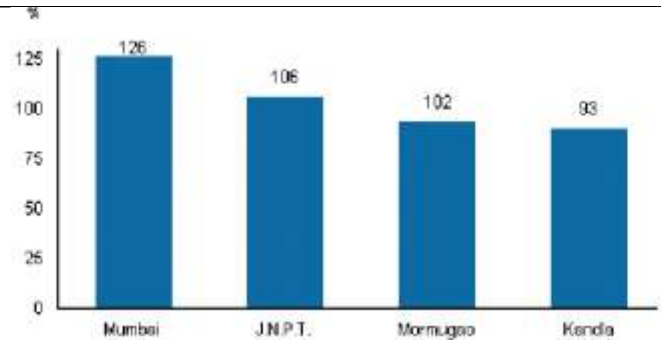
Ports Capacity Constrained

Certain Major Ports and Non-major Ports have become increasingly capacity constrained, which is expected to drive cargo handled to other ports with good connectivity but more capacity headroom. In particular, the four Major Ports on the west coast of India with the highest volumes of cargo handled for the fiscal year 2012 are all over, or close to over, their maximum capacities, as set out below:

Actual against Planned Capacity for Major Ports for the Fiscal Year 2012



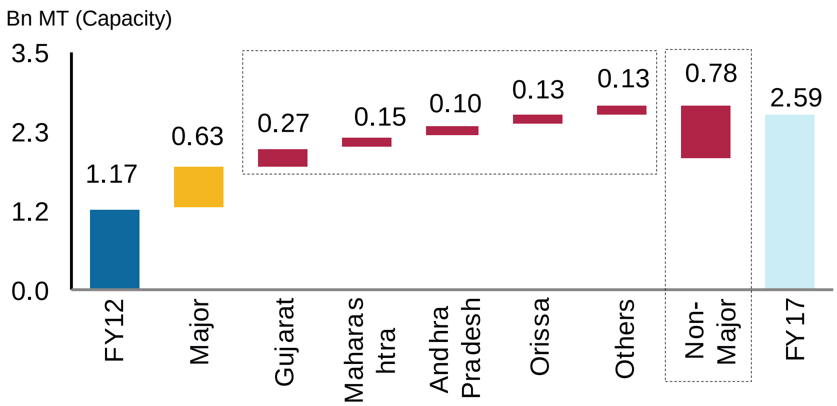
Capacity Utilization at Select Major Ports for the Fiscal Year 2012



(Source: Transport Research Wing, Ministry of Road Transport & Highways, Government of India; Maritime Agenda 2020.)

Non-major Ports to Lead Traffic and Capacity Growth

Non-major Ports have led traffic growth and capacity growth during the 11th Five-Year Plan. Between the fiscal years 2007 and 2012, traffic handled at Non-major Ports increased at a CAGR of 13.7%, as compared to 3.8% at Major Ports, driven primarily by growth at Non-major Ports in Gujarat, which accounted for over 70.0% of cargo handled at Non-major Ports in India, as measured by tonnage handled for the fiscal year 2012. Four states, Gujarat, Andhra Pradesh, Goa and Maharashtra, accounted for 96.0%, with POL, iron ore and coal accounting for 78.5%, of the total cargo traffic handled by Non-major Ports for the fiscal year 2012. Non-major Ports are expected to account for the majority of capacity additions through the fiscal year 2017, as set out below:



(Sources: Transport Research Wing, Ministry of Road Transport & Highways, Government of India; Maritime Agenda 2020.)

West Coast Becoming Key Region for Indian Shipping

The west coast is emerging as a key region for Indian shipping. For example, while cargo traffic tonnage handled at Jawaharlal Nehru Port has increased at a CAGR of 8.0% between the fiscal years 2007 and 2012, the cargo traffic tonnage handled at the Major Ports and Non-major Ports in Gujarat has increased at a CAGR of 9.3% and 14.6%, respectively, over the same period. These increases are supported by significant growth in infrastructure at Non-major Ports, including the Mundra Port and the Pipavav Port, and regional infrastructure projects, such as the planned dedicated freight corridor connecting northern and western India. Going forward, the west coast is expected to account for the majority of additions to capacity for container cargo through the fiscal year 2017. *(Source: Maritime Agenda 2020.)*

West coast ports are also expected to account for a significant percentage of capacity growth for all cargo handled. This growth is expected to come primarily from Non-major Ports in Gujarat, as shown below:

(Capacity in mmt)		**Fiscal Year**	
	2015	**2017**	**2020**
Port			
Mundra	80.20	122.20	178.20
Hazira	70.05	70.05	95.05
Dahej	42.19	55.19	70.19
Pipavav	38.41	38.41	80.91
Total	**230.85**	**285.85**	**424.35**
Non-Major Ports India Total	**968.12**	**1,263.86**	**1,670.51**

(Source:Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)

West coast ports are also expected to benefit from proximity to the planned Mumbai-Delhi dedicated freight corridor. This freight corridor will greatly increase the capacity of trains that can be handled on this route and provide freight carriers with a dedicated railway line that is not shared with passenger trains. A comparison of the design and dimension features of the trains using the existing Mumbai-Delhi railway, and those projected to use the Mumbai-Delhi dedicated freight corridor are set out below:

	Existing	Dedicated Freight Corridor
Moving Dimensions		
Height))	4.265 m	7.1 m
Width	3.2 m	3.66 m
Container Stack	Single	Double
Train Length	700 m	1,500 m
Train Load (mt)	4,000	15,000
Design Features		
Axle Load (mt)	22.9 / 25	32.5 / 25
Track Loading Density	8.67 t / m	12 t / m
Maximum Speed	75 kmph	100 kmph

(Source: Dedicated Freight Corridor Corporation of India.)

Containerization

Major global ports, including those in India, have had to adapt to a dramatic expansion in the trade of containerized cargo. In India container cargo traffic has increased significantly from its inception in the 1970s. This increase has been driven primarily by engineering goods imports, textile exports and increased containerization of goods, and has required a commensurate increase in the handling capacity at Indian ports and improvement of in-port and evacuation logistical operations. Increasing containerization has also presaged the emergence of large-sized ships, which have become a competitive differentiator in the shipping and port industry and necessitated the development of ports that can accommodate large ships.

Growth in Intermodal Logistics and Improved Infrastructure

A port's success is increasingly dependent upon the quality of infrastructure in and around the port, including road and rail connections, and on how well a port is able to handle the logistics of moving cargo from the port onto shore. The development of intermodal routes has increased inter-port competition for ship calls and cargo. It has also reduced the relative importance of any one port in the logistics chain. As private transport companies integrate their services across modes and as shipping lines become more concerned with the landside delivery of cargo, a port's customer base has expanded from individual shippers and consignees to include forwarder and transport companies. The modal options available at ports have become a major selling proposition in attracting business.

Regulation of Indian Ports

Non-major Ports

Non-major ports are governed by the Indian Concurrent list of the Constitution and are administered under the Indian Ports Act. At the state level, the department in charge of ports or the State Maritime board (created through State legislation as in case of Gujarat), is responsible for formulating policies and plans concerning waterfront development, regulating and overseeing the management of state ports, attracting private investment in state ports and enforcing environmental protection standards. Maritime boards have so far been constituted only in Gujarat, Maharashtra and Tamil Nadu.

Major Ports

Major ports are regulated by the Government of India under the Union List of the Indian Constitution, and are governed by the Indian Ports Act and the Major Port Trust Act. Under the Major Port Trust Act, all administrative and financial matters of each Major Port are overseen by a Board of Trustees appointed by the Government of India. The board of trustees has effective ownership of and control over all port assets and liabilities and is empowered to handle all port administration and operations, including the power to enter into all contracts with respect to various works and services to be provided by the port and to control all financial matters, including manage budgets, revenues and investment-related activities of the port. The board of trustees must submit all port-related revenue and expenditures to the Government of India, which are subject to scrutiny of the Comptroller and Auditor General of India.

Despite the considerable control that the board of trustees has over a Major Port, the powers of the board of trustees are limited to those delineated in the Major Port Trust Act and the Indian Ports Act, and such boards are bound by directions on policy matters and orders from the Government of India. All residual powers related to Major Ports not delegated to the board of trustees under the Indian Ports Act are vested with the Government of India. Because Major Ports are effectively under the control of the Government of India, the business of Major Ports tends to be dominated by public enterprises and government departments.

Government Initiatives in the Indian Port Industry

Policy initiatives in the port industry come from the Government of India and the various state governments.

Government of India

The Government of India has in the past, and is currently, focused on increasing capacities at Major Ports. The Eleventh Five Year Plan, for example, envisioned an increase in the total capacities of Major Ports to 741.36 mmt as of March 31, 2012 from 504.75 mmt as of March 31, 2007. The total capacity as of March 31, 2012, however, was actually 696.50 mmt, representing a considerable shortfall in this objective. Nonetheless, the Ministry of Shipping published the Maritime Agenda 2020, which identifies key areas of attention for the Government of India. The Maritime Agenda 2020 focuses on implementing an agenda, with specific and general aims, buttressed by a philosophy of increasing private sector participation.

The agenda includes a number of specific aims, including to develop two new Major Ports on each of the west and east coasts of India, developing two "hub" ports, on each of the west and east coasts of India, full mechanization of cargo handling and movement, ensuring that all Major Ports and "hub" ports have drafts of no less than 14 meters and 17 meters, respectively, and identifying and implementing projects for rail, road and inland waterway connectivity to ports. "Hub" ports are intended to be key focus ports on the coasts with deep drafts, less need for dredging, strategic locations and the potential to reduce total transport costs through a "hub and spoke" model. The agenda also includes broader policy measures, including the development and implementation of a new policies for land for Major Ports, captive berths, dredging, shifting transhipment of Indian containers from foreign ports to Indian ports, fostering cooperation and competition amongst Indian ports and the creation of a sovereign entity, now named Indian Ports Limited, to invest in port infrastructure internationally.

The Government of India has also allowed increased private sector participation in Major Ports, including 100.0% FDI through the automatic route for construction and maintenance of ports and harbours. The Government of India intends for the private sector to invest in these projects primarily on a private partnership, build-operate-transfer or build-own-operate-transfer basis. To facilitate investment and transparency, the Department of Shipping has released a model documentation, including requests for proposals, requests for quotations and concession agreements.

State Governments

While Major Ports, except for Ennore Port, are administered by Port Trusts, which are in turn regulated by the Major Ports Act 1963, Non-major Ports are regulated by state governments. State governments are assisted by the Maritime States Development Council, which was created in 1997 to provide an institutional framework for coordination between Major Ports and Non-major Ports. State governments have revised or implemented new policies with varying degrees of success and enthusiasm.

The Government of Gujarat has proactively developed Non-major Ports on its coastline, beginning with implementing a comprehensive Integrated Port Policy in 1995, which focused on pursuing vertically integrated development of both its ports and industrial base. The Gujarat Maritime Board, which is the Government of Gujarat's regulatory body responsible for maritime oversight, has selected 10 sites for Greenfield development of new ports, six of which are to be developed through private investment, and four through joint development. The

Government of Maharashtra has also implemented a number of policy initiatives for port development, while implementing policy guidelines for captive terminals.

Proposed Changes to Tariff Regime

Since 2005, tariffs at Major Ports have been set by the Tariff Authority for Major Ports ("TAMP"). The Ministry of Shipping, Government of India, had initially proposed a new tariff regime, pursuant to which the Major Ports Regulatory Authority and the respective state port regulatory authorities would regulate tariffs in Major Ports and Non-major Ports, respectively. The Ministry of Shipping has recently proposed the deregulation of tariffs, instead allowing port operators to implement a fixed market-linked tariff to attract private sector investment. Under this proposed regime, TAMP will set a reference tariff based on minimum efficiency standards for ports, such as turnaround time, average ship berth day-output and average idle time. The reference tariff will be indexed to inflation, and TAMP will implement a new reference tariff every five years. Reference tariffs, and thus pricing, will thus be determined by the availability of port facilities (e.g., minimum waiting time), quality of services rendered (minimum turnaround time, port security and quality of evacuation infrastructure) and competition.

Competitive Environment

The competitive environment of the port industry is driven primarily by port efficiency, congestion, scalability, berth availability, connectivity and the quality of the immediate hinterland.

Port Efficiency

Key indicators of port efficiency include average turnaround time, average pre-berthing detention time and average output per ship berth-day. Average turnaround time is the total time spent by a ship between berthing and leaving the berth at the terminal. At Major Ports, average turnaround times decreased to 3.63 days in the fiscal year 2006 from 8.10 days in the fiscal year 1991, but have since varied between 3.81 days and 5.29 days between the fiscal years 2007 and 2012. In contrast, the average turnaround time at ports in Singapore was 0.50 days. *(Source: Maritime Agenda 2020.)*

Average pre-berthing detention time is the time a ship waits between arriving at the port and gaining entry to a berth. Average pre-berthing time is affected primarily by the cargo handling capacity and average turnaround time of the port. Average pre-berthing detention time has generally increased at Major Ports between the fiscal years 2001 and 2011 Average output per ship berth-day is the total tonnage handled divided by the number of days the berth is operational. Average output per ship berth-day varies based on the type of cargo being handled, level of mechanization and labor practices across ports, resulting in substantial variation between ports in India.

Connectivity

Connectivity between ports and hinterland areas is a primary competitive differentiating factor. The primary means of connectivity between ports and hinterland areas are road and rail for all types of cargo, and pipeline connectivity for crude oil and POL products. Other methods of connectivity, such as waterways, have remained undeveloped and are unlikely to change in the near future. According to modal analysis conducted by the World Bank, railways, roads, pipeline and other means of connectivity (including inland waterways and conveyors) should have accounted for 34.0%, 22.0% , 44.0% and 0.0%, respectively, of tonnage handled in India for the fiscal year 2007, but actually accounted for 24.0%, 36.0%, 30.0% and 10.0% , respectively, of tonnage handled. Ports that can bridge this gap by improving their connectivity have a significant competitive advantage over ports that are unable to do so. *(Source: Maritime Agenda 2020.)*

Railway connectivity in particular is hampered by overcapacity, such as on the Delhi-Mumbai railway line, which is one of the most heavily trafficked corridors in India, with capacity utilization rates of between 135.0% and 160.0%. Overcapacity is primarily attributable to the need to share railway lines with passenger trains, leaving freight trains with lower priority and longer waiting time. As a result, on average over 9,000 loaded trucks cover this corridor each day, aggregating 30 mmt annually of road freight traffic. Scheduled improvements to the existing railway infrastructure in India are expected to significantly affect the competitiveness of ports that are able to establish connectivity. For example, the dedicated freight corridors proposed for the Delhi-Mumbai and Delhi-Kolkata routes and, for container cargo traffic, recent initiatives by Indian Railways to involve the private sector in container train operations and wagon ownership. *(Source: Maritime Agenda 2020.)*

An additional emerging competitive differentiator is pipeline connectivity, which is the preferred method of transporting liquid bulk cargo, such as crude oil and petroleum products, and an alternate method for moving certain bulk materials, such as iron ore transported in slurry form. A competitive differentiator for ports is the existing, or plans to construct, infrastructure that transports crude oil by pipelines to refineries or liquid natural gas, after re-gasification at the port, through gas pipelines to central areas for consumption. Pipeline construction has generally kept pace with demand, because pipeline construction depends on private, not public, funding. As a result, the competitive differentiator for ports is the proximity to refineries and existing pipeline infrastructure. *(Source: Maritime Agenda 2020.)*

Immediate Hinterland

The economically vibrant hinterlands immediately proximate to ports is a significant competitive differentiator. For ports in Gujarat, the heavily industrialized regions of Northern India provide significant opportunity for demand. The Mundra Port, in particular, enjoys proximity to the industrialized regions in Saurashtra and North Gujarat; the Mumbai and Jawaharlal Nehru Ports enjoy proximity to South Gujarat; and Pipavav Port enjoys proximity to Central Gujarat. *(Source: Maritime Agenda 2020.)*

Special Economic Zones

The Government of India has implemented a number of measures to encourage foreign investment in India, including the introduction in 2005 of a special economic zone regime, pursuant to which specified land is deemed to be “foreign territory” for Indian customs controls, duties and tariffs. Special economic zones thus provide an internationally competitive and relatively unregulated environment for export-oriented activities. The parties involved in establishing, developing and operating these special economic zones include:

- *Government authorities*. Government authorities grant development rights for special economic zones, establish policies and guidelines, assist with project execution and can provide financial support to certain institutions approved by the special economic zone. Government authorities forego direct revenues (in the form of taxation) and provide incentives to the other parties to stimulate economic growth.

- *Developers and co-developers*. Developers and co-developers are enterprises that develop (e.g,. providing infrastructure, such as roads, water and drainage systems) and promote the special economic zone.

- *Operators*. Operators are enterprises that operate and/or maintain the infrastructure in the special economic zone.

- *Tenants and units*. Tenants and units are the businesses that operate in the special economic zone and are engaged in a range of industries, including manufacturing, services and trading.

- *Residents*. Residents are the employees of the tenants and units located in the special economic zone.

OUR BUSINESS

Overview

We are one of India's largest private developers and operators of ports and related infrastructure and provide fully integrated port and logistics services. We have developed and operate the port at Mundra, Gujarat, the largest Non-major Port in India by volume, handling 82 mmt for the fiscal year 2013; a dry bulk terminal at the port at Dahej, Gujarat; and a multi-purpose terminal and a container terminal at the port at Hazira, Gujarat; and are developing a coal handling terminal at the port at Mormugao, Goa; a coal handling terminal at the port at Visakhapatnam, Andhra Pradesh (also known as the "Vizag Port"); and a bulk cargo terminal at the port at Kandla, Gujarat. Our three operational facilities on the west coast of India are capable of handling capesize vessels. We also provide other services, including infrastructure, leasing and logistics services at the Mundra Port and through its surrounding infrastructure, including a special economic zone in the area surrounding the Mundra Port (the "Mundra SEZ"), which we develop and operate and is one of the largest operating port-based multi-product special economic zones in India. We are also the first and only privately owned Indian port operator to be awarded a seat at the C40 World Ports Climate Conference.

We have developed and operate six bulk terminals, four container terminals, automobile handling and coal handling facilities and two single-point mooring facilities across the Mundra Port, the Dahej Port and the Hazira Port, that together allow us to provide port services for dry and liquid bulk (including coal), container, crude oil and other cargo. Our port services include marine, intra-port transport, storage and handling, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users.

Our total cargo volume handled was 51 mmt, 65 mmt and 91 mmt for the fiscal years 2011, 2012 and 2013, respectively, representing a CAGR of 33.6% between the fiscal years 2011 and 2013. Our total cargo volume handled represented 18.8% and 25.5% of the total cargo handled at all Non-major Ports in India and Gujarat, respectively, for the fiscal year 2012. *(Source: "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)* Our total revenue was ₹ 21,101.5 million, ₹ 27,487.6 million and ₹ 38,410.7 million, and our net profit was ₹ 9,181.5 million, ₹ 11,020.7 million and ₹ 16,232.2 million, for the fiscal years 2011, 2012 and 2013, respectively.

We are a subsidiary of Adani Enterprises Limited, the flagship company of the Adani Group, one of India's largest business houses with a consolidated net totoal income from operations of approximately ₹ 464,624.07 million for the fiscal year 2013. The Adani Group has significant interests across the resources (coal mining and trading), logistics (ports and logistics, shipping and rail), energy (power generation and transmission) and other ancillary industries, with a presence in India, Indonesia, Singapore, Australia, China and the Middle East. The Adani Group includes three listed companies in India, Adani Enterprises Limited, Adani Power Limited and our Company.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Strategic Location and Advantageous Natural Characteristics

The Mundra Port, the Dahej Port and the Hazira Port are strategically located in Gujarat, close to the north, west and central hinterlands of India and major maritime trade routes, and have advantageous natural characteristics. We are also developing terminals at three additional ports, including at the Vizag Port, which represents our first foray into the east coast of India.

The north, west and central regions of India, which include the National Capital Region, Gujarat, Rajasthan, Haryana, Punjab, Madhya Pradesh and Uttar Pradesh, generate significant seaborne trade, from which the Mundra Port, only 341 kilometers from Ahmedabad, benefits. The Mundra Port is also connected by a railway line that is capable of handling double stack containers to Bathinda and the northern hinterland of India, and by branch lines to the Delhi-Mumbai freight corridor. The Mundra Port is located near the entrance of the Gulf of Kutch, close to one of the major global maritime trade routes that bridges resource rich Middle East, Africa and Australia, and regions with high resource demand and consumer exports in East and North Asia and Europe. The Dahej Port and the Hazira

Port enjoy proximity to central and southcentral India, including the hinterlands of Madhya Pradesh, Chhattisgarh, north Maharashtra and south Gujarat, and are in close proximity to the existing Delhi-Mumbai freight corridor. The Mundra Port, the Dahej Port and the Hazira Port are each close to the proposed dedicated high-speed freight corridor connecting Delhi and Mumbai.

Our facilities also benefit from advantageous geographic characteristics, with the ability to accommodate capesize vessels and operate all weather ports and terminals. All of our operational terminals enjoy deep drafts, ranging between 16 meters to 20 meters, which can accommodate capesize bulk vessels and container vessels with capacities of up to 10,000 TEUs to dock berthside. At the Mundra Port, we handle VLCCs and ULCCs, which moor at our two single-point mooring facilities each with drafts of 32 meters. We believe our terminals have among the deepest drafts of ports on the west coast of India. The Mundra Port is also protected by its location on the north shore of the Gulf of Kutch from the worst of the severe rain, wind and waves that accompany the monsoon season, reducing associated costs, delays and damages.

Track Record of Project Development and Execution

We have a successful track record of developing and executing projects, including waterfront, onshore, back-up area, evacuation and connectivity infrastructure across greenfield, brownfield and terminal locations. Our track record includes developing and operating 12 terminals and 31 berths (including two single point mooring facilities) with mechanized back-up and storage areas across the Mundra Port, the Dahej Port and the Hazira Port, since commencing commercial operations of the Mundra Port in October 2001, with one terminal with one berth under development at the Mormugao Port, one terminal with one berth under development at the Vizag Port and one terminal with four berths under development at the Kandla Port. We have also developed substantial infrastructure, including two inland container depots, 86 kilometers of railway track and a network of roads and flyovers connecting the Mundra Port to the regional road network.

Our project development and execution has been successful, with cargo volume handled and net revenue from operations increasing by a CAGR of 33.6% and 33.7%, respectively, between the fiscal years 2011 and 2013. The Mundra Port ranked second in terms of total cargo handled across all Non-major Ports and Major Ports in India for the fiscal year 2013. *(Source: Indian Ports Association.)* The Mundra Port handled more cargo than all of the ports in Goa, and more cargo than all of the Non-major Ports in each of Maharashtra and Andhra Pradesh, for the fiscal year 2012; and the Dahej Port, since commencing operations in 2011, has handled 8 mmt of cargo for the fiscal year 2013. *(Source: "Update on Indian Port Sector," dated September 30, 2012, by the Transport Research Wing, Ministry of Road Transport & Highways, Government of India.)* We believe that this track record provides us with a number of competitive advantages in implementing our growth strategy, achieving operational efficiencies and attracting customers. In particular, we believe this experience allows us to successfully execute projects on schedule and within cost, establish achievable objectives in our current and future development plans and recognize and capitalize on opportunities.

Extensive Dedicated Infrastructure

Our operational facilities have, and, once operational, our facilities under development are planned to have, extensive infrastructure with significant regional connectivity. We believe this extensive infrastructure allows us to realize synergies and offer value-added services through our integrated port services model.

- *Port Infrastructure.* We have developed and operate 12 terminals and 31 berths (including two single point mooring facilities) across India with mechanized back-up and storage areas across the Mundra Port, the Dahej Port and the Hazira Port. These terminals and their related infrastructure are multi-purpose, providing us with flexibility to handle a variety of cargo across various economic conditions. We also have an additional three terminals and six berths under development. At the Mundra Port, we have extensive infrastructure provides us with significant room for growth. The Mundra Port comprises four multi-purpose cargo terminals, including dedicated car handling and coal handling facilities, three container cargo terminals, two single-point mooring facilities and extensive supporting infrastructure. This supporting infrastructure includes mobile harbor cranes, conveyor systems, port craft and other equipment, and back-up and storage areas for dry and liquid bulk, container and crude oil cargo. We have also received notifications of land from the Government of India for 6,641 hectares (including 168 hectares that are sector specific) of the Mundra SEZ, providing us with considerable room to continue to accommodate supporting infrastructure for the expansion of the Mundra Port.

- *Connectivity Infrastructure.* We believe that infrastructure providing connectivity between our facilities and their respective hinterlands is integral to successfully developing ports and related facilities. At the Mundra Port and the Mundra SEZ, we benefit significantly from the proximity and connectivity to in-port and regional rail, road and pipeline infrastructure. Within and around the Mundra region, we have developed seven railway sidings, over 50 kilometers of roads and a private airstrip. The Mundra Port and the Mundra SEZ are well connected to the regional railway network by a private 86 kilometer double track railway line, which we have developed and operate. At the Mundra Port, our two single-point mooring facilities are connected by pipeline to petroleum refineries in Panipat, Haryana and Bhatinda, Punjab and the regional pipeline network, and our liquid cargo storage and handling facilities are connected by POL pipeline to Bahadurgarh, near Delhi. The Dahej Port and the Hazira Port benefit significantly from existing evacuation infrastructure, with each port well connected to the region by railway and road. We are also developing terminals at the Mormugao Port, the Vizag Port and the Kandla Port which enjoy extensive established rail and road connectivity to regional infrastructure.

  Our inland infrastructure includes six container cargo rakes, two rail-linked inland container depots at Patli, Punjab and Kishangarh, Rajasthan, and a license, and infrastructure and equipment, allowing us to operate container trains across our port facilities. The Dahej Port, the Hazira Port and the Mundra Port are also connected to a proposed dedicated high-speed freight corridor connecting Delhi and Mumbai.

Our extensive port and connectivity infrastructure with regional connectivity allows us to offer value-added services to our customers, including in-house customs clearance, logistics and storage services, to achieve vertical integration and the related synergies with the Adani Group in certain lines of business.

Fully Integrated Port and Logistics Services Provider for Diverse Range of Cargo

We offer customers fully integrated port and logistics services for a diverse range of cargo for each step of the value chain, between piloting vessels to their berths and evacuating cargo to, and beyond, the regional infrastructure network. These services include marine, intra-port transport, storage and handling, other value-added, evacuation and logistics services across road, railway and pipeline connectivity. We provide these services through our extensive infrastructure with the flexibility to accommodate, and provide dedicated facilities for, a diverse range of cargo, including dry and liquid bulk, container and crude oil cargo.

We believe that the fully integrated port and logistics services model provides a number of benefits to our customers and us. Our customers benefit from this model by having one vendor across the value chain that they can hold accountable for protecting their interests. We believe that this accountability fully aligns our and our customers' interests, and allows us to improve the speed and quality of the service our customers receive. We benefit from this model because it provides us with multiple streams of income and reduces the number of other service providers in the logistics chain, allowing us to capture revenue from additional services and charge premium pricing for a bundled, and what we believe is superior, service. We believe that our fully integrated port and logistics services model creates a sustainable competitive advantage in attracting customers against other ports in the region.

Long-standing Relationships with Customers

We have long-standing relationships with our top five customers, which we believe have been established and are strengthened by the strategic locations, extensive dedicated infrastructure and ability to handle additional cargo at each of our facilities. Our customers include leading state-owned petroleum refineries, Government-owned POL distribution companies, power plants, prominent automobile manufacturers and container service providers. These long-standing relationships have provided us with long-term agreements with customers across a variety of industries with varying cargo requirements, which we believe helps us to weather economic and commodity price volatility.

Experienced Senior Management Team

Our senior management team has significant industry experience and relationships in the port and related industries. Gautam Adani, Chairman, Managing Director and Chief Executive Officer of our Company and the founder of the

Adani Group, one of the leading business conglomerates in India, has over 30 years of experience as an entrepreneur across the power generation, coal mining, oil and gas exploration, bunkering and port development and operations industries. We also benefit from our senior management team, which has extensive strategic and operational experience in a variety of sectors. We believe that the knowledge and experience of our senior management team enables us to continue to build on our track record of project implementation and execution and respond to market opportunities.

Our Strategies

The primary elements of our business strategy are as follows:

Establish Pan-India Presence

We intend to expand our facilities and infrastructure to establish, and serve our customers through, a pan-India presence. We believe a pan-India presence will allow us to serve our customers particularly due to the extent to which economic output and port traffic are spread throughout India. West, east and south India accounted for 60.0%, 25.0% and 15.0%, respectively, of the total volume of cargo handled at Indian ports for the fiscal year 2012. *(Source: India Port Association.)* Our facilities in operation are positioned in west and south Gujarat to service northwest, west and central India. We are also developing terminals at the Mormugao Port and the Vizag Port to expand our presence to southwest and southeast India, respectively, and have developed two container depots at Patli, Punjab and Kishangarh, Rajasthan, which provide us with a strategic presence in the northern hinterland in India. We are also continuing to explore other opportunities, organic and inorganic, including to expand on the east coast of India, and may enter into agreements to provide port services, or aquire facilities at new ports on the east cost of India in the near future. With these additions to our existing footprint, we believe that the presence and locations of our ports and related infrastructure will allow us to provide customers with a full range of port services for their exports and imports.

Become Gateway for Energy Resource Imports to India

We intend to serve as a gateway for energy resource imports in India by providing coal and crude oil cargo handling services and providing connectivity to power plants and petroleum refineries. For coal cargo, we have operational dry bulk cargo facilities which can handle coal cargo at the Mundra Port and at the terminals at the Dahej Port and the Hazira Port, and are developing coal handling berths at the Mormugao Port and the Vizag Port and a dry bulk terminal which can handle coal cargo at the Kandla Port. By establishing facilities capable of handling coal cargo across India, we believe we will be able to continue to cater to growing demand for coal by operators of coal-fired power plants. For crude oil cargo, we have two operational single point mooring facilities and have the right to develop two additional single point mooring facilities at the Mundra Port. We believe that by establishing non-captive facilities for crude oil cargo, we retain the flexibility to cater to the increased demand by the private sector for crude oil cargo services as refineries and infrastructure are developed. We also have the right to develop a liquefied natural gas terminal at the Mundra Port.

Offer Customers Multi-cargo Ports and Related Infrastructure

We intend to continue to develop multi-cargo ports and related infrastructure to accommodate the diverse cargo needs of our customers. The pace of containerization has continued to accelerate, with container cargo accounting for 20.0% and 21.8% of total cargo handled at Major Ports in India for the fiscal years 2011 and 2013, respectively. *(Source: India Port Association.)* We have positioned our growth plans to accommodate this diversity of throughput by developing multi-cargo ports and infrastructure. At the Mundra Port, we have developed and operate three container terminals. We have developed storage and handling and evacuation facilities to accommodate container cargo as well, including infrastructure capable of double stacking containers on “python,” or long-haul, trains operated by Indian Railways which can carry up to 90 wagons. We also operate three complementary terminals at two ports: a container terminal and a multi-cargo terminal at the Hazira Port, and a dry bulk cargo terminal at the Dahej Port. Together, these terminals function as “twin” ports, allowing us to service a variety of cargo in the central and southwestern hinterlands of India.

Focus on Increasing Margins from Our Operational Facilities

We intend to continue to focus on increasing margins at our operational facilities by pursuing operational efficiencies, developing infrastructure and improving utilization**.** We intend to continue to pursue operational efficiencies by implementing cost management systems and upgrading our technology. For example, we intend to continue to outfit our facilities with various levels of mechanization for cranes, equipment and back-up areas, which we believe reduces operating costs and standardizes our services.

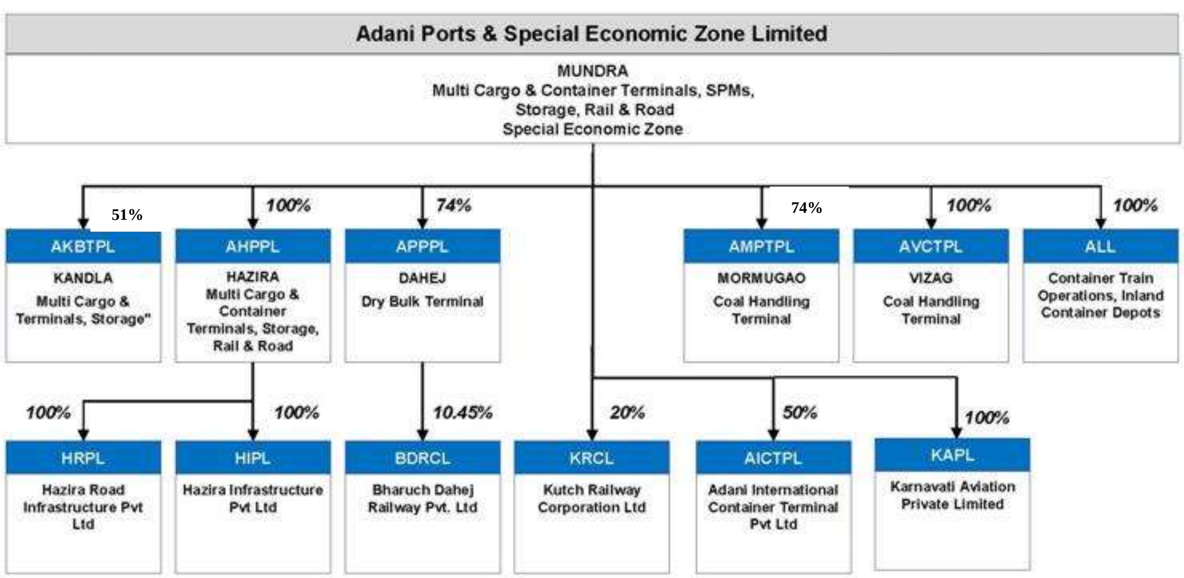
At the Mundra Port, we have recently commissioned a third container terminal, Container Terminal 3, which has two berths with deep drafts which are able to accommodate vessels capable of handling vessels of up to 10,000 TEUs. At the dry bulk terminal at the west basin of the Mundra Port (the "Coal and Bulk Terminal"), we recently developed a fourth berth, are mechanizing a part of the existing and new berths, and constructing additional back-up facility areas, with completion expected by the end of the fiscal year 2014. We are also in the process of upgrading the infrastructure in and connected to the Mundra Port, including recently completing a doubling of the railway line connecting the Mundra Port to Adipur and expanding storage facilities for dry bulk cargo at Multi-purpose Terminals 1 and 2.

Pursue Benefits of Both Long-term and Short-term Arrangements with Customers

We plan to continue to increase the volume of cargo we deliver pursuant to existing, and pursue new, long-term and short-term agreements with customers. We have existing long-term agreements with a number of customers, including petroleum refineries, power plants, automobile manufacturers and container service providers. We also enter into short-term agreements with a variety of importers, exporters and agents for port and related services. We plan to continue to increase the amount of cargo we deliver pursuant to these arrangements by increasing our capacity and continuing to refine our operating procedures. We also plan to continue to secure long-term and short-term agreements with new customers, as demand for port services at our facilities continues to increase. We believe that by pursuing incremental increases in our commitments to customers through a mix of long-term and short-term agreements, we will be able to continue to grow with reduced volatility.

Business Structure

Our organizational structure with equity shareholding in the respective entities is set out below:



Description of Business

We provide port and logistics services for various cargos, including dry and liquid bulk, container, crude oil and other cargo, with a focus on container, crude oil and coal (which is a dry bulk) cargo. We currently operate 12 terminals with 31 berths (including two single point mooring facilities) at the Mundra Port, the Dahej Port and the Hazira Port. We are also developing a coal handling terminal with one berth at the Mormugao Port, dry bulk terminals with one berth at the Vizag Port and a dry bulk terminal with four berths at the Kandla Port. We have also developed and operate two inland container depots at Patli, Punjab and Kishanghar, Rajasthan, which provide us with a strategic presence in the northern hinterland of India. Our operational facilities and facilities under development are set out below:

Details of our facilities are set out below:

Port Name	Mundra	Dahej	Hazira	Mormugao	Vizag	Kandla
Cargo Type						
Bulk	✓	✓	✓	✓	✓	✓
Dry Bulk	✓	✓	✓	✓	✓	✓
Liquid Bulk	✓	-	✓	-	-	-
Crude	✓	-	-	-	-	-
Container	✓	-	✓	-	-	-
Cargo Handled (mmt)*:						
FY 07	20	-	-	-	-	-
FY 08	29	-	-	-	-	-
FY 09	36	-	-	-	-	-
FY 10	40	-	-	-	-	-
FY 11	51	-	-	-	-	-
FY 12	63	2	-	-	-	-
FY 13	82	8	1	-	-	-
Expansion Opportunity	✓	✓	✓	-	-	-
Port Infrastructure						
Berths	24	2	5	1	1	4
Total Berth Length (meters)	6,304	560	1,580	300	280	1,178
Fully Mechanized	✓	✓	✓	✓	✓	✓
Revenue Share**	nil	nil	3% after 10 yrs	20%	40%	25%

Notes:

* Cargo handled for the fiscal years 2007 to 2010 are sourced from data maintained by the Indian Ports Association.

** Revenue share represents the percentage of revenue that our port operating entities must pay their respective port trusts.

Port Services

We currently provide some or all of the port services at the Mundra Port, the Dahej Port and the Hazira Port, and plan to provide port services at our other facilities as they become fully operational. Our port services include, depending on the types of cargo handled at the facility:

- Marine services, including the piloting of vessels using tugs, berthing and deberthing, and loading and unloading of cargo and containers on and from berthed vessels, and opening and closing container hatches;

- Intra-port transport services, including transporting all types of cargo within the port using conveyors, roads and railway sidings. We transport dry bulk cargo within the port from the berth to storage areas by conveyors and trucks. We transport liquid bulk cargo through pipelines from the vessels to storage tank areas. We transport container cargo between the container terminals and container freight stations.

- Storage and handling services, including storage for dry bulk and liquid bulk cargo. We provide short-term and long-term storage for dry bulk and liquid bulk cargo in the back-up area at the Mundra Port. We also load and unload dry bulk and liquid bulk cargo onto or from trucks or railcars for transportation to and from the Mundra Port.

- Other value-added service, including: for dry bulk cargo, cleaning, bagging and blending services; for liquid bulk cargo, heating, cooling and blending services; and, more generally, ship chandlering, providing fresh water and consumables, 24-hour water navigation, port maintenance and dredging.

We have also developed, or have access to, each or some of rail, road, pipeline and passengers air connectivity between our facilities and their respective hinterlands. See "—Mundra Port, Mundra, Gujarat (Operational)—Connectivity."

A flow chart summarizing the port services we provide are set out below:

Mundra Port, Mundra, Gujarat (Operational)

We developed and operate the Mundra Port, which has over 6 kilometers of total berth length, and the Mundra SEZ, a multi-industry special economic zone adjoining the Mundra Port and related facilities. The Mundra Port and the Mundra SEZ were approved as a special economic zone effective from April 1, 2006. See "—Special Economic Zone Activities." The Mundra Port is located on the Gulf of Kutch, approximately 1,100 kilometers southwest of Delhi and approximately 850 kilometers northwest of Mumbai, positioned to service the inland industrial centers of north and northwest India. The Mundra Port has one of the deepest water draft depths on the west coast of India, ranging from approximately 16 meters to 20 meters berthside, and up to 32 meters at the single point mooring facilities, allowing us to accommodate capesize container cargo vessels of up to 10,000 TEUs, and VLCCs and ULCCs of up to 360,000 DWTs.

The Mundra Port was, for the fiscal year 2013, India's largest Non-major Port, as measured by volume, and currently includes four multi-purpose terminals with 16 berths, three container terminals with six berths, two single-point mooring facilities, portcraft and mechanization and related infrastructure and equipment. We developed and operate the Mundra Port pursuant to a 30-year concession agreement with the Government of Gujarat and the Gujarat Maritime Board. See "—Concession Agreement." Total Revenue attributable to the Mundra Port accounted for 92.7%, 89.9% and 85.2% of our total revenue for the fiscal years 2011, 2012 and 2013, respectively.

At the Mundra Port, we provide (i) bulk cargo, (ii) container cargo, (iii) crude oil cargo and (iv) value-added port services. We also provide evacuation services, by road, railway and pipeline, and logistics services. See "—Logistics Services (Operational)."

Bulk Cargo Services

We commenced bulk cargo services for Adani Group companies in October 1998 and commenced commercial operations pursuant to the concession agreement with the Gujarat Maritime Board in October 2001. Our bulk cargo services include providing port services for dry bulk and liquid bulk cargo at four multi-purpose terminals: Multi-purpose Terminals 1, 2 and 3, which are three terminals located at the main basin of the Mundra Port, and the Coal and Bulk Terminal, which is a terminal located at the west basin of the Mundra Port.

Multi-purpose Terminals 1, 2 and 3 handle a variety of dry bulk cargo, and Multi-purpose Terminal 1 also handles liquid bulk cargo. Each of the terminals has handling equipment and connectivity infrastructure to load and unload cargo to and from vessels, storage areas and various means of evacuation. Multi-purpose Terminal 1 is also equipped with pipelines to handle liquid bulk cargo, including POL.

The Coal and Bulk Terminal handles a variety of dry bulk cargo, but primarily coal. The Coal and Bulk Terminal consists of a fully mechanized terminal and back-up yard and has a 25 kilometer conveyor that connects the Coal and Bulk Terminal to coal-fired power plants with a total of 8,620 MW of operational capacity. We have entered into two port services agreements and one coal handling services agreement with Adani Power Limited and one port services agreement with the operator of a UMPP, that require us to provide port services for the coal used at these power plants. These agreements require us to provide port services, including the berthing and unberthing of vessels, unloading of imported coal, and loading in and delivery of rakes, for 15 years, 15 years, 25 years and 25 years from the dates that specified coal-fired power plants commence commercial operations, respectively. With its deep draft, the Coal and Bulk Terminal can accommodate super capesize vessels of up to 250,000 DWT.

Details of the infrastructure at and locations of Multi-purpose Terminals 1, 2 and 3 and Coal and Bulk Terminal are set out below:

Particulars	MPT 1	MPT 2	MPT 3	Coal and Bulk Terminal
Cargo type	Dry and liquid bulk	Dry bulk		
Draft	-17.5 meters			-19 to -20 meters
Vessel size	Capesize			Super capesize
Berths	4	4	4	4
Berth length	815 meters	575 meters	1,096 meters	1,580 meters
Equipment	8 cranes	8 cranes	8 cranes	8 stacker reclaimers 25 kilometer conveyor

Container Cargo Services

We commenced container cargo services in July 2003 and provide marine, intra-port transport, storage and handling and other services at Container Terminals 1, 2 and 3 and an automobile handling facility. We have entered into a sub-concession agreement with Mundra International Container Terminal Private Limited ("MICTL") to operate Container Terminal 1 and plan to enter into a sub-concession agreement with Adani International Container Terminal Limited ("AICTL") to operate Container Terminal 3. We operate Container Terminal 2 and the automobile handling facility ourselves.

- Container Terminal 1. At Container Terminal 1, we provide marine, intra-port transfer and evacuation services, and contract the storage and handling services to MICTL pursuant to a sub-concession agreement dated January 7, 2003 (the "CT1 Sub-concession Agreement"). Pursuant to the CT1 Sub-concession Agreement, MICTL provides certain storage and handling services and other services. We receive royalties tied to MICTL's gross operating income attributable to services we provide, with a minimum guaranteed amount.

- Container Terminal 2. At Container Terminal 2, we provide all marine, intra-port transport, storage and handling and other services. These other services include stuffing and de-stuffing containers, cargo consolidation, packing and repackaging and cargo warehousing.

Automobile Handling Facility. The automobile handling facility, located adjacent to Container Terminal 2, commenced operations in January 2009 and accommodates automobile exports and related logistical services for automobile manufacturers.

- Container Terminal 3. We have developed and operate Container Terminal 3, where we provide marine services, intra-port transfer and evacuation services. We plan to enter into a sub-concession agreement with AICTL, in which our Company holds a 50% equity shareholding as on March 31, 2013, to perform the storage, handling and other value-added services for Container Terminal 3.

Details of the infrastructure at Container Terminals 1, 2 and 3 are set out below:

Particulars	Container Terminal 1	Container Terminal 2	Container Terminal 3
Cargo type	Containers		
Draft	-17.5 meters		
Vessel size	Up to 10,000 TEUs		
Berths	2	2	2
Berth length	625 meters	624 meters	810 meters
Cranes	6	6	6

Crude Oil Cargo Services

We commenced crude oil cargo services in the fiscal year 2006 and provide crude oil cargo services through two single-point mooring facilities. These facilities consist of buoys that float approximately eight kilometers offshore, with a water depth of 32 meters to handle VLLCs and ULCCs of up to 300,000 DWT, and are attached by dedicated pipelines to two refineries. We provide port services to these two refineries pursuant to two agreements until 2031. Pursuant to these agreements, we provide piloting, hauling, mooring, de-mooring and berthing services, and sub-lease land for crude oil storage tanks. In return, we receive royalty payments based on the volume of cargo handled each year and wharfage fees.

Railway Services

We provide railway services to move cargo on rail sidings in the Mundra Port and along the private 64 kilometer Mundra-Adipur double track railway line, which connects the Mundra Port to the Indian Railways rail network at Adipur, Gujarat. At the Mundra Port, we provide railway services, including loading and unloading cargo from storage areas and into and from train wagons, and transporting cargo using our own locomotives. In total, we have seven railway sidings and two locomotives in use at the Mundra Port. We have also developed and operate a 22 kilometer railway line through the Mundra SEZ, connecting the Mundra Port to the Mundra-Adipur Railway line. We constructed, own and operate the railway line and receive a portion of freight revenues received for cargo hauled on this railway link.

Concession Agreement

We have the exclusive right to develop, operate and maintain land located at the Mundra Port in Mundra, Gujarat until 2031, with an option to extend subject to certain terms and conditions, pursuant to a concession agreement, dated February 17, 2001, entered into between our Company, Gujarat Maritime Board, and the Government of Gujarat. This land includes approximately 3,404 acres.

Pursuant to the concession agreement, we have the following rights and entitlements:

- Develop various assets, including a multi-purpose jetty, jetty approach head and dry bulk container jetty, shared services, terminals and certain instable assets;

- Grant sub-concessions for all assets, except core assets, as are consistent with, and coterminous or terminating earlier than, the concession agreement;

- Sub-contract with third parties and mortgage our leasehold interests in the land and waterfront; and
- Collect fees for services rendered at the port.

We must pay the Gujarat Maritime Board concessional waterfront royalties for each tonne, and varying by type, of cargo handled at the Mundra Port. These royalties increase by 20.0% every three years. When the concession agreement expires, all immovable and essential movable contracted assets will be transferred to Gujarat Maritime Board. We will receive consideration based on historical cost of the assets, subject to depreciation, as determined by an independent appraisal team. If the concession agreement is terminated early due to a default by either party, the assets will be transferred to Gujarat Maritime Board. In return, we will receive compensation based on an independent valuation of the assets, adjusted based on which party defaulted, as set out in the concession agreement. See "Risk Factors—Risks Related to Our Business—We face a variety of risks in connection with our reliance on concessions, sub-concessions and licenses from government and quasi-governmental organizations, the occurrence of which could adversely affect our business and results of operations."

Long-term Agreements

We have entered into several long-term port service agreements to provide port services within the Mundra Port to various petroleum refineries, power plants, automobile manufacturers and container service providers. These long term port service agreements are valid for the concession period of the port and have clauses for cost escalation based on WPI and CPI indexes. Several of the customers with whom we have entered into port service agreements are undergoing capacity enhancements.

Port Craft and Mechanization

We have a fleet of 13 dredgers to develop and maintain deep drafts at the basins of the various ports at which we have operations. These dredgers allow us to create and maintain deep drafts to allow our ports to handle larger cargo vessels. We also own and operate 22 tugs, which we use to maneuver vessels in and out of the terminals. These tug boats provide marine services, such as pulling, berthing, de-berthing and stabilizing vessels, including capesize, ULCC and VLCC vessels.

Special Economic Zone Activities

We are the primary developer of the Mundra SEZ, a multi-purpose special economic zone in and around Mundra, and are responsible for planning, zoning and developing the Mundra SEZ and its infrastructure, as well as attracting outside investment. We have commenced construction of key arterial roads, water supply and drainage facilities, sewage and sanitation across the Mundra SEZ. We have also sourced co-developers who have been approved by the Government of India, to construct and operate various infrastructure facilities.

We provide land and infrastructure for the use of our land and infrastructure to various parties. For example, we have entered into sub-lease agreements with MICTL, crude and other oil refineries, liquid bulk manufacturers and container freight station operators permitting these parties to use our land for port-based commercial activity and related development. We have also leased land to third parties interested in establishing industrial infrastructure, such as Alstom Bharat Forge Power Limited.

We have also received approval from the Ministry of Commerce to combine the Mundra SEZ, which is multi-purpose, with the sector-specific special economic zone of Adani Power. Adani Power has been named a co-developer of the Mundra SEZ. We received approval to develop the Mundra SEZ from the Government of India on April 12, 2006. We have received notification of the land, akin to confirmation of possession, from the Government of India for 6,641 hectares (including 168 hectares that are sector specific). We will continue to seek notification of the remaining land we have in possession and new land we acquire.

Connectivity

- <u>Railway</u>. We have developed and operate a private 64 kilometer double track railway line between Mundra and Adipur, connecting the Mundra Port to the Indian Railways network at Adipur, Gujarat. We have also constructed and operate a 22 kilometer railway line through the Mundra SEZ, connecting the Mundra Port to the Mundra-Adipur railway line and nearby power plants. At Adipur, two railway lines ultimately connect Adipur to Delhi and Bhatinda, respectively. The railway line through Gandhidham-Palanpur, ultimately connecting to Delhi, was converted to a broad gauge track by Kutch Rail Company Limited, in which we hold a 20.0% equity interest. The railway line through Bhildi-Luni, ultimately connecting to Bhatinda, was converted to a broad gauge track, capable of handling double-stack trains, by Indian Railways. Indian Railways also operates the only "python," or long-haul, train, which increases throughput by combining two container loaded trains into one train, from the Mundra Port.

By railway, the Mundra Port is approximately 245 kilometers closer to Delhi, and approximately 308 kilometers closer to Bhatinda, than the Mumbai Port, and approximately 86 kilometers closer to Delhi, and 149 kilometers closer to Bhatinda, than the Pipavav Port. *(Source: Rates Branch Systems Indian Railways Shortest Path.)* The regional railway connectivity of the Mundra Port, as well as against certain other ports on the West Coast, is set out below:

Railway Line	Mundra	Mumbai/ JNPT
ICD Tughlakabad (New Delhi)	1,276	1,513
ICD Sabarmati (Ahmedabad)	367	491
ICD Ludhiana (Ludhiana)	1,551	1,895
ICD Kanakpura (Jaipur)	920	1,150
ICD Dadri	1,223	1,460

(Source: Indian Railways.)

We expect that railway connectivity between the Mundra Port and north and west India may be further enhanced by proposed railway lines and lines under construction, including a railway line between Palanpur and Adipur, which is under construction by Indian Railways, and a proposed dedicated high-speed freight corridor connecting Delhi and Mumbai, with branches to ports in Gujarat.

- Road. The Mundra Port is connected by a six-lane road to Mundra, which is linked to National Highway 8A, National Highway 15 and state highways, including the Mundra-Anjar state highway. We have also constructed flyovers and roads across the Mundra SEZ to improve intra-port and intra-Mundra SEZ road connectivity. The Mundra Port is well connected by road to the hinterlands of Gujarat, Rajasthan and Punjab. By road, the Mundra Port is approximately 278 kilometers closer to Delhi than the Mumbai Port and approximately 83 kilometers closer than the Pipavav Port.

- Pipeline. The Mundra Port and our storage yards are connected by two dedicated pipelines to two refineries, as depicted below:

(Source: Derived from Stock Exchange Filings.)

A customer has constructed a 48” pipeline connecting, and to transport crude oil from, the Mundra Port to its refinery in Panipat, Haryana, and a second customer has constructed a 48” pipeline connecting, and to transport POL from, the Mundra Port to Bahadurgarh, near Delhi. A third customer has constructed a pipeline connecting, and to transport crude oil from, the Mundra Port to its refinery at Bhatinda, Punjab.

- Airstrip. We have constructed and operate a 3 kilometer airstrip within the Mundra Port, which currently handles private passenger planes. Customers within the Mundra SEZ and the neighboring hinterlands currently use the facility.

Dry Bulk Cargo Terminal at the Dahej Port, Dahej, Gujarat (Operational)

At the Dahej Port, we have developed and operate and maintain dry bulk cargo terminal, where we commenced dry bulk cargo services in 2011. Total revenue attributable to the Dahej Port accounted for 1.2 %, 3.3% and 6.2% of our total revenue for the fiscal years 2011, 2012 and 2013, respectively.

The berths at the terminal are equipped with six mobile harbor cranes and equipment for handling cargo, including a rapid load system, conveyor systems, mooring winches and stacker cum reclaimers. We also own and operate two tugs, which are capable of stevedoring capesize vessels.

The Dahej Port is close to a cluster of chemical, textile, industrial and agricultural manufacturing facilities and power plants. Details of the infrastructure and layout of the terminal are set out below:

Particulars	Terminal at Dahej
Cargo type	Dry Bulk
Draft	-17 meters
Vessel size	Capesize Vessel
Berths	2
Berth length	560 meters
Cranes	4

Connectivity

The Dahej Port is located on the Gulf of Khambat along the Vadodara-Mumbai corridor between Southern Gujarat and Northern Maharashtra. The Dahej Port caters to the dry bulk cargo requirements of the chemical, textile, power generation and agricultural industries of Gujarat, Madhya Pradesh, north and central Maharashtra. Primary cargo handled includes coal, fertilizer, dried oil cake, steel, rock phosphate, silica sand and cement. The Dahej Port is connected to National Highway 8, which connects Delhi to Mumbai, by an approximately 45 kilometer four-lane road. The Dahej railway station, 2 kilometers away from the Dahej Port, is connected by an approximately 50 kilometer broad gauge railway to Bharuch, Gujarat, which was recently upgraded by Bharuch Dahej Railway Corporation Limited, in which Adani Dahej holds a 10.5% equity stake.

Concession Agreement

Our Company holds a 74.0% equity shareholding in Adani Petronet (Dahej) Port Private Limited ("Adani Dahej") as on March 31, 2013, a joint venture between our Company and Petronet LNG Limited, which is developing a dry bulk cargo terminal at the Dahej Port in Dahej Gujarat. Petronet LNG Limited selected our Company as a joint venture partner for the Dahej Port, following which our Company incorporated Adani Dahej as a joint venture to procure finance for and implement the terminal at the Dahej Port. Pursuant to a sub-concession agreement, dated January 3, 2007, between Adani Dahej, Petronet LNG Limited and Gujarat Maritime Board, Adani Dahej have the exclusive right to develop the terminal on a build, own, operate and transfer basis until December 2035.

Pursuant to this agreement, Adani Dahej must pay a monthly waterfront royalty per ton of cargo handled at the terminal. Adani Dahej is entitled to fix and collect fees for services provided under the agreement in accordance with applicable laws. Adani Dahej has also entered into a lease and possession agreement for the use of the land at the terminal and pays a monthly rental, escalating at 10% every three years.

Multi-purpose Terminal and Cargo Terminal at the Hazira Port, Hazira, Gujarat (Operational)

We developed, and, in February 2013, commenced operations of, a multi-purpose terminal and a container cargo terminal at the Hazira Port, where we provide port services for dry and liquid bulk and container cargo. We commenced trial runs for dry bulk cargo in May 2012 and container cargo in August 2012, and between commencing operations and March 31, 2013, handled 1.08 mmt of cargo.

The Hazira Port is in close proximity to the Dahej Port, and, unlike our facilities at the Dahej Port, which handle only dry bulk cargo, is planned to handle liquid bulk cargo and container cargo. We intend for our terminals at Hazira Port to complement the Dahej Port, allowing us to provide a multi-cargo port service to the hinterlands in central and south India. Details of the infrastructure and layout of the terminal are set out below:

Particulars	Terminals at Hazira
Cargo type	Multi-cargo
Draft	-17 meters
Vessel size	Capesize Vessel, 6,500 TEUs
Berths	5
Berth length	1,580 meters
Cranes	8 cranes, 12 RTGs

Connectivity

The Hazira Port is situated 22 kilometers from Surat, Gujarat, in an industrial zone with industries such as textiles, diamond, oil, gas, petrochemicals, steel, shipbuilding, fertilizer and heavy engineering. National Highway 6 is a two-lane road that originates at Hazira Port and connects to National Highway 8. Surat is located on the broad gauge double-track rail route between Delhi and Mumbai. The Hazira Port is also serviced by an airport at Surat.

Bulk and General Cargo Terminal Agreement

Through our Company's wholly owned subsidiary, Adani Hazira Port Private Limited ("Adani Hazira"), we have the exclusive right to develop, construct, operate and maintain a multi-purpose terminal, container terminal and related infrastructure at the Hazira Port until April 2035. Adani Hazira, a sub-concessionaire, is developing the terminal pursuant to a bulk and general cargo terminal agreement, dated November 25, 2010, with GMB and Hazira Port Private Limited ("HPPL"), which is the concessionaire from GMB and a joint venture between Shell Gas BV and Total Gaz Electricite Holdings Finance. Pursuant to the bulk and general cargo terminal agreement, Adani Hazira is required to design, develop, own, operate and maintain the bulk and general cargo terminal, handling facilities, equipment, machinery and other related infrastructure. Pursuant to this agreement Adani Hazira will pay a royalty at a concessional rate for a period of 10 years from the date of commercial operations, during which period the balance royalty is allowed to be set off against the approved capital cost of the project. Thereafter, 3.0% of its gross revenue from this terminal to will be paid to HPPL in addition to port facilities fees of US$ 9.3 million per year. Adani Hazira is entitled to fix and collect fees for services provided under this agreement in accordance with applicable laws.

Coal Handling Terminal at the Mormugao Port, Vasco da Gama, Goa (Under Development)

We are developing, and, by the fiscal year 2014, plan to commence operations of, a coal handling terminal with one berth at the Mormugao Port, where we plan to provide port services. Details of the infrastructure and layout of the proposed terminal are set out below:

Particulars	Terminal at Mormugao
Cargo type	Coal
Draft	-16 meters
Vessel size	Panamax
Berths	1
Berth length	330 meters
Cranes	2

The terminal is planned to have one berth capable of accommodating vessels of up to 100,000 DWT and be equipped with two cranes, a stacker re-claimer, a truck loading system, a 2.6 kilometer conveyor system, and a wagon loading system. The Board of Trustees for the Mormugao Port will provide access to, and maintain, all infrastructure, facilities and utilities at the Mormugao Port, and provide for supporting project infrastructure, grant approvals and consents and maintain the required dredged depths in the inner harbor, entrance channel and turning basin.

Connectivity

The Mormugao Port is situated on an open natural harbor at the mouth of the Zuari River in Goa and is expected to primarily cater to the coal demand of nearby steel manufacturers and power plants. The Mormugao Port is connected to Goa by a four-lane road. Two national highways connect Goa and other Indian states. National Highway 17 provides connectivity with Maharashtra and Karnataka, and National Highway 4A provides connectivity through Karnataka to the east coast of India. The Mormugao Port is connected by an approximately 3 kilometer broad gauge railway line with the Vasco da Gama railway station in Goa. Goa is in turn connected with neighboring states by railways operated by South Central Railways and Konkan Railways, which provide north-south and east-west connectivity, respectively.

Concession Agreement

Our Company and Adani Enterprises Limited hold 74.0% and 26.0% interests, respectively, in Adani Murmugao Port Terminal Private Limited ("Adani Mormugao") as on March 31, 2013, which is developing a terminal with a coal handling berth at the Mormugao Port, Goa. The coal handling berth is planned to be 300 meters long with mechanized handling and back-up facilities, and is planned to be developed by the fiscal year 2014. Pursuant to a concession agreement with the Mormugao Port Trust, Adani Mormugao is developing the berth on a design, build, finance, operate and transfer basis until May 15, 2040.

Pursuant to this concession agreement, Adani Mormugao must pay 20.0% of its gross revenue from tariffs collected in accordance with this concession agreement to the Mormugao Port Trust. The tariffs are calculated on a monthly basis and levied in accordance with the notifications by the TAMP, which specifies the maximum levy. Under the terms of this concession agreement, Adani Mormugao:

- has provided the Mormugao Port Trust with a performance guarantee for a sum of ₹ 126.0 million;
- is required to secure business for a minimum guaranteed cargo of 0.8 mtpa for the first year from date of commercial operation, 1.1 mtpa for the second year, 1.4 mtpa for the third year, 1.7 for the fourth year and 2.0 mtpa for the remainder of the concession period; and
- will pay annual license fees in accordance with the scale of rates of the Mormugao Port Trust with an annual escalation of 2.0%, subject to notification by TAMP, thereafter.

Coal Handling Terminal at the Vizag Port, Visakhapatnam, Andhra Pradesh (under Development)

We are developing and, by fiscal year 2015, plan to commence operations of, a coal handling terminal at the Vizag Port, our first port located on the east coast of India, where we plan to provide port services for dry bulk cargo, but primarily coal cargo. Details of the infrastructure and layout of the proposed terminal are set out below:

Particulars	Terminal at Vizag
Cargo type	Coal
Draft	-16 meters
Vessel size	Panamax
Berths	1
Berth length	280 meters
Cranes	2

The proposed terminal will also have mechanized coal handling facilities, coal handling machinery and equipment, infrastructure to evacuate coal by railway, a coal storage yard, two cranes, two stacker reclaimers and a 2.1 kilometer conveyor. The Vizag Port will be located close to local industries and power plants in Andhra Pradesh, Orissa, Chhattisgarh and east Maharashtra.

Concession Agreement

Through our Company's wholly owned subsidiary, Adani Vizag Coal Terminal Private Limited ("Adani Vizag"), we have the right to design, build, finance operate and transfer a coal handling terminal and related facilities at the Vizag Port until 2042, pursuant to a concession agreement with the Board of Trustees for the Visakhapatnam Port (the "Vizag Port Trust"). Pursuant to this concession agreement, Adani Vizag must pay 40.29% of its gross revenue from the tariffs collected in accordance with this concession agreement to the Vizag Port Trust. The tariffs are calculated on a monthly basis and levied in accordance with the notifications by the TAMP, which specifies the maximum levy. Under the terms of this concession agreement, Adani Vizag:

- has provided the Vizag Port Trust with a performance guarantee for a sum of ₹ 161.59 million;
- is required to secure business for a minimum guaranteed cargo of 1.60 mtpa for the first three years from date of commercial operation, 2.56 mtpa for the fourth and fifth years and 3.85 mtpa for the rest of the concession period; and
- pay license fees of ₹ 18.90 million for the first year after entering into the concession agreement and an amount escalating at 2.0% per year thereafter.

The Board of Trustees for the Visakhapatnam Port will provide access to all infrastructure, facilities and utilities at the port, maintain general port infrastructure and provide for supporting project infrastructure, grant approvals and consents, and maintain the required dredged depths in the inner harbor, entrance channel and turning basin.

Dry Bulk Cargo Terminal at the Kandla Port, near Gandhidham, Gujarat (under Development)

We are developing and, by 2017, plan to commence operations of a dry bulk cargo terminal at the Kandla Port, where we plan to provide dry bulk cargo services at four berths. Road and rail connectivity is currently being planned as well.

Concession Agreement

Our Company holds a 51.0% equity interest in Adani Kandla Bulk Terminal Private Limited ("Adani Kandla") as on March 31, 2013, through which we have the right to build, operate and transfer a dry bulk cargo terminal near Tuna, at the Kandla Port, which is adjacent to the Kandla Port near Gandhidham, Gujarat. Adani Kandla is developing the terminal pursuant to a concession agreement, dated June 27, 2012, with the Board of Trustees for the Kandla Port (the "Kandla Port Trust") until 2042. Pursuant to this concession agreement, Adani Kandla must pay 25.09% of its gross revenue from the provision of tariffs in accordance with this concession agreement to the Kandla Port Trust. The tariffs are calculated on a monthly basis and levied in accordance with the notifications by the TAMP, which specifies the maximum levy. Under the terms of this concession agreement, Adani Kandla:

- has provided the Kandla Port Trust with a performance guarantee for a sum of ₹ 410 million;
- is required to secure business for a minimum guaranteed cargo of 3.5 mtpa for the first two years from date of commercial operation, 4.2 mtpa for the third year, 5.6 for mtpa for the fourth year and 7.0 mtpa for the rest of the concession period; and
- pays license fees of ₹ 881.2 million per year, subject to any revision of the license fee payable in respect of the land use by TAMP.

The Kandla Port Trust will provide access to all infrastructure, facilities and utilities at the port, maintain general port infrastructure and provide for supporting project infrastructure, grant approvals and consents, and maintain the required dredged depths in the inner harbor, entrance channel and turning basin.

Logistics services through Adani Logistics Limited (Operational)

We provide logistics services through our wholly owned subsidiary, Adani Logistics Limited, pursuant to a concession agreement dated January 4, 2007 between Adani Logistics Limited, our Company and Indian Railways. Pursuant to this concession agreement, Indian Railways uses locomotives to haul our trains of container cars on a non-discriminatory and non-exclusive basis. We currently own and operate six trains of container cars across India.

We also developed, operate and maintain two rail-linked inland container depots. Our existing container depots are at Patli, Punjab, and Kishangarh, Rajasthan. Each inland depot is, and we plan for future inland depots to be, in close proximity to existing broad gauge rail networks.

Sales and Marketing

We prepare and implement a comprehensive sales and marketing plan annually. The primary purpose of our sales and marketing plan is to promote our port services business and to develop a better understanding of the needs and requirements of our customers. We are focused particularly on securing long-term contractual arrangements and pursuing strategic relationships with our customers.

Our sales and marketing teams are organized to handle existing customer relationships, new customer sales, corporate marketing and strategic partnerships. These teams are based at the ports and at important business centers, such as Mumbai and Delhi where port users' decision makers are based. These teams are supported by service and cargo experts who create or customize service offerings to address specific customer needs, as well as a team of sales support professionals. Our sales teams work together with the relevant service or cargo experts and our sales support team to pursue prospective customers.

Insurance

We are covered by insurance policies for losses caused by accidents, fire, floods, riots, strikes and malicious damage for losses suffered by our customers and third parties for loss of profit. These insurance policies include coverage for damage to our port, facilities, equipment, machinery, buildings and other properties. We believe that our properties are covered with adequate insurance and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the assets and properties to which they relate.

Health, Safety and Security

We have implemented work safety measures to ensure a safe working environment at our facilities and to the general public. Each facility has its own work safety management department that monitors and ensures compliance with the health and safety of the facility. We have also established a committee for work safety which sets safety standards, including procedures for loading and unloading cargo, handling dangerous cargo, warehousing, firefighting and berthing and de-berthing. We also have firefighting equipment, including two mobile firefighting units and ambulances and an experienced firefighting crew.

Our marine and cargo handling operations at the Mundra Port are certified for quality management systems by ISO

9001:2000, and our occupational health and safety management system has been certified in accordance with international standards.

We have a dedicated risk and compliance team that designs internal control procedures and ensures that these procedures adhere to statutory regulations and our third party contracts. We also conduct periodic audits of our internal control procedures, including over physical inventory, security systems and billing systems. Our internal control procedures include the separation of powers between our Board of Directors and senior management.

Environmental Compliance and Eco-friendly Initiatives

We have obtained ISO 14001:2004 for environmental management systems.

We have a dedicated environmental compliance team, which also undertakes eco-friendly initiatives, including for energy efficiency at the Mundra Port, a diesel emission reduction program, an alternative fuel program and the use of new technologies to reduce emissions. We have also undertaken afforestation projects and have developed and maintained a green zone near the Mundra Port also. For these and other efforts, we are the first and only privately owned Indian port operator to be awarded a seat at the C40 World Ports Climate Conference.

Information Technology and Computer Systems

We have implemented industry and trade specific software to provide our customers and us with real-time information at each of our facilities providing port services.

We have developed and implemented Adani Port Management System at our terminals and berths handling dry and liquid bulk cargo. Adani Port Management System, through integrated port management system software, tracks port operations in real-time and allows customers, including cargo owners and shipping companies, to book space at our port through the internet, track cargo, review charges and receive and exchange electronic data and transaction services.

We have also implemented NAVIS Terminal Operating System at our container terminals, which is used widely by container terminal operators and tracks container terminal operations in real-time through each stage of transit. For our automobile handling facility, we have implemented KARTOS, which is a car terminal operating system that streamlines processes related to vessel and yard operation, documentation, yard planning and billing.

All of these, and our other, software platforms are integrated through enterprise resource planning software, which caters to back-office operations, including finance, costing, material and inventory management, maintenance, quality and sales.

Competition

We compete primarily against Non-major Ports and Major Ports that cater to the hinterlands of north, west and central India. Competition is based primarily on the characteristics and location of the ports, including capacity, congestion, ability to berth large vessels, proximity and connectivity to inland cargo centers and refineries. We believe that our key competitive advantages are our infrastructure, cost advantage relative to other ports in the region, port characteristics such as deep drafts, longer and larger berths, dedicated and expandable back-up areas and connectivity to inland cargo centers and our ability to attract and retain highly experienced employees.

Employees

We have 1,535 full-time employees, as of March 31, 2013, as set out below by general job function:

	As of March 31, 2013
Board of directors	9
Corporate secretary division	5
Operations	893
Finance	32
Corporate support	280

	As of March 31, 2013
Marketing and transportation	30
Total	1,535

For discrete assignments we also work with employment agencies to employ contractors, the number of which varies depending on the extent and nature of the assignment.

We offer our employees on-going training through the Adani Management and Development Center with programs on port operations, planning, corporate etiquette, soft skills and management. We also conduct on-site training sessions across our facilities to develop and improve specific skill sets of our employees.

Our employees are not unionized and we believe our relations with our employees are good.

Properties

Our registered and corporate office is located at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009. We have entered into a leave and license agreement, recently extended until September 30, 2015, with Adani Enterprises Limited to use this property.

The majority of our properties and assets, including leasehold land and rights within port limits and along the railroad corridor, are located at Mundra, including the port and surrounding area.

We hold leasehold rights over 3,404.4 acres at the Mundra Port pursuant to a lease and possession agreement dated September 28, 2000 with the Gujarat Maritime Board for a period of 30 years. Pursuant to this lease and possession agreement, the initial lease rent payable was ₹ 2.38 million per year, with an increase of 20.0% every three years. We have also acquired other land in and around the Mundra Port from different parties, including the Government of Gujarat, some of which land we use for the Mundra SEZ.

Corporate Social Responsibility

The Adani Group has established the Adani Foundation, to which we contribute and which strives to accomplish commitment to the social obligations towards communities, fostering sustainable and integrated development and improving quality of life. The Adani Foundation focuses on developing and implementing programs for underprivileged communities through initiatives in education, community health and rural infrastructure development.

Education. The Adani Foundation focuses on improving the quality of education in public primary schools and by upgrading related facilities. The Adani Foundation has set up schools in cities, villages and settlements across Gujarat.

Community Health. The Adani Foundation runs mobile healthcare units, rural clinics, health-related camps and health awareness programs to encourage preventative care and a healthy lifestyle.

Rural Infrastructure Development. The Adani Foundation develops infrastructure in rural areas of India, including building approach roads, recreational zones such as gardens and sports grounds, and water storage tanks. The Adani Foundation focuses primarily on developing infrastructure to improve regional water security, such as constructing dams and deepening ponds.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

Our Company's Articles of Association provide that the minimum number of Directors shall be 3 and the maximum number of Directors shall be 12. As of the date of this Prospectus, our Company has 9 Directors. Our Company may, subject to the provisions of the Articles of Association and the Companies Act, alter the minimum or the maximum number of Directors by approval of its shareholders, subject to approval of the Government, if the increase is beyond the maximum permissible limits under its Articles of Association as first registered.

Not less than two-thirds of the total number of Directors shall be elected Directors who are liable to retire by rotation. At our Company's annual general meeting, one-third of the Directors for the time being who are liable to retire by rotation shall retire from office. The Chairman and Managing Director of our Company, however, is not liable to retire by rotation. A retiring director is eligible for re-election. Our Company's Articles of Association permit the central or state government, a local authority, bank, financial institution or any person or persons to appoint Directors to the Board while any loan amount remains outstanding to them from our Company or for underwriting shares or debentures or other securities of our Company if and to the extent provided by the terms of contract with the relevant lender or underwriter. The quorum for meetings of the Board of Directors is one-third of the total number of Directors, or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength the number of remaining Directors present at the meeting, being not less than two, shall be the quorum.

Our Company's Directors are not required to hold any Equity Shares to qualify to be a Director.

The following table provides information about our Company's current Directors as of the date of this Prospectus:

Sr. No.	Name, DIN, Term and Nationality	Age (Years)	Designation
1.	**Mr. Gautam S. Adani** **DIN:** 00006273 **Term:** Period of five years with effect from July 01, 2012 **Nationality**: Indian	50	Chairman and Managing Director Non-Independent and Whole-time Director
2.	**Mr. Rajesh S. Adani** **DIN:** 00006322 **Term :** Liable to retire by rotation **Nationality**: Indian	48	Non-Independent and Non-Executive Director
3.	**Dr. Malay Mahadevia** **DIN**: 00064110 **Term**: Liable to retire by rotation **Nationality**: Indian	49	Non-Independent and Whole-time Director
4.	**Mr. Rajeeva Ranjan Sinha** **DIN**: 00102787 **Term**: Liable to retire by rotation **Nationality**: Indian	62	Non-Independent and Whole-time Director
5.	**Mr. Arun Duggal** **DIN**: 00024262 **Term**: Liable to retire by rotation **Nationality**: Indian	66	Independent and Non-Executive Director

Sr. No.	Name, DIN, Term and Nationality	Age (Years)	Designation
6.	**Mr. Daniel Trevelyn Joseph, IAS (Retd.)** **DIN**: 01716572 **Term**: Liable to retire by rotation **Nationality**: Indian	67	Independent and Non- Executive Director
7.	**Mr. Sanjay S. Lalbhai** **DIN**: 00008329 **Term**: Liable to retire by rotation **Nationality**: Indian	59	Independent and Non-Executive Director
8.	**Prof. Ganesan Raghuram** **DIN**: 01099026 **Term**: Liable to retire by rotation **Nationality**: Indian	57	Independent and Non-Executive Director
9.	**Mr. Gopal Krishna Pillai** **DIN :** 02340756 **Term :** Liable to retire by rotation **Nationality**: Indian	63	Independent and Non-Executive Director

Two of our Directors, Mr. Gautam S. Adani and Mr. Rajesh S. Adani are brothers. None of the other Directors of are related to each other.

Brief Profile of the Directors

Mr. Gautam S. Adani is the Chairman, Managing Director and Chief Executive Officer of our Company and founder of the Adani Group. He has completed his education up to matriculation. Under his leadership, Adani Group has emerged as a diversified integrated infrastructure player with interests in international trading, infrastructure development, power generation and distribution, development of special economic zones, gas distribution, trading and business process outsourcing. He has more than 30 years of business experience. He has been associated with our Company as Managing Director since January 28, 1999 and as the Chairman and Managing Director since August 5, 2006. He has also been the Chief Executive Officer of our Company since January 30, 2007.

Mr. Rajesh S. Adani is a non-executive and non-independent Director of our Company. He holds a bachelor’s degree in commerce from the Gujarat University. He has been associated with Adani Group since its inception. He is in charge of the operations of the Adani Group and has been responsible for developing its business relationships. He handles the marketing and finance aspects of Adani Enterprises Limited and has been responsible for developing the business relationships of Adani Enterprises Limited.

Dr. Malay Mahadevia is a whole-time Director of our Company. He holds a master’s degree in dental surgery from Nair Hospital Dental College. He was conferred with a doctorate of philosophy in coastal ecology around Mundra area, Kutchh District, Gujarat by the Gujarat University in 2008. He has been working with the Company since 1992 and has worked on the development of the Mundra Port since its conceptualisation. Currently he handles the marine and ports, special economic zones, health care, water supply, education, railway logistics and social infrastructure divisions of our Company. He has been awarded the outstanding manager of the year award of Gujarat by the Ahmedabad Management Association for the year 2002. He was also one of the finalists for ‘Lead India’ campaign organized by Times of India group in Gujarat. He is member of Gujarat Chamber of Commerce and Industry.

Mr. Rajeeva Ranjan Sinha is a whole-time Director of our Company. He is a graduate of advanced management program from Wharton School, USA. He also holds a master's degree in science in shipping management (commercial) from the World Maritime University, Malmo, Sweden and is a Fellow of the Institute of Chartered Shipbrokers, United Kingdom. He holds a master's degree in administrative management from the University of Mumbai and is a law graduate. He is a former Indian Administrative Service officer with over 35 years of work experience in public and private sectors. He has in-depth knowledge of shipping and port sectors having worked earlier as Deputy Chairman and Chairman, Mumbai and Murmugao Port Trust as well as CEO, Maharashtra Maritime Board. Prior to joining us, he was associated with Gujarat Pipavav Port Limited as managing director. His expertise spans across the areas of port and shipping management, commercial and labour laws, project and financial management and maritime laws.

Mr. Arun Duggal is an independent director of our Company. He holds a bachelor's degree in technology in mechanical engineering from Indian Institute of Technology, Delhi and a post graduate diploma in business administration from Indian Institute of Management, Ahmedabad. He is a chairman of board of the directors of Shriram Transport Finance Company Limited, Shriram City Union Finance Limited and Shriram Capital Limited. He is also the vice chairman of International Asset Reconstruction Company. He is also a visiting professor at Indian Institute of Management, Ahmedabad.

Mr. Daniel Trevelyn Joseph is an independent Director of our Company. He holds a master's degree in english from the University of Madras. He is a former Indian Administrative Service officer. He has served the Government of India and the Government of Maharashtra in various capacities including Secretary Shipping and Director General of Shipping. He was elected as President at the International Maritime Organization's Plenary Conference in February 2004.

Mr. Sanjay S. Lalbhai is an independent director of our Company. He holds a bachelor's degree in science from Gujarat University and a master's degree in business management from Jamnalal Bajaj Institute of Management Studies. He is the chairman and managing director of Arvind Limited. He is the president of Ahmedabad Education Society and the Ahmedabad University. He is also a member of the board of governors of the Indian Institute of Management, Ahmedabad. He is also chairman of Ahmedabad Textile Industry's Research Association and a member of the council of management of the Physical Research Laboratory. He is also the chairman of Center for Environmental Planning and Technology. Mr. Sanjay S. Lalbhai is a member on the governing body of Adani Institute of Infrastructure Management.

Prof. Ganesh Raghuram is an independent Director of our Company. He holds a bachelor's degree in technology from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is currently a professor at the Indian Institute of Management, Ahmedabad and specializes in the areas of infrastructure and transportation systems, and supply chain and logistics management. The focus of his research and publications includes railways, ports and shipping, air and road sector, service organizations and issues impacting logistics and supply chain management. He has previously taught at the Northwestern University, Illinois USA and the Tulane University, Louisiana USA. He is also a visiting faculty at several universities in USA, Canada, Yugoslavia, Tanzania, UAE, Singapore and several institutions in India. He has been the Vice Chancellor, Indian Maritime University, Chennai. He is a fellow of the Operational Research Society of India and Charted Institute of Logistics and Transport.

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

Borrowing Powers of the Board

Our Articles, subject to the provisions of the Act authorise our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Our Members, have pursuant to a resolution passed at the AGM dated August 10, 2011 authorised our Board to borrow monies not exceeding ₹ 200,000 million at any time.

Shareholding of Directors

The following table sets forth the number of Equity Shares held by the Directors as of March 31, 2013:

Name	Number of Equity Shares	Percentage (%)
Mr. Gautam S. Adani	Nil	Nil
Mr. Rajesh S. Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00
Dr. Malay Mahadevia	1,447,765	0.07
Mr. Rajeeva Ranjan Sinha	4,325	0.00
Mr. Arun Duggal	Nil	Nil
Mr. Daneil Trevelyn Joseph	Nil	Nil
Mr. Sanjay S. Lalbhai	Nil	Nil
Prof. Ganesan Raghuram	Nil	Nil
Mr. Gopal Krishna Pillai	Nil	Nil

Compensation of the Directors

Executive Directors

The following tables set forth the compensation paid by our Company to its Executive Directors for the fiscal year 2013:

Name of Director	Designation	Total (In ₹ million)
Mr. Gautam S. Adani	Chairman and Managing Director	26.50
Dr. Malay Mahadevia	Whole-time Director	75.20
Mr. Rajeeva Ranjan Sinha	Whole-time Director	19.30

The following tables set forth compensation paid by our Company to its Non-Executive Directors for fiscal year 2013:

Non-Executive Directors

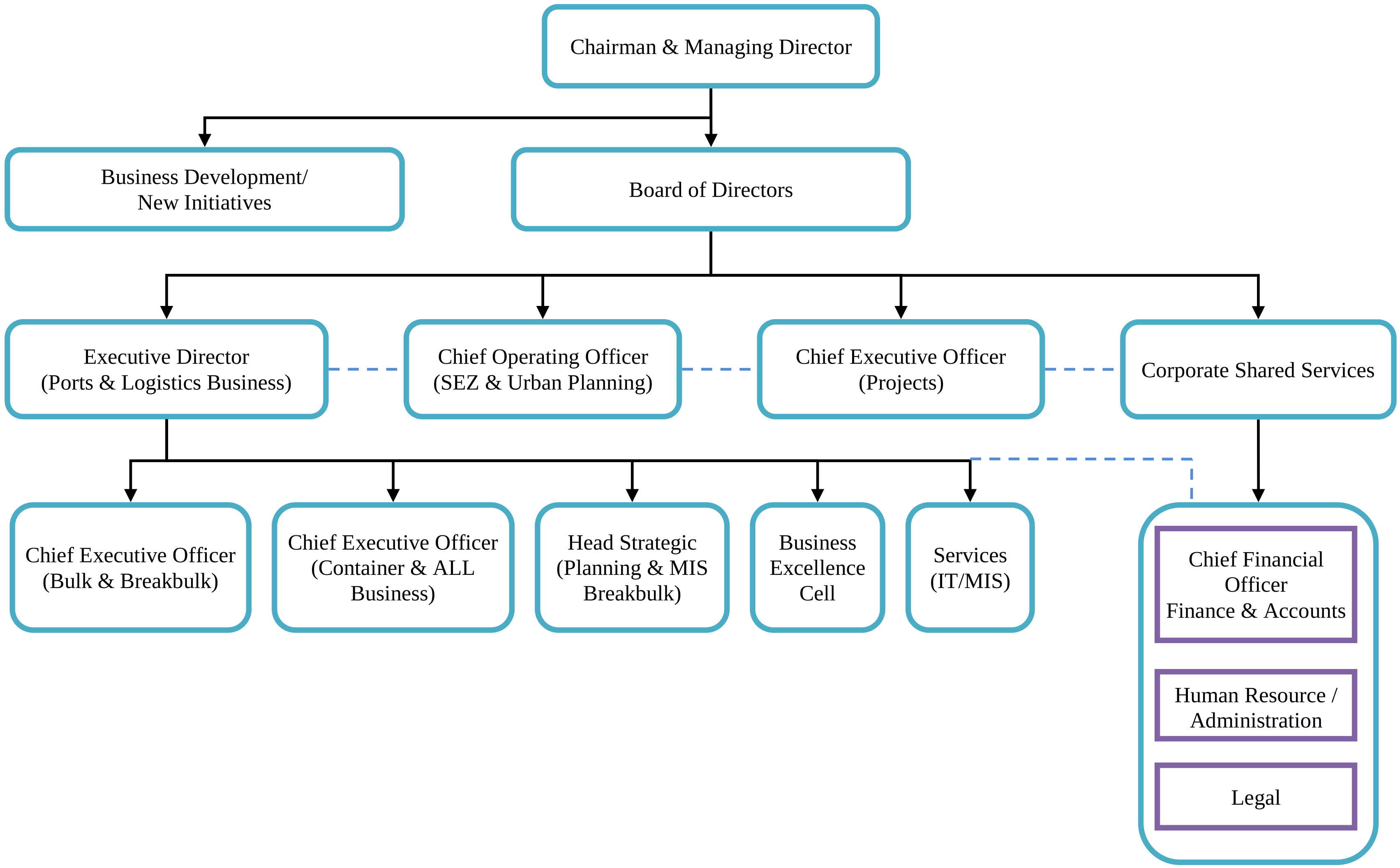
Name	Commission (In ₹)	Perquisites (In ₹)	Sitting Fees (In ₹)	Total (In ₹)
Mr. Rajesh S. Adani	0.00	Nil	560,000	560,000
Mr. Arun Duggal	1,200,000	Nil	100,000	1,300,000
Mr. Daniel Trevelyn Joseph	1,200,000	Nil	300,000	1,500,000
Prof. Ganesan Raghuram	1,058,242	Nil	140,000	1,198,242
Mr. Sanjay S. Lalbhai	Nil	Nil	20,000	20,000
Mr. Gopal Krishna Pillai	541,935	Nil	Nil	541,935

Prohibition by SEBI or Other Governmental Authorities

Except as stated below none of the Directors or the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI, stock exchanges in India or court/tribunal:

SEBI vide its order dated June 4, 2013 has prohibited the Promoters and Directors of the Company from buying, selling or dealing in securities of the Company in any manner till such time the Company complies with the minimum public shareholding requirements. For further details please see "***Legal Proceedings – Show Cause Notices***" on page 180.

Organisation Structure



Key Managerial Personnel

Mr. Karan Adani, aged 26 years, is Executive Director (non-board position) of our Company. He holds a degree in economics from Purdue University, USA. He started his career by learning the intricacies of the port operations at Mundra. Accumulating experience right from the base level over the past three years, he is now looking after the strategic development of all ports of Adani in India. He aims to build the Group's identity around the integrated business model; backed by his sound understanding of new processes, systems and macro-economic issues, coupled with his growing experience. He joined our Company in 2009.

Mr. B. Ravi, aged 50 years, is the Chief Financial Officer of our Company and is a qualified chartered accountant, cost and works accountant and company secretary. He obtained a bachelor's degree in commerce in 1983 from the Bangalore University and graduated with the first position. He has 28 years of experience in the areas of finance, accounts, company secretarial, legal, business management, strategy and planning, mergers and acquisitions and debt restructuring. Prior to joining our Company, he has worked with Sembawang Engineers and Constructors Private Limited, Singapore. He joined our Company in 2009.

Mr. G. J. Rao, aged 60 years, is the Director (ports) of our Company and is overall in-charge of ports operations and maintenance of all ports and terminals, business development and marketing and other commercial matters for Adani Group port business. He has over 30 years of experience in building and directing integrated port management/ inter-modal operations including planning, purchase, finance, marketing, maritime security and operating expertise and has exposure in relation to business of ports situated in different countries of Europe, East Asia and North America. Prior to joining our Company, he was the chairman of the Paradip Port Trust. He joined our Company in 2012.

Mr. Vasant Murthy, aged 49 years, is the Chief Executive Officer (container port and logistics) of the Company. He holds a bachelor's degree in science from the Mumbai University. He has over 27 years of experience in areas of shipping, transportation, logistics, global network management, operation management, and supply chain operations in the shipping and air transportation industry. Prior to joining our Company, he worked with American President Lines Limited (part of Neptune Orient Lines Limited Group) as vice president (global network operations). He joined our Company in 2012.

Mr. P. N. Roychowdhury, aged 62 years, is the Joint President (strategic planning) of our Company and is overseeing the management of Health, Safety and Environment functioning of the company and also contributing to policy issues in corporate social responsibility. He is a retired Indian Administrative Services officer. He holds a master's degree in arts (applied mathematics) from the Calcutta University, M.Sc. finance degree from the Business School, University of Strathclyde, Glasgow, UK and a master's degree in business administration from William E. Simon Graduate School of Business Administration, University of Rochester, New York, USA. He has over 38 years of experience in diverse fields of administration in the public and private sectors. Prior to joining our Company, he has served the Government of Gujarat as director general, Sardar Patel Institute of Public Administration, Gujarat and as additional chief secretary, General Administration Department, Government of Gujarat. He joined our Company in 2012.

Captain Unmesh Abhyankar, aged 53 years, is the Chief Operating Officer (Mundra Port) and is in charge of overall port operations at the Mundra Port. He has over 34 years of experience in the field of marine operations. Prior to joining our Company, he worked with organisations such as the Great Eastern Shipping Company, and OCN Marine Services, where he was involved in marine and port operations. He joined our Company in 2005.

Captain Anil Kishore Singh, aged 53 years, is the Chief Operating Officer (Hazira and Dahej Ports). He holds a certificate of competency as master of a foreign-going ship, granted by the Government of India. He has also been trained as an executive cadet in the Training Ship 'Rajendra', for which he has been awarded a certificate from the Ministry of Shipping and Transport, Government of India. He has over 33 years of experience in the field of marine operations and pilotage. Prior to joining us in 2010, he worked with various organisations including Shipping Corporation of India, Surrendra Overseas Limited, Southern Petrochemical Industries Corporation - Shipping Division. He has also worked with Mercantile Marine Department, Kandla Port Trust, Reliance Industries Limited (shipping and offshore division), Polestar Maritime Limited. He has experience in port operations, offshore and single point mooring operations and chartering and operations of ships.

Mr. Pankaj Modi, aged 53 years, is the Chief Operating Officer (special economic zone) of the Company. He holds a diploma in architecture from the Centre for Environmental Planning and Technology, Ahmedabad and a Master's degree in Housing from School of Planning and Architecture, New Delhi. He has over 31 years of experience in the field of architecture and urban planning. Prior to joining our Company, he worked with the Navi Mumbai SEZ. He joined our Company in 2007.

Mr. Ketan Doshi, aged 50 years, is the Vice President (human resources) of the Company. He holds a bachelor's degree in science from the M.S. University of Vadodara and a master's degree in business administration from the South Gujarat University, Surat. He has over 26 years of experience in the areas of marketing and negotiation. He was also involved in the planning, monitoring and execution of the 650 MW dual based power project at Paguthan, Bharuch which was implemented by GTEC. Before joining our Company, he worked with Petrofils Cooperative Limited and with the Gujarat Torrent Energy Corporation Limited and was involved in various projects related matters. He joined our Company in 1998.

Mr. Angshuman Chakraborty, aged 51 years, is the Vice President (information technology ("**IT**")) of our Company. He holds a bachelor's degree in science from the Hindu College, Delhi University and a master's degree in Computer Application from Madhav Institute of Technology and Science, Gwalior. He has over 24 years of experience in the areas of IT strategy planning, SAP implementation, project management, IT consulting, IT security operations, and team management. Prior to joining our Company, he worked with Vishal Retail Limited. He joined our Company in 2008.

Each of the aforesaid key managerial personnel is a permanent employee and/or director of the entity specified above.

The following table sets forth the number of Equity Shares held by the key managerial personnel as of March 31, 2013:

Name	Designation	No. of Equity Shares held (as of March 31, 2013)
Mr. Karan Adani	Executive Director (non-board position)	Nil
Mr. G. J. Rao	President (Ports)	Nil
Mr. P. N. Roychowdhury	Joint President (Strategic Planning)	Nil
Mr. B Ravi	Chief Financial Officer	1,075
Captain Unmesh Abhyankar	Chief Operating Officer (Mundra Port)	Nil
Mr. Vasant Murthy	Chief Executive Officer (Container Port & Logistics)	Nil
Mr. Pankaj Modi	Chief Operating Officer (Special Economic Zone)	Nil
Mr. Ketan Doshi	Vice President (Human Resources)	9,325
Mr. Angshuman Chakraborty	Vice President (Information Technology)	Nil
Captain Anil Kishore Singh	Chief Operating Officer (Hazira and Dahej Ports)	Nil

Corporate Governance

Our Company complies with the applicable corporate governance requirements, including the requirements such as constitution of the Board and Committees thereof under the Equity Listing Agreement.

Our Board has 9 Directors. The Chairman and Managing Director of our Board is an executive Director. Accordingly, in accordance with Clause 49 (I) (A) (ii) of the Equity Listing Agreement, at least one half of our Board is required to be comprised of independent directors. Currently out of a total of 9 Directors on the Board, 5 Directors are independent. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and proper constitution of Committees of the Board. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of the Board

As of the date of this Prospectus, there are five Board level committees in our Company, which have been constituted and which function in accordance with the relevant provisions of the Companies Act and the Equity Listing Agreement: (i) the Audit Committee; (ii) the Remuneration Committee; (iii) the Shareholders'/Investors' Grievance Committee; (iv) the Transfer Committee; (v) the Finance Committee.

The members of the aforesaid committees as of the date of this Prospectus are:

Committee	Members
Audit Committee	Mr. Daniel Trevelyn Joseph (Chairman), Mr. Arun Duggal, Prof. Ganesan Raghuram, Mr. Rajesh S. Adani
Remuneration Committee	Mr. Daniel Trevelyn Joseph (Chairman), Mr. Arun Duggal, Mr. Rajesh S. Adani
Shareholders'/Investors' Grievance Committee	Mr. Daniel Trevelyn Joseph (Chairman), Prof. Ganesan Raghuram, Mr. Rajesh S. Adani
Transfer Committee	Mr. Rajesh S. Adani (Chairman), Dr. Malay Mahadevia
Finance Committee	Mr. Gautam S. Adani (Chairman), Mr. Rajesh S. Adani, Dr. Malay Mahadevia, Mr. Rajeeva Ranjan Sinha

Interest of Directors and Key Managerial Personnel

Except as stated in "***Financial Statements – Related Party Disclosures***" on page 253, and to the extent of shareholding held in our Company and remuneration and benefits to which they are entitled as per their terms of appointment, the Directors do not have any other interest in our Company or its business. The Directors may also be regarded as interested in the Equity Shares, if any, held by or that may be subscribed by and allotted to them, their relatives, dependents, companies, firms, HUF or trusts, in which they are interested as directors, members, partners, karta and/or trustees. All the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefit arising out of such holding and transactions with the companies with which they are associated as directors or members. The Non-Executive Directors of our Company may also be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee, and commission payable to them (which is capped at 1% of the net profits).

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependants in our Company, if any.

PRINCIPAL SHAREHOLDERS

The Promoters of our Company are Adani Enterprises Limited, Mr. Gautam S. Adani and Mr. Rajesh S. Adani.

The shareholding pattern of our Company as of March 31, 2013 is as indicated in the table below:

Sr. No	**Category of shareholder**	**Number of shareholders**	**Total number of shares**	**Number of shares held in de materialized form**	**Total shareholding as a percentage of total number of shares**		**Shares pledged or otherwise encumbered**	
					% of shares (A+B)	**% of shares (A+B+C)**	**Number of shares**	**% No. of shares**
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	2	147,075	147,075	0.01	0.01	0	0.00
(b)	Bodies Corporate	2	1,552,361,640	1,552,361,640	77.49	77.49	0	0.00
(c)	Any Other (Trusts)	1	30,000	30,000	0.00	0.00	0	0.00
	Sub-Total	**5**	**1,552,538,715**	**1,552,538,715**	**77.50**	**77.50**	**0**	**0.00**
(2)	**Foreign**	0	0	0	0	0	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**5**	**1,552,538,715**	**1,552,538,715**	**77.50**	**77.50**	**0**	**0.00**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/ UTI	59	38,884,983	38,884,983	1.94	1.94	0	0.00
(b)	Financial Institutions/ Banks	18	58,091,041	58,091,041	2.90	2.90	0	0.00
(c)	Central Government/ State Government(s)	1	4,010	4,010	0.00	0.00	0	0.00
(d)	Insurance Companies	1	385,533	385,533	0.02	0.02	0	0.00
(e)	Foreign Institutional Investors	282	218,597,591	218,597,591	10.91	10.91	0	0.00
	Sub-Total (B)	**361**	**315,963,158**	**315,963,158**	**15.77**	**15.77**	**0**	**0.00**
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,335	20,944,962	20,944,962	1.05	1.05	0	0.00
(b)	Individuals							
(i)	Individual shareholders holding nominal share capital up to ₹ 1 lakh	320,135	45,946,804	45,942,509	2.29	2.29	0	0.00
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	26	20,834,634	20,834,634	1.04	1.04	0	0.00
(c)	**Any Other (specify)**	**2,206**	**47,165,827**	**47,165,827**	**2.35**	**2.35**	**0**	**0.00**
(i)	Clearing Members	414	1,108,256	1,108,256	0.06	0.06	0	0.00
(ii)	Foreign Nationals	1	2,000,000	2,000,000	0.10	0.10	0	0.00
(iii)	Non Resident Indians	1,763	1,073,301	1,073,301	0.05	0.05	0	0.00
(iv)	Foreign Corporate	4	41,514,154	41,514,154	2.07	2.07	0	0.00

Sr. No	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in de materialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					% of shares (A+B)	% of shares (A+B+C)	Number of shares	% No. of shares
	Bodies							
(v)	Directors & their Relatives & Friends	6	1,464,890	1,464,890	0.07	0.07	0	0.00
(vi)	Trusts	18	5,226	5,226	0.00	0.00	0	0.00
	Sub-Total(B)(2)	**323,702**	**134,892,227**	**134,887,932**	**6.73**	**6.73**	**0**	**0.00**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**324,063**	**450,855,385**	**450,851,090**	**22.50**	**22.50**	**0**	**0.00**
	TOTAL(A)+(B)	**324,068**	**2,003,394,100**	**2,003,389,805**	**100.00**	**100.00**	**0**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**							
C1	Promoter and Promoter group	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
C2	Public	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	Sub Total (C1 +C2)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	GRAND TOTAL (A)+(B)+(C)	**324,068**	**2,003,394,100**	**2,003,389,805**	**0.00**	**100.00**	**0**	**0.00**

Shareholding of persons belonging to the category "Promoter and Promoter Group" as of March 31, 2013 is detailed in the table below:

Name of the Shareholder	Details of Equity Shares held	
	No. of Equity Shares held	As a % of total
Adani Enterprises Limited	1,466,415,975	73.20
Adani Enterprises Limited	85,945,665	4.29
Surekha Bhavikbhai Shah	107,000	0.01
Pritiben Rakeshbhai Shah	40,075	0.00
Rajesh S. Adani (On behalf of Rajesh S. Adani Family Trust)	30,000	0.00
Total	**1,552,538,715**	**77.50**

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment of the Equity Shares offered in the Issue. Our Company and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. This section applies to all Applicants. The Applicants are advised to inform themselves of any restrictions or limitations that may be applicable to them. Please see "**Selling Restrictions**" and "**Transfer Restrictions**" beginning on pages 145 and 150 respectively. Applicants are advised to make their independent investigations and ensure that their applications do not exceed the Issue Size or the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

Authority for the Issue

The Issue was authorised and approved by the Board of Directors through a resolution passed at their meeting held on May 14, 2012 and by the shareholders of our Company through a special resolution dated August 9, 2012.

Our Company has applied for and received in-principle approvals from both the BSE and the NSE on May 31, 2013, under Clause 24(a) of the Equity Listing Agreement for listing of the Equity Shares offered in the Issue on the Stock Exchanges. Our Company has filed a copy of the Red Herring Prospectus and this Prospectus with the SEBI and the Stock Exchanges and delivered the Red Herring Prospectus and this Prospectus to the RoC for registration. The Red Herring Prospectus has also been displayed on the websites of the Stock Exchanges and our Company, stating that the Red Herring Prospectus is in connection with the Institutional Placement Programme and that the offer is being made only to QIBs.

Prohibition by SEBI or Other Governmental Authorities

Our Company, its Subsidiaries, the Promoters, the members of the Promoter Group, the Directors and the persons in control of our Company have not been debarred from accessing the capital market under any order or direction passed by SEBI, stock exchanges in India or court/tribunal.

The companies with which the Promoters, the Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Restrictions on Issue Size

The aggregate of all tranches of the IPP undertaken by our Company cannot result in an increase in the public shareholding in our Company by more than 10% or such lesser percentage as may be required for our Company to achieve the required minimum public shareholding. Based on the Issue Size of 66,657,520 Equity Shares, the increase in public shareholding of our Company shall be 2.50%.

SEBI Approval

The Company, pursuant to its letter dated May 27, 2013 ("**Application**"), had applied to SEBI to avail certain exemptions in relation to the proposed Issue. SEBI, pursuant to its letter dated May 31, 2013 ("**Approval**") had granted approval to the Company subject to certain conditions. However, the Company did not avail of the exemptions granted by SEBI under the Approval and subsequently withdrew its Application vide its letter dated May 31, 2013.

Who can Apply

This Issue is being made only to QIBs, being the following:

- mutual funds, venture capital funds, AIFs and foreign venture capital investors registered with SEBI;
- foreign institutional investors and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual;

- public financial institutions, as defined in Section 4A of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- insurance companies registered with the Insurance Regulatory and Development Authority;
- multilateral and bilateral financial institutions;
- provident funds with minimum corpus of ₹ 250 million;
- pension funds with minimum corpus of ₹ 250 million;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the GoI published in the Gazette of India;
- insurance funds set up and managed by army, navy or air force of the Union of India; and
- insurance funds set up and managed by the Department of Posts, India.

No single FII can hold more than 10% of the post Issue paid-up capital of our Company. In respect of an FII investing in the Equity Shares offered in the Issue on behalf of its eligible sub-accounts, the investment on behalf of each eligible sub-account shall not exceed 10% of our Company's total issued capital. **The aggregate FII holding in our Company cannot exceed 24% of the total issued capital of our Company.**

Note: Each eligible sub-account of an FII, other than a sub-account which is a foreign corporate or foreign individual, will need to submit a separate ASBA Applications. FIIs or sub-accounts of FIIs are required to indicate the SEBI FII/sub-account registration number in the ASBA Application.

No Allotment shall be made, either directly or indirectly, to any QIB being a promoter or any person related to the promoter(s). QIBs which have all or any of the following rights shall be deemed to be persons related to promoter(s):

(a) rights under a shareholders' agreement or voting agreement entered into with a promoter or persons related to the promoters;

(b) veto rights; or

(c) right to appoint any nominee director on the Board.

Provided that a QIB which does not hold any Equity Shares and which has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to the promoters.

Applicants are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Applicants are advised to ensure that the number of Equity Shares for which they have provided ASBA Applications does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus. Further, Applicants are required to satisfy themselves that their ASBA Applications would not result in triggering a tender offer under the Takeover Regulations.

A minimum of 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds and Insurance Companies, subject to receipt of valid ASBA Applications at or above the Issue Price, provided that if this portion or any part thereof to be Allocated and Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other QIBs. For further details, please see "- *Basis of Allocation*".

Affiliates or associates of the Global Coordinators and Book Running Lead Managers and the Book Running Lead

Managers who are QIBs may participate in the Issue in compliance with applicable laws.

No person connected with the Issue shall offer any incentive, direct or indirect, in any manner, whether in cash, kind, services or otherwise, to any Applicant for making an ASBA Application.

Number of Allottees

The Equity Shares offered in the Issue will not be Allotted to less than 10 Allottees.

As provided in the SEBI Regulations, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations.

Provided further that QIBs belonging to the same group or those who are under common control shall be deemed to be a single Allottee for the purpose of the foregoing.

(i) The expression 'belong to the same group' shall have the same meaning as 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act:

Section 372(11) of the Companies Act - "*For the purposes of this section, a body corporate shall be deemed to be in the same group as the investing company-*

(a) *if the body corporate is the managing agent of the investing company; or*

(b) *if the body corporate and the investing company should, in virtue of subsection (1B) of section 370, be deemed to be under the same management*."

Under Section 370(1B) of the Companies Act, two bodies corporate are deemed to be under the same management if any of the following conditions are satisfied:

(a) The managing agent, secretaries and treasurers, managing director or manager of one body corporate is the managing agent, secretary or treasurer, managing director or manager of the other body corporate or a partner in a firm acting as the managing agents or secretaries and treasurers of the other body corporate or a director of a private company acting as managing agent or secretaries and treasurers of the other body corporate;

(b) A majority of the directors of the one body corporate constitute or at any time within the immediately preceding six months have constituted a majority of the directors on the board of the other body corporate;

(c) Not less than one-third of the total voting power with respect to any matter relating to each of the two bodies corporate is exercised or controlled by the same individual or body corporate;

(d) The holding company of one body corporate is under the same management as the other body corporate within the meaning of (a), (b) or (c) above; and

(e) One of more directors of one body corporate hold, either by themselves or together with their relatives, the majority of the shares in the other body corporate.

(ii) The expression 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations:

Regulation 2(1)(e) of the Takeover Regulations – *"control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner:*

Provided that a director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position."

Minimum Application Size

Each ASBA Application is required to be such number of Equity Shares and at such price such Equity Share that the minimum Application Amount exceeds ₹ 200,000.

Information for the Applicants

(a) Only ASBA mode of payment can be used by QIBs to participate in this Issue.

(b) Our Company, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, will decide the Floor Price or the Price Band for the Issue and the same shall be announced at least one day prior to the Issue Opening Date.

(c) Our Company will publish the Issue Opening Date and the Issue Closing Date in the Floor Price/ Price Band Announcement. The Issue Period shall be for a minimum of one Working Day and shall not exceed two Working Days.

(d) Our Company had filed the Red Herring Prospectus with the RoC at least three days before the Issue Opening Date.

(e) Once a duly filled in ASBA Application is submitted by an Applicant, such ASBA Application constitutes an irrevocable offer and cannot be withdrawn. In addition, the price per Equity Share and/or the number of Equity Shares applied for in an ASBA Application cannot be revised downwards.

(f) Our Company shall open the Public Issue Account with the Public Issue Account Bank in terms of Section 73 of the Companies Act to receive monies on the Designated Date from the ASBA Accounts.

(g) Upon the receipt of the ASBA Applications, our Company, after the closure of the Issue, shall determine the Issue Price for the Equity Shares offered in the Issue and the number of Equity Shares to be issued at the Issue Price, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and in accordance with the Allotment Criteria. Upon finalisation of the Basis of Allocation, in consultation with the Stock Exchanges our Company will issue CANs to the successful Applicants. The dispatch of the CANs shall be deemed a valid, binding and irrevocable agreement on the part of the Applicant to subscribe to such number of Equity Shares as mentioned in their respective CANs at the Issue Price indicated in such CAN. The CAN shall contain details such as the number of Equity Shares Allocated to the Applicant and the Issue Price.

(h) Each Applicant will provide a representation in the ASBA Application and Revision Form that it is either (i) outside the United States, or (ii) an institutional investor meeting the requirements of a "qualified institutional buyer" as defined in Rule 144A, and (iii) it has agreed to certain other representations set forth in the Red Herring Prospectus.

(i) Our Company shall take all steps to ensure that listing and commencement of trading of the Equity Shares Allotted in the Issue at the Stock Exchanges is within 12 Working Days of the Issue Closing Date.

(j) Our Company or the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approvals granted by the Stock Exchanges are also placed on their respective websites. Applicants are advised to apprise themselves of the status of the receipt of the listing and trading approvals from the Stock Exchanges or our Company.

(k) Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in terms of Regulation 66 of the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Gujarati newspaper, each with wide circulation.

(l) In case of a Mutual Fund, a separate ASBA Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such ASBA Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple ASBA Applications, provided that the ASBA Applications clearly indicate the scheme concerned for which it has been made. No Mutual Fund scheme can invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. Further, no single Mutual Fund shall be Allocated and Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations.For further details, please see "***Issue Procedure – Number of Allottees***" on page 126.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company has, after registering the Red Herring Prospectus with the RoC, published a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Gujarati newspaper, each with wide circulation.

ASBA Application and Revision Form

The ASBA Application and the Revision Form shall be in the form prescribed by SEBI pursuant to the circular dated September 27, 2011, to the extent applicable to the Issue.

By making an application for the Equity Shares offered in the Issue through an ASBA Application, an Applicant will be deemed to have made the representations, warranties and agreements made under "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on pages 2, 145 and 150.

SCSBs would be entitled to a processing fee of ₹ 25 per valid ASBA Application collected by the members of the Syndicate in the Bidding Locations and submitted to the SCSBs**.** No selling commission is payable in respect of ASBA Applications procured in the Issue.

Method and Process of Bidding

(a) ASBA Applications will be available with the SCSBs, the members of the Syndicate (only in the Bidding Locations) and at the Registered Office of our Company. Electronic ASBA Applications will be available on the website of the Stock Exchanges and the Designated Branches of the SCSBs.

(b) Any eligible Applicant may obtain a copy of the Red Herring Prospectus and the ASBA Applications from the Registered Office of our Company.

(c) Applicants should approach the Designated Branches of the SCSBs or the members of the Syndicate (only in the Bidding Locations) to submit their ASBA Applications.

(d) Applicants may submit their ASBA Applications, and / or the Revision Forms, during the Issue Period to (i) the members of the Syndicate in the Bidding Locations; (ii) the Designated Branches of the SCSBs where the ASBA Account is maintained; or (iii) in electronic form to the SCSBs with whom the ASBA Account is maintained. For details, the Applicants should contact the SCSBs where the ASBA Account is maintained. The SCSBs may provide the electronic mode of bidding either through an internet enabled bidding and banking facility or through any secured, electronically enabled mechanism for bidding and blocking funds in the ASBA Account.

(e) ASBA Applications submitted directly to the SCSBs should bear the stamp of the SCSBs and the ASBA Application submitted to the members of the Syndicate in the Bidding Locations should bear the stamp of the member of the Syndicate. Applicants also have an option to submit the ASBA Application in electronic form or submit ASBA Applications through the members of the Syndicate in the Bidding Locations.

(f) For ASBA Applications submitted to the members of the Syndicate in the Bidding Locations, the members of the Syndicate shall upload the details of the ASBA Application onto the electronic bidding system of the Stock Exchanges and deposit a schedule (containing certain information including the ASBA Application number and the Application Amount) along with the ASBA Application with the relevant branch of the SCSB, named by such SCSB to accept such ASBA Applications from the members of the Syndicate in such Bidding Location (A list of such branches is available at at http://www.sebi.gov.in. The relevant branch of the SCSB shall block an amount equal to the Application Amount specified in the ASBA Application in the ASBA Account.

(g) The Applicant should mention its PAN allotted under the I.T. Act in the ASBA Application. Any ASBA Application without the PAN is liable to be rejected. Applicants should not submit the GIR number instead of the PAN as the ASBA Application is liable to be rejected on this ground.

(h) The Registrar to the Issue shall validate the details of the ASBA Application uploaded on the electronic bidding system of the Stock Exchanges with the Depository records and the complete reconciliation of the final certificates received from the SCSBs with the electronic details of the ASBA Applications.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the ASBA Application and entered into the electronic bidding system of the Stock Exchanges by the Syndicate/ SCSBs do not match with the DP ID, Client ID and PAN available in the database of Depositories, the ASBA Application is liable to be rejected.

(i) Each ASBA Application will give the Applicant the option to indicate up to three prices within the Price Band and specify the demand (i.e., the number of Equity Shares applied for at each such price). The number of Equity Shares applied for by an Applicant within the Price Band will be considered for Allocation and Allotment in accordance with the Basis of Allocation. The highest value indicated by the Applicant in the ASBA Application to subscribe for the Equity Shares applied for in the ASBA Application shall be blocked in the ASBA Account of such Applicant. After determination of the Issue Price, the maximum number of Equity Shares applied for by an Applicant at or above the Issue Price will be considered for Allocation and the rest of the options will become automatically invalid.

(j) The Applicant cannot submit another ASBA Application after one ASBA Application has been submitted to the SCSBs or any member of the Syndicate. Submission of a second ASBA Application to either the same or to another SCSBs or any member of the Syndicate will be treated as multiple applications and is liable to be rejected either before entering the required details of the ASBA Application into the electronic bidding system, or at any point of time prior to the Allotment of the Equity Shares offered in this Issue. However, the Applicant can revise upwards the price per Equity Share or the number of Equity Shares applied for through the Revision Form, the procedure for which is detailed under the paragraph titled "- ***Revision of ASBA Applications***".

(k) Upon receipt of an ASBA Application from the Applicant, in physical mode, the Designated Branches of the SCSBs shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Application, prior to uploading details of the ASBA Application on the electronic bidding system of the Stock Exchanges.

(l) If sufficient funds are not available in the ASBA Account, the Designated Branches of the SCSBs shall reject such ASBA Application and shall not upload the details of the ASBA Application on the electronic bidding system of the Stock Exchanges.

(m) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application and will enter the details of the ASBA Application into the electronic bidding system and generate a TRS for each price and demand option. It is the Applicant's responsibility to obtain the TRS from the members of the Syndicate or the Designated Branches of the SCSBs. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(n) SCSBs making ASBA Applications on their own account using the ASBA facility are required to have a separate account in their own name with any other SEBI registered SCSB. Such account should be used solely for the purpose of making applications in public issues and clear demarcated funds should be available in such account for ASBA Applications

(o) The Application Amount shall remain blocked in the aforesaid ASBA Account until the finalisation of the Basis of Allocation and consequent transfer of the Application Amount for the Allotted Equity Shares to the Public Issue Account from the ASBA Accounts, or alternatively, until the withdrawal of the Issue or the rejection of the ASBA Application, as the case may be. Once the Basis of Allocation is finalised, the Registrar to the Issue shall send an appropriate request to the SCSBs to unblock the relevant ASBA Accounts and to transfer the amount due on the Equity Shares to be allotted to the successful Applicants to the Public Issue Account on the Designated Date.

(p) In case our Company withdraws or cancels the Issue, the Registrar to the Issue shall give instructions to the SCSBs to unblock the Application Amounts in the relevant ASBA Accounts of the Applicants within one day of receipt of such instruction. Our Company shall also inform the Stock Exchanges of such cancellation or withdrawal.

Electronic Registration of ASBA Applications

(a) The Stock Exchanges will offer an electronic facility for registering details under the ASBA Applications for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs during the Issue Period. The members of the Syndicate and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of details under the ASBA Applications, subject to the condition that they will subsequently upload the off-line data file into the electronic facilities offered by the Stock Exchanges. The members of the Syndicate and the SCSBs will register the ASBA Applications received, using the electronic bidding system of the Stock Exchanges. On the Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the details under the ASBA Applications on the electronic bidding system of the Stock Exchanges till such time as may be permitted by the Stock Exchanges.

(b) Each ASBA Application will give the Applicant the choice to apply for up to three optional prices within the Price Band and to specify the demand (i.e., the number of Equity Shares applied for) at each such price.

(c) With respect to details under the ASBA Applications submitted to the members of Syndicate at the Bidding Locations, the members of Syndicate shall enter the following details in the electronic bidding system of the Stock Exchanges:

- ASBA Application number;
- PAN;
- DP ID and Client ID number of the beneficiary account of the Applicant;
- Application Amount;
- ASBA Account number (not compulsory);
- Category of the Applicant;
- Numbers of Equity Shares applied for;
- Price per Equity Share;
- Bank code for the SCSB where the ASBA Account is maintained; and
- Name of the Bidding Location.

(d) With respect to details under the ASBA Applications submitted to the SCSBs, the SCSBs shall enter the following details in the electronic bidding system of the Stock Exchanges:

- ASBA Application number;

- PAN;
- DP ID and Client ID number of the beneficiary account of the Applicant;
- Application Amount;
- ASBA Account number;
- Category of the Applicant;
- Numbers of Equity Shares applied for; and
- Price per Equity Share.

(e) TRS will be generated when the ASBA Application is registered for each price and demand option. The registration of the ASBA Application by the member of the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be Allocated/Allotted either by the members of the Syndicate or our Company.

(f) The members of the Syndicate and the SCSBs will register the ASBA Applications received, using the electronic bidding system of the Stock Exchanges.

(g) The members of the Syndicate and the SCSBs may undertake modification of selected fields in the details under the ASBA Application already uploaded within one Working Day from the Issue Closing Date.

(h) Neither our Company nor the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the ASBA Applications accepted by the members of the Syndicate or the SCSBs, (ii) the details under the ASBA Applications uploaded by the members of the Syndicate or the SCSBs, or (iii) the ASBA Applications accepted but not uploaded by the members of the Syndicate or the SCSBs.

(i) The SCSBs shall be responsible for any acts, mistakes, errors or omissions and commissions in relation to (i) the ASBA Applications accepted by them, (ii) the details under the ASBA Applications uploaded by them, (iii) the ASBA Applications accepted but details not uploaded by them, and (iv) the ASBA Applications accepted and details uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for ASBA Applications uploaded by the SCSBs, the full Application Amount has been blocked in the relevant ASBA Account and that clear demarcated funds are available in the blocked ASBA Account and can be transferred to the Public Issue Account on the Designated Date. Our Company, Registrar, Global Coordinators and Book Running Lead Managers, Book Running Lead Managers and Syndicate Members shall not be responsible for any such acts, mistakes, errors or omissions.

(j) The permission given by the Stock Exchanges to use its network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the members of the Syndicate or the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares offered in the Issue will be listed or will continue to be listed on the Stock Exchanges.

(k) The aggregate demand in relation to ASBA Applications registered shall be displayed by Stock Exchanges without disclosing the price.

(l) Only those ASBA Applications details of which are uploaded on the electronic bidding system of the Stock Exchanges shall be considered for the Allocation and Allotment. Members of the Syndicate and the SCSBs will be given up to one Working Day after the Issue Closing Date to verify the DP ID and Client ID uploaded on the electronic bidding system of the Stock Exchanges during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchanges and will reconcile and validate the details of the ASBA Application uploaded on the electronic bidding system of the Stock Exchanges with the Depositories records. In case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such ASBA Applications are liable to be rejected.

(m) The details of the ASBA Applications uploaded on the electronic bidding system of the Stock Exchanges shall be considered as final and Allocation and Allotment will be based on such details.

Revision of ASBA Applications

(a) During the Issue Period, any Applicant who has submitted an ASBA Application subscribing to a specific number of Equity Shares at a particular price level may revise upwards the number of Equity Shares applied for and/or the price per Equity Shares within the Price Band, using the printed Revision Form, which is a part of the ASBA Application. **An ASBA Application cannot be withdrawn and the price per Equity Share and/or the number of Equity Shares applied for cannot be revised downwards**.

(b) Upward revisions can be made in both the desired number of Equity Shares and the price per Equity Share by using the Revision Form.

(c) The Applicant can make this upward revision any number of times during the Issue Period. However, for any revision(s) in the ASBA Application, the Applicants will have to use the services of the same member of the Syndicate or the SCSB through whom such Applicant had placed the original ASBA Application. Applicants are advised to retain copies of the blank Revision Form and any revision in the ASBA Application must be made only in such Revision Form or copies thereof.

(d) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the options in its ASBA Application or earlier Revision Form. For example, if an Applicant has applied for three options in the ASBA Application and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.

(e) In case of revision of the number of Equity Shares and/or the price per Equity Share, the relevant SCSB shall block the additional Application Amount in the ASBA Account of such Applicant. The Registrar to the Issue will reconcile the ASBA Application data and consider the revised ASBA Application data for preparing the Basis of Allocation.

(f) When an Applicant revises its ASBA Application, it should surrender the earlier TRS and request for a revised TRS from the members of the Syndicate or the SCSB as proof of it having revised the previous ASBA Application.

Allocation

(a) Allocation to FIIs and FVCIs, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(b) A minimum of 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds and Insurance Companies, subject to valid ASBA Applications being received at or above the Issue Price, provided that if this portion or any part thereof to be Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other QIBs.

(c) The Equity Shares will be Allotted to at least 10 Allottees under the Issue. As provided in the SEBI Regulations, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. For further details, please see "***Issue Procedure - Number of Allottees***".

Price Discovery

(a) Based on the demand for the Equity Shares offered in the Issue generated at various price levels, our Company, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, shall finalise the Issue Price.

(b) The Issue Price shall be the price at or above the Floor Price, or within the Price Band, as the case may be. The Equity Shares offered in the Issue shall be Allocated and Allotted at the Issue Price.

RoC Filing

Our Company will update and deliver a copy of the updated Red Herring Prospectus for registration to the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue and will be complete in all material respects. Our Company will register a copy of the Prospectus with the RoC in terms of relevant provisions of the Companies Act.

Advertisement under Regulation 66 of the SEBI Regulations

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in terms of Regulation 66 of the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Gujarati newspaper, each with wide circulation. Any material updates between the date of the Red Herring Prospectus and the date of this Prospectus will be included in such statutory advertisement.

Allotment Criteria

The Equity Shares offered in the Issue will be Allocated and Allotted to successful Applicants as per the proportionate method.

Basis of Allocation

- ASBA Applications received at or above the Issue Price shall be grouped together to determine the total demand for the Equity Shares offered in the Issue. Allotment against each ASBA Application for Equity Shares shall be restricted to 25% of the offer size in terms of Regulation 91H of the SEBI Regulations, by our Company, in consultation with the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Stock Exchanges. For further details, please see "***Issue Procedure – Number of Allottees***" on page 126. The Allocation and Allotment to all successful Applicants will be made at the Issue Price finalised by our Company, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

- The Allocation shall be undertaken in the following manner:

  (a) In the first instance, Allocation to Mutual Funds and Insurance Companies for 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be determined as follows:

    - In the event that the aggregate demand from Mutual Funds and Insurance Companies exceeds 25% of the aggregate number of Equity Shares to be Allotted in the Issue, then subject to valid ASBA Applications received at or above the Issue Price, Allocation to Mutual Funds and Insurance Companies shall be made on a proportionate basis at the Issue Price as per the Allocation criteria mentioned below for 25% of the aggregate number of Equity Shares to be Allotted in the Issue. The additional demand from Mutual Funds and Insurance Companies after Allocation of 25% of the aggregate number of Equity Shares to be Allotted in the Issue, shall be aggregated with the portion to be Allocated to other QIBs.

    - In the event that the aggregate demand from Mutual Funds and Insurance Companies is equal to or less than 25% of the aggregate number of Equity Shares to be Allotted in the Issue, then all Mutual Funds and Insurance Companies shall get full Allocation at the Issue Price to the extent of valid ASBA Applications received at or above the Issue Price.

In the event subscription from Mutual Funds and Insurance Companies is below 25% of the aggregate number of Equity Shares to be Allotted in the Issue, the Equity Shares offered in the Issue that remain unsubscribed shall be available for Allocation to other QIBs as set out in (b) below.

(b) In the second instance, Allocation to all Applicants shall be determined as follows:

- All Applicants who have submitted valid ASBA Applications at or above the Issue Price shall be Allocated Equity Shares offered in the Issue at the Issue Price on a proportionate basis as per the Allocation criteria mentioned below, until the Equity Shares offered in the Issue representing up to 75% of the Issue Size or such number of Equity Shares offered in the Issue as may remain after Allocation to Mutual Funds and Insurance Companies are exhausted.

- Mutual Funds and Insurance Companies, who have received Allocation as per (a) above, for less than the number of Equity Shares applied for by them, are eligible to receive Equity Shares on a proportionate basis as per the Allocation criteria mentioned below along with the other QIBs. For the purpose of Allocation to Mutual Funds and Insurance Companies in this category, quantity of Equity Shares applied for in the Issue less the Equity Shares Allocated as per (a) above shall be considered for Allocation.

- In the event subscription from Mutual Funds and Insurance Companies pursuant to (a) above is below 25% of the aggregate number of Equity Shares to be Allotted in the Issue, such portion which remains unsubscribed would be included for Allocation along with the other QIBs on a proportionate basis.

Proportionate Method

The Allocation and Allotment shall be made on a proportionate basis as explained below:

(a) The number of Equity Shares applied for in the Issue at or above the Issue Price shall first be aggregated.

(b) Number of Equity Shares to be Allocated to the successful Applicants will be calculated on a proportionate basis, which is total number of Equity Shares applied for by each Applicant multiplied by the inverse of the over-subscription ratio, (subject to the maximum limit of 25% of the offer size in terms of Regulation 91H of the SEBI Regulations) where oversubscription ratio means the ratio of the total number of Equity Shares applied for in the Issue and the remaining number of Equity Shares offered in the Issue that are available for Allocation. For details, please see “***Issue Procedure – Number of Allottees***” on page 126.

(c) If the determination of proportionate Allocation to an Applicant is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allocation and Allotment to all Applicants would be arrived at after such rounding off.

THE DECISION OF OUR COMPANY AND THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION AND ALLOTMENT SHALL BE BINDING ON ALL APPLICANTS.

Issuance of the CAN

(a) Upon approval of the Basis of Allocation by the Stock Exchanges and the dispatch of the CAN, the Registrar to the Issue shall send to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers a list of the Applicants who would be Allotted Equity Shares in the Issue.

(b) Our Company will then issue a CAN to the Applicants who have been Allocated Equity Shares in the Issue.

(c) The dispatch of the CAN shall be deemed a valid, binding and irrevocable agreement on part of the Applicant to subscribe to the Equity Shares Allocated to such Applicant at the Issue Price.

(d) On the basis of the approved Basis of Allocation, our Company shall pass necessary corporate action for Allotment of Equity Shares in the Issue.

Designated Date and Allotment of Equity Shares offered in the Issue

(a) Our Company will ensure that (i) the Allotment of Equity Shares offered in the Issue; and (ii) credit to the successful Applicant's depositary account will be completed within 12 Working Days of the Issue Closing Date.

(b) In accordance with the SEBI Regulations, Equity Shares offered in the Issue will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted in the Issue as per the provisions of the Companies Act and the Depositories Act.

(d) The Equity Shares will be Allotted to at least 10 Allottees under the Issue. As provided in the SEBI Regulations, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. For further details, please see "***Issue Procedure - Number of Allottees***" on page 126.

Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

(a) Check if you are eligible to apply;

(b) Ensure that the price per Equity Share you have included in the ASBA Applications is a price per Equity Share within the Price Band;

(c) Do not apply for or revise the prices indicated in the ASBA Application to a price higher than the Cap Price, if applicable;

(d) Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares in the Issue will be in the dematerialised form only;

(e) Ensure that the ASBA Applications are submitted either to the members of the Syndicate (only in Bidding Locations) or at a Designated Branch of the SCSB where the Applicant or the person whose ASBA Account will be utilised by the Applicant for bidding has an ASBA Account;

(f) Ensure that the ASBA Application is signed by the account holder(s) or an authorised signatory on behalf of the account holder, in case the Applicant is not the account holder. Ensure that you have mentioned the correct ASBA Account number in the ASBA Application;

(g) Ensure that the ASBA Application is completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Application or in the Revision Form. Applicants should note that the members of the Syndicate and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible ASBA Applications or Revision Forms;

(h) If you are an SCSB and are applying for Allotment of the Equity Shares, ensure that you use an ASBA Account for your ASBA Application which is maintained in your own name with a different SEBI registered SCSB, which ASBA Account is used solely for the purpose of subscribing in public issues, having clear, demarcated funds;

(i) Ensure that you request for and receive a TRS for each of the options applied for in the ASBA Application;

(j) Ensure that you have funds equal at least to the Application Amount in your ASBA Account maintained with the SCSB before submitting the ASBA Application to the respective Designated Branch of the SCSB or the member of the Syndicate in Bidding Locations;

(k) Submit revised ASBA Applications to the same member of the Syndicate/SCSB through whom the original ASBA Application was placed and obtain a revised TRS;

(l) Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

(m) Ensure that the name given in the ASBA Application is exactly the same as the name in which the beneficiary account is held with the Depository Participant;

(n) Ensure that the DP ID, the Client ID and the PAN mentioned in the ASBA Application and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate match with the DP ID, Client ID and PAN available in the Depository database;

(o) Ensure that you use the ASBA Application bearing the stamp of the relevant SCSB and/or the Designated Branch of the SCSB and/or the member of the Syndicate (except in case of electronic forms);

(p) Applicants bidding through the Syndicate should ensure that the ASBA Application is submitted to a member of the Syndicate only in the Bidding Locations and that the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has named at least one branch in the Bidding Locations for the members of the Syndicate to deposit the ASBA Applications;

(q) Ensure that in case of ASBA Applications made under power of attorney, relevant documents are submitted;

(r) Ensure that ASBA Applications submitted by QIBs resident outside India should be in compliance with applicable foreign and Indian laws;

(s) Ensure that you have correctly signed the authorisation/undertaking box in the ASBA Application, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the ASBA Application;

(t) ASBA Applications made on a repatriation basis shall be in the name of FIIs or FVCIs or registered Multilateral and Bilateral Development Financial Institutions;

(u) Do not fill up the ASBA Application such that the number of Equity Shares applied for exceeds the Issue size and/or the investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations; and

(v) Information provided by the Applicants will be uploaded on the electronic bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make Allocation and Allotment. Please ensure that the details are correct and legible.

Applicant's PAN, Depository Account and ASBA Account Details

Applicants should note that on the basis of PAN of the Applicants, DP ID and Client ID entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate or SCSBs, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants' ASBA Account details, and PAN registered with the Depository (the "Demographic Details"). These Demographic Details would be used for processing, including identifying ASBA Applications to be rejected on technical grounds and unblocking of ASBA Account. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in unblocking of the ASBA Account at the Applicants sole risk and none of the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Registrar to the Issue, the Syndicate Members, the SCSBs or our Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the ASBA Application.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs. The Demographic Details given by Applicants in the ASBA Application would not be used for any other purpose by the Registrar to the Issue.

By signing the ASBA Application, the Applicant would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

The CAN will be mailed at the address of the Applicant as per the Demographic Details received from the Depositories or the email address provided by the Applicant in the ASBA Application. Applicants may note that delivery of the CAN may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Please note that any such delay shall be at such Applicant's sole risk and none of our Company, **Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers**, **Syndicate Members or the Registrar to the Issue shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories, which matches the parameters, namely, PAN of the Applicant, the DP ID and Client ID, then such ASBA Application is liable to be rejected.

ASBA Applications made under Power of Attorney

In case of ASBA Applications made pursuant to a power of attorney or by FIIs, Mutual Funds, VCFs, FVCIs, AIFs, Insurance Companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the ASBA Application.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to ASBA Applications by FIIs, Mutual Funds, VCFs, FVCI's and AIFs a certified copy of their SEBI registration certificate must be lodged along with the ASBA Application.

(b) With respect to ASBA Applications by Insurance Companies, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the ASBA Application.

(c) With respect to ASBA Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the ASBA Application.

PAYMENT INSTRUCTIONS

Payment mechanism for Applicants

The Applicants shall specify the ASBA Account number in the ASBA Application. The SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the ASBA Application and each Applicant or the account holder shall be deemed to have agreed to block such amount. In case of revision of the number of Equity Shares applied for or the price per Equity Share, the SCSB shall block additional Application Amount in the ASBA Account of such Applicant and the Applicants or the account holder shall be deemed to have agreed to block such amount.

The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allocation in the Issue, dispatch of the CAN and consequent transfer of the Application Amount to the Public Issue Account, until rejection of the ASBA Applications or until withdrawal of the Issue, as the case may be. In the event of rejection of the ASBA Application or for unsuccessful or partially successful ASBA Applications, the Registrar to the Issue shall give instructions to the SCSB to unblock the application money in the relevant ASBA Account and the same shall be acted upon by the SCSB concerned within one Working Day of receipt of such instruction.

OTHER INSTRUCTIONS

Multiple ASBA Applications

An Applicant should submit only one (and not more than one) ASBA Application.

In case of a Mutual Fund, a separate ASBA Application may be made in respect of each scheme of the Mutual Fund and such ASBA Applications in respect of over one scheme of the Mutual Fund will not be treated as multiple ASBA Applications provided that the ASBA Applications clearly indicate the scheme concerned for which the ASBA Application has been made.

After submitting an ASBA Application, an Applicant cannot submit another ASBA Application, to either the same or another Designated Branch of the SCSB or member of the Syndicate. Submission of a second ASBA Applications in such manner will be deemed a multiple ASBA Application and is liable to be rejected. However, the Applicants may revise their ASBA Application through the Revision Form, the procedure for which is described in "***Revision of ASBA Applications***" above.

Copies of ASBA Applications with the same PAN details shall be treated as multiple ASBA Applications and are liable to be rejected.

Our Company, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, reserves the right to reject, in its absolute discretion, all or all except one of such multiple ASBA Application(s) in any or all categories.

1. All ASBA Applications will be checked for common PAN as per the records of Depository. For Applicants other than Mutual Funds and FII sub-accounts, ASBA Applications bearing the same PAN will be treated as multiple ASBA Applications and will be rejected.

2. For ASBA Applications from Mutual Funds and FII sub-accounts which were submitted under the same PAN, the ASBA Applications will be scrutinised for DP ID and Client ID. In case applications bear the same DP ID and Client ID, these will be treated as multiple applications.

The Registrar to the Issue will obtain, from the depositories, details of the Applicant's address based on the DP ID and Client ID provided in the ASBA Applications.

REJECTION OF ASBA APPLICATIONS

Our Company has a right to reject the ASBA Applications based on technical grounds. The Designated Branches of the SCSBs shall have the right to reject ASBA Applications if at the time of blocking the Application Amount in the Applicant's ASBA Account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Applicant's ASBA Account maintained with the SCSB.

Grounds for Technical Rejections

Applicants are advised to note that ASBA Applications are liable to be rejected *inter alia* on the following technical grounds and for any other reasons after assigning reason for such rejection in writing:

(a) ASBA Applications other than by QIBs;

(b) Incomplete ASBA Application. For instance, ASBA Application not having details of the ASBA Account to be blocked or not containing the authorisations for blocking the Application Amount in the ASBA Account specified in the ASBA Application;

(c) The amount mentioned in ASBA Application does not tally with the amount payable for the value of the Equity Shares applied for;

(d) PAN not mentioned in the ASBA Application;

(e) ASBA Applications not having details of the Applicant's Depository account;

(f) ASBA Applications made at a price per Equity Share not within the Price Band;

(g) ASBA Application by Applicants whose demat account have been "suspended for credit" pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

(h) Multiple ASBA Applications as explained in the Red Herring Prospectus. See "- ***Other Instructions – Multiple ASBA Applications***";

(i) ASBA Applications are not delivered by the Applicants within the time prescribed as per the ASBA Applications, the Floor Price / Price Band Announcement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the ASBA Applications;

(j) In case no matching or corresponding record is available with the Depositories that matches the DP ID and the Client ID;

(k) Inadequate funds in the ASBA Account to block the Application Amount specified in the ASBA Application at the time of blocking such Application Amount in the ASBA Account;

(l) ASBA Application submitted by Applicants to a member of the Syndicate at locations other than the Bidding Locations;

(m) In case of SCSBs applying for Allotment of Equity Shares, if the ASBA Account is not maintained in the name of such SCSB with a different SEBI registered SCSB;

(n) ASBA Applications by persons in the United States- other than qualified institutional buyers as defined in Rule 144 of the Securities Act;

(o) ASBA Applications, details of which are not uploaded on the electronic bidding system of the Stock Exchanges; and

(p) ASBA Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

The Allotment of Equity Shares in this Issue shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

Applicants can seek Allotment only in dematerialised mode. ASBA Applications from any Applicant without relevant details of its depository account are liable to be rejected.

(a) An Applicant applying for Equity Shares in the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the ASBA Application.

(b) Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant as provided in the ASBA Application.

(c) Names in the ASBA Application or Revision Form should be identical to those appearing in the account details in the Depository.

(d) The Applicant is responsible for the correctness of its Demographic Details given in the ASBA Application vis-à-vis those with its Depository Participant.

(e) The trading of the Equity Shares issued pursuant to the Issue of our Company would be in dematerialised form only for all Applicants in the demat segment of the Stock Exchanges.

(f) Non transferable CAN will be directly sent to the Applicants.

Our Company or the members of the Syndicate will not be responsible or liable for the delay in the credit of the Equity Shares Allotted in the Issue due to errors in the ASBA Application or otherwise on part of the Applicants.

Communications

All future communications in connection with ASBA Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the Applicant, ASBA Application number, the Applicants' Depository Account details, number of Equity Shares applied for, date of the ASBA Application, name and address of the member of the Syndicate or the Designated Branch of the SCSBs where the ASBA Application was submitted and ASBA Account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Registrar to the Issue in case of any pre-Issue or post- Issue related problems such as non-receipt of the CAN, credit of Allotted Equity Shares in the respective beneficiary accounts etc. In case of ASBA Applications submitted with the Designated Branches of the SCSBs, Applicants can contact the Designated Branches of the SCSBs.

UNBLOCKING THE FUNDS

The Registrar to the Issue shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Application Amount specified in the ASBA Applications for rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Issue Closing Date and the same shall be acted upon by the SCSBs within one Working Day of receipt of such instruction.

DISPOSAL OF ASBA APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

Our Company shall take all steps to ensure that listing and commencement of trading of the Equity Shares Allotted in the Issue at the Stock Exchanges is within 12 Working Days of the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, our Company further undertakes that:

(a) Allotment of Equity Shares in the Issue shall be made only in dematerialised form within 12 Working Days of the Issue Closing Date;

(b) Instructions for unblocking of the Applicant's ASBA Account shall be made within 12 Working Days from the Issue Closing Date; and

(c) Our Company shall pay interest at 15% per annum for any delay, if Allotment is not made, funds in the relevant ASBA Accounts to the extent of the Application Amount specified in the ASBA Applications for rejected or unsuccessful or partially successful ASBA Applications are not unblocked and/or demat credits are not made to investors within the 12 Working Days.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years.**"**

Issue Programme

ISSUE OPENED ON	June 4, 2013
ISSUE CLOSED ON	June 4, 2013

Details of the Issue programme were disclosed in the Floor Price/ Price Band Announcement one day prior to the Issue Opening Date.

ASBA Applications and any revision in the ASBA Applications shall be accepted and uploaded only between 10 a.m. (Indian Standard Time, "**IST**") and 5 p.m. IST during the Issue Period as mentioned above by the members of the Syndicate at the Syndicate ASBA Bidding Centres and the Designated Branches of SCSBs as mentioned on the ASBA Application.

Withdrawal of the Issue

Our Company reserves the right to withdraw the Issue at any stage prior to Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published. The Registrar to the Issue shall issue instructions to the SCSBs to unblock the ASBA Accounts of the Applicants within one day of receipt of such instructions. Our Company shall also inform the Stock Exchanges of such withdrawal.

PLACEMENT

Issue and Placement Agreement

The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers have entered into the Issue and Placement Agreement with our Company, pursuant to which the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers have agreed to manage the Issue and use reasonable efforts to procure subscription for Equity Shares to be placed with the QIBs, pursuant to Chapter VIII-A of the SEBI Regulations.

The Issue and Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to termination in accordance with the terms contained therein.

Our Company has received in-principle approvals from the Stock Exchanges under Clause 24(a) of the Equity Listing Agreement to list the Equity Shares being offered in the Issue on the Stock Exchanges. After Allotment of the Equity Shares, applications shall be made to list the Equity Shares and admit them to trading on the Stock Exchanges. The Issue is subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after the Allotment.

In connection with the Issue, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers (or their affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and issuance of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribution or in connection with the issuance of P-Notes. See "***Offshore Derivative Instruments***" beginning on page 6.

From time to time, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and certain of their affiliates have provided and continue to provide commercial and investment banking services, particularly acting as an underwriter or lead manager, to us or our affiliates for which they have received and may in the future receive compensation. For instance, DSP Merrill Lynch Limited, IDFC Capital Limited, SBI Capital Markets Limited and Axis Capital Limited, Book Running Lead Managers to this Issue, also acted as book running lead managers for the initial public offering of our Equity Shares in November 2007.

Further, affiliates of certain of Book Running Managers have provided loans and other financial assistance in the ordinary course of their businesses. Affiliates of DSP Merrill Lynch Limited, IDFC Capital Limited, Axis Capital Limited and Standard Chartered Securities (India) Limited are among the lenders to our Company. SBI Capital Markets Limited or some of its affiliates, in their normal course of business, are also among the lenders or are associated with our Company or its affiliates for providing advisory services, syndication, arranger or as other financial intermediary from time to time.

Lock-up

The Company will not, without consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, from the date hereof and for a period of up to 90 days from the Closing Date, directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares, or file any registration statement under the U.S. Securities Act or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; or (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or a deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise, provided, however, that the foregoing restrictions shall not be applicable to the issuance of the Issue Shares pursuant to the terms of the Issue and Placement Agreement and the Red Herring Prospectus and this Prospectus.

The Promoters, during the period commencing on the date hereof and ending 60 days after the date of Allotment of Equity Shares under the Issue (the "**Lock-up Period**"), agree not to (a) directly or indirectly, offer, lend, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Promoter Equity Shares or any securities convertible into or exercisable for Promoter Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Promoter Equity Shares which may be deemed to be beneficially owned by Promoters), or file any registration statement under the U.S. Securities Act of 1933, as amended, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Promoter Equity Shares or any securities convertible into or exercisable or exchangeable for Promoter Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Promoter Equity Shares or such other securities, in cash or otherwise); or (c) deposit Promoter Equity Shares with any other depositary in connection with a depositary receipt facility or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Promoter Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above; provided, however, that the foregoing restrictions do not apply (i) any inter-se transfer of Equity Shares between the Promoters and Promoter Group, provided that the lock-up shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the Lock-up Period set out herein has expired; (ii) to any sale, transfer or disposition of Promoter Equity Shares by the Promoters to the extent such sale, transfer or disposition is required by Indian law; and (iii) any sale, transfer or disposition of Equity shares by the Promoters, pursuant to enforcement of any pledge that has been created by the Promoters in respect of the Equity Shares.

Inter-se Allocation of Responsibilities of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers

The following table sets forth the *inter se* allocation of responsibilities for various activities among the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers for the Issue:

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	DSP Merrill Lynch
2.	Due diligence of the Company including its operations, management, business plans, legal etc. Drafting and design of offer document. Drafting and design of other issue related material such as application forms etc. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalisation of offer documents and the RoC filing.	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	DSP Merrill Lynch
3.	Drafting and approval of all statutory advertisements	Global Coordinators and Book Running	DSP Merrill

Sr. No.	Activities	Responsibility	Co-ordinator
		Lead Managers and the Book Running Lead Managers	Lynch
4.	Review of other publicity material such as corporate advertisements, press releases, etc. Preparing road show presentation and frequently asked questions	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	Morgan Stanley
5.	Appointment of intermediaries, including the Public Issue Account Bank, the Registrar to the Issue, the printers, the advertising agency.	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	DSP Merrill Lynch
6.	Institutional (including domestic) marketing strategy, which will cover, *inter alia:* • Finalising the Investor Master-list and division of investors for one to one meetings • Finalising the road show schedule • Managing logistics for road shows	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	Morgan Stanley
7.	International institutional marketing strategy, which will cover, *inter alia*: • Finalising the international road show schedule • Managing logistics for international road shows	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	DSP Merrill Lynch
8.	Pricing, managing the book and allocation	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	Morgan Stanley
9.	Co-ordination with the Stock Exchanges for book building software and bidding terminals. Post-bidding activities including management of escrow accounts, follow-up with SCSBs, Registrar to the Issue, co-ordination for allocation, demat delivery of Equity Shares, intimation of Allocation and dispatch of the CANs to Applicants etc. The Book Running Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Company. The post Issue activities will involve essential co-ordination and follow up steps with the Stock Exchanges, which include the finalisation of listing and trading of Equity Shares.	Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	Morgan Stanley

SELLING RESTRICTIONS

General

No action has been or will be taken in any jurisdiction by the Company or the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers that would permit a public offering of the Equity Shares or the possession, circulation or distribution of the Prospectus or any other material relating to the Company or the Equity Shares in the Placement in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares in the Placement may not be offered or sold, directly or indirectly and neither the Prospectus nor any other offering material or advertisements in connection with the Equity Shares issued pursuant to the Placement may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Company or the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers. The Placement will be made in compliance with the SEBI ICDR Regulations. Each subscriber of the Equity Shares in the Placement will be required to make, or will be deemed to have made, as applicable, the acknowledgments and agreements as described under the section titled "Transfer Restrictions".

Australia. The Prospectus is not a disclosure document under Chapter 6D of the Corporations Act 2001 (the "Australian Corporations Act"), has not been lodged with the Australian Securities & Investments Commission and does not purport to include the information required of a disclosure document under the Australian Corporations Act. (i) The offer of Equity Shares is only made to persons to whom it is lawful to offer Equity Shares without disclosure to investors under Chapter 6D of the Australian Corporations Act under one or more exemptions set out in Section 708 of the Australian Corporations Act; (ii) the Prospectus is made available in Australia to persons as set forth in clause (i) above; and (iii) by accepting this offer, the offeree represents that the offeree is such a person as set forth in clause (ii) above and agrees not to sell or offer for sale within Australia any Equity Share sold to the offeree within 12 months after their transfer to the offeree under the Prospectus.

Bahrain. All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. The Prospectus has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. The Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and the Prospectus will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("BMA") has not reviewed, nor has it approved, the Prospectus or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

Cayman Islands. No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

European Economic Area (including Liechtenstein, Iceland and Norway). In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "Relevant Member State"), an offer may not be made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), make an offer of Equity Shares to the public in that Relevant Member State at any time:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

- to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year, (ii) a total balance sheet of more than €50,000,000, as shown in its last annual consolidated accounts;

- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers for any such offer; or
- in any other circumstances which do not require the publication of a prospectus pursuant to Article 3(2) of the Prospectus Directive.

provided that no such offer of Equity Shares shall result in a requirement for the publication by our Company or the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means, of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

Hong Kong. No Equity Shares have been offered or sold, and no Equity Shares may be offered or sold, in Hong Kong by means of any document, other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal agent; or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32) of Hong Kong. No document, invitation or advertisement relating to the Equity Shares has been issued or may be issued, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to the Equity Shares which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Japan. The offering of the Equity Shares has not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "Financial Instruments and Exchange Law"). No Equity Shares have been offered or sold, and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and otherwise in compliance with the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial ordinances of Japan.

Korea. The Equity Shares have not been registered under the Korean Securities and Exchange Law, and the Equity Shares acquired in connection with the distribution contemplated hereby may not be offered or sold, directly or indirectly, in Korea or to or for the account of any resident thereof, except as otherwise permitted by applicable Korean laws and regulations, including, without limitation, the Korean Securities and Exchange Law and the Foreign Exchange Transaction Laws.

Kuwait. The Equity Shares have not been authorized or licensed for offering, marketing or sale in the State of Kuwait. The distribution of the Prospectus and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia. No approval of the Securities Commission of Malaysia has been or will be obtained in connection with the offer and sale of the Equity Shares in Malaysia nor will any prospectus or other offering material or document in connection with the offer and sale of the Equity Shares be registered with the Securities Commission of Malaysia. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia.

New Zealand. The Prospectus is not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the "New Zealand Securities Act"). The Prospectus is being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand

Securities Act ("Habitual Investors"). By accepting the Prospectus, each investor represents and warrants that if they receive the Prospectus in New Zealand they are a Habitual Investor and they will not disclose the Prospectus to any person who is not also a Habitual Investor.

Oman. The Prospectus and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("CMA") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Prospectus will not take place inside Oman. The Prospectus is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

Qatar. The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the state of Qatar in a manner that would constitute a public offering. The Prospectus has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, the Prospectus is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than recipient thereof.

Saudi Arabia. The Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of the Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of the Prospectus. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of the Prospectus, you should consult an authorized financial adviser. Saudi Arabia. The Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

Singapore. Each of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers has acknowledged that the Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers has represented and agreed that it has not offered or sold any Equity Shares issued pursuant to the Placement or caused such Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such Equity Shares issued pursuant to the Placement or cause such Equity Shares to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will they circulate or distribute, the Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Equity Shares issued pursuant to the Placement, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 by a relevant person which is:

(a) a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation to the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except:

i. to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

ii. where no consideration is or will be given for the transfer;

iii. where the transfer is by operation of law; or

iv. as specified in Section 276(7) of the SFA.

Switzerland. The Prospectus does not constitute an issue prospectus pursuant to Art. 652a of the Swiss Code of Obligations. The Equity Shares will not be listed on the SWX Swiss Exchange and, therefore, the Prospectus does not comply with the disclosure standards of the Listing Rules of the SWX Swiss Exchange. Accordingly, the Equity Shares may not be offered to the public in or from Switzerland, but only to a selected and limited group of investors, which do not subscribe the Equity Shares with a view to distribution to the public. The investors will be individually approached by the the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers from time to time. The Prospectus is personal to each offeree and do not constitute an offer to any other person. The Prospectus may only be used by those persons to whom they have been handed out in connection with the offer described herein and may neither directly nor indirectly be distributed or made available to other persons without the express consent of our Company. The Prospectus may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in or from Switzerland

United Arab Emirates. The Prospectus is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the United Arab Emirates (the "UAE"). The Equity Shares have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities market or with any other UAE exchange. The Placement, the Equity Shares and interests therein do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise. The Prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Equity Shares may not be offered or sold directly or indirectly to the public in the UAE.

By receiving this Prospectus, the person or entity to whom the Prospectus has been issued understands, acknowledges and agrees that the Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or sale of securities. The Dubai Financial Services Authority has not approved this Prospectus nor taken steps to verify the information set out in it, and has no responsibility for it.

United Kingdom. Each of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers has represented and agreed that it:

i. is a person who is a qualified investor within the meaning of Section 86(7) of the Financial Services and Markets Act 2000 (the "FSMA"), being an investor whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

ii. has not offered or sold and will not offer or sell the Equity Shares other than to persons who are qualified investors within the meaning of Section 86(7) of the FSMA or who it reasonably expects will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Equity Shares would otherwise constitute a contravention of Section 19 of the FSMA by us.

United States of America. The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(2) under the Securities Act; and (b) outside the United States in offshore transactions in reliance on Regulation S of the Securities Act.

TRANSFER RESTRICTIONS

The Equity Shares being Allotted shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares.

United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Each purchaser of the Equity Shares outside the United States pursuant to Regulation S will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

2. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time the buy order for the Equity Shares was originated and continues to be located outside the United States and has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

3. the purchaser is not an affiliate (as defined in Rule 405 of the Securities Act) of our Company or a person acting on behalf of such affiliate; and it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Equity Shares from our Company or an affiliate (as defined in Rule 405 of the Securities Act) thereof in the initial distribution of the Equity Shares;

4. the purchaser is aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in this Prospectus;

5. the Equity Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S under the Securities Act; and

6. the purchaser acknowledges that our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each purchaser of the Equity Shares within the United States purchasing pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

3. the purchaser is a qualified institutional buyer (as defined in Rule 144A under the Securities Act), is aware that the sale to it is being made in a transaction not subject to the registration requirements of the Securities Act and is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer;

4. the purchaser is aware that the Equity Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;

5. if in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only to a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

8. our Company shall not recognize any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions; and

the purchaser acknowledges that our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from SEBI, the BSE and the NSE, and has not been prepared or independently verified by our Company, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members or any of their respective affiliates or advisors.

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Stock Exchange Division, under the SCRA and the SCRR. On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. Further, various rules, bye-laws and regulations of Indian stock exchanges also regulate the recognition of the stock exchanges and provide for the qualifications for membership thereof and the manner in which contracts are entered into, settled and enforced between members.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and other intermediaries, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, investor protection, insider trading, substantial acquisitions of shares and takeovers of companies, buybacks of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authorities.

Most of the stock exchanges have their own governing board for self regulation. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the equity listing agreements of the respective stock exchanges. The governing body of each recognised stock exchange is empowered to suspend or withdraw admission to dealings in a listed security for breach of or non compliance with any conditions under such equity listing agreement or for any other reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend such equity listing agreements and the bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "**Delisting Regulations**") in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25% and have been given a period of three years to comply with such requirement. An institutional placement programme is one of the methods prescribed for listed companies to reach public shareholding of 25%.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchange of India.

As of April 30, 2013, the BSE had 1,385 members, comprising 208 individual members, 1,147 Indian companies and 30 FIIs. Only a member of the BSE has the right to trade in the stocks listed on the BSE. As of April 30, 2013 there were 5,224 listed companies trading on the BSE (excluding permitted companies). The estimated market capitalisation of stocks trading on the BSE was ₹ 67,896.90 billion as on April 30, 2013. In April 2013, the average daily equity turnover on the BSE was ₹ 20.49 billion. As of April 30, 2013, the BSE had 15,689 trader work stations spread over 221 cities.

NSE

The NSE was established by financial institutions and banks to provide nationwide on-line satellite-linked screen-based trading facilities with electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchange of India. The NSE was recognised as a stock exchange in April 1993 and commenced operations in the wholesale debt market segment in June 1994.

The average daily turnover for April 2013 was ₹ 105.40 billion. The NSE launched the NSE 50 index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996. As of April 30, 2013 the NSE had 1,671 companies listed and market capitalisation of approximately ₹ 64,903.73 billion. The NSE has a wide network in major metropolitan cities and has a screen based trading and a central monitoring system.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the BSE and the NSE occurs from Monday through Friday, from 9.15 a.m. to 3.30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. to 9.15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in cash and derivatives segments) subject to the condition that (i) the trading hours are between 9 a.m. and 5 p.m.; and (ii) the stock exchange has in place risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (BOLT) facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. NSE also provides on-line trading facilities through a fully automated screen based trading system called 'National Exchange for Automated Trading' (NEAT).

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover being the Takeover Regulations. Since our Company is an Indian listed company, the provisions of the Takeover Regulations apply to our Company.

Insider Trading Regulations

The Insider Trading Regulations have been notified by SEBI to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information. The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in our Company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information of the company.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended, which among other things provide regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

The NSDL and the CDSL are two depositories that provide electronic depository facilities for the trading of equity and debt securities in India.

DESCRIPTION OF THE EQUITY SHARES

The following is a summary of some of the provisions contained in, and is qualified in its entirety by, our Company's Memorandum and Articles of Association, the Companies Act, the SCRA and other related Indian regulations. Prospective investors are urged to read our Company's Memorandum and Articles of Association carefully, and consult with their advisers, as to our Company's Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights of the holders of the Equity Shares.

Authorised Capital

The authorised share capital of our Company is ₹ 10,000 million divided into 4,975,000,000 Equity Shares of ₹ 2 each and 5,000,000 Non Cumulative Redeemable Preference Shares of ₹ 10 each.

Articles of Association

Our Company is governed by its Articles of Association.

Dividends

Under the Companies Act, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the members, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. Subject to certain conditions specified under Section 205 of the Companies Act, no dividend can be declared or paid by a company for any financial year except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous financial year(s) arrived at as laid down by the Companies Act and remaining undistributed, or out of both.

However, the board of directors is not obligated to recommend a dividend. The decision of the Board of Directors and shareholders of our Company may depend on a number of factors, including but not limited to, our Company's profits, capital requirements and overall financial condition.

No unpaid or unclaimed dividend shall be forfeited unless the claim thereto becomes barred by law. Our Company shall comply with the provisions of Section 205A read with Section 205C of the Companies Act and the Articles of our Company in respect of unpaid or unclaimed dividend. In addition, as permitted by the Articles, the Board may from time to time pay to the members of our Company such interim dividends as in their judgment the position of our Company justifies.

Subject to applicable provisions of the FEMA, all dividends and other distributions declared and payable on the Equity Shares may be paid by our Company to the holder thereof in Indian Rupees and may be converted into foreign currency and freely transferred out of India without the necessity of obtaining any governmental or regulatory authorisation or approval in the India or any political subdivision or taxing authority thereof.

The Equity Shares issued pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company in all respects including entitlements to any dividends that may be declared by our Company.

Capitalisation of Profits and Issue of Bonus Shares

Our Company may capitalise any amounts forming part of its undistributed profits including amounts standing to the credit of our Company's reserve funds or profit and loss account or otherwise available for distribution in the hands of our Company to shareholders who have been entitled thereto by way of dividend and in the same proportions. The above sum shall not be paid in cash, but to be applied either in or towards: (i) paying up any amount unpaid on any shares held by such shareholders respectively; (ii) paying up in full any unissued shares of our Company, credited as fully paid up to and amongst the shareholders in the proportion aforesaid; or (iii) partly in the way specified in (i) and partly in the way specified in (ii). However, the share premium account and the capital redemption reserve account of our Company can only be applied towards payment for unissued shares to be issued to members of our Company as fully paid bonus shares. Any issue of bonus shares by a listed company will be subject to the applicable SEBI regulations.

Alteration of Share Capital

Our Company's issued share capital may be increased by, *inter alia*, creation of new shares.

Subject to provisions of the Companies Act, our Company may also from time to time by special resolution reduce its share capital or capital redemption reserve account or share premium account. Further, our Company may convert all or any of its fully paid paid-up Equity Shares into stock and re-convert that stock into paid-up equity shares of any denomination.

The Articles further provide that our Company may in a general meeting, from time to time consolidate or sub-divide its share capital or any of them subject as aforesaid and our Company in a general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Pre-emptive Rights

When it is proposed to increase the subscribed capital of our Company by the issue of new Equity Shares, whether out of unissued share capital or out of increased share capital, such Equity Shares shall be offered first to the existing shareholders in proportion to the to the capital paid up on those shares at that date.

Further, new Equity Shares may be offered to any person whether or not those persons include existing shareholders, either if a special resolution to that effect is passed by the shareholders of our Company in a general meeting, or where a simple majority of shareholders present and voting have passed the resolution and the permission of the Government has been obtained.

Preference Shares

Our Company may issue preference shares which are liable to be redeemed subject to provisions of the Companies Act.

General Meetings of Shareholders

Our Company must hold its annual general meeting in accordance with provisions of the Companies Act and shall specify meeting as such in the notice calling it, except in the case where the Registrar of Companies at the request of our Company for any special reason has given an extension of time for the holding the annual general meeting, then the same to be held within such additional period.

Written notices convening a meeting setting out the date, place and agenda of the meeting must be given to members at least 21 days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received from all shareholders entitled to vote at an annual general meeting, and from shareholders holding not less than 95% of the paid-up capital of the company, at any other meeting. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

A listed company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum of association, the issuing of shares with differential voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares under the Section 77A(1) of the Companies Act, is required to obtain the resolution passed by means of a postal ballot instead of transacting such business in the company's general meeting. A notice to all the shareholders is required to be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Such postal ballot includes procedure for voting by electronic mode.

Voting Rights

Every member present in person and entitled to vote shall have one vote on a show of hands and on a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of our Company.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles. The instrument appointing a proxy is required to be deposited at the registered office of our Company at least 48 hours before the time of the meeting. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by our Company at the office before the meeting. Further no member shall be entitled to exercise any voting right personally or by proxy at any meeting of our Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid in regard to which our Company has exercised any right of lien.

Pursuant to SEBI Circular dated July 13 2012, our Company (being one of the top 500 companies listed on the Stock Exchanges based on market capitalization as on the date of the circular) is required to provide e-voting facility to its shareholders for the businesses which are transacted through postal ballot and for which the notices are issued on or after October 1, 2012.

Register of Members

Our Company is required to maintain a register of members wherein the particulars of the members of our Company are entered. For the purpose of determining the shareholders the register may be closed for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the board of directors may deem expedient.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the shareholders of a company. This includes financial information about our Company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and is sent to the shareholders of our Company.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI, which provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with NSDL and CDSL.

Under the Equity Listing Agreements, in respect of transfer of Equity Shares, in the event our Company does not effect transfer of Equity Shares within one month or where our Company fails to communicate to the transferee any valid objection to the transfer within the stipulated time period of one month, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares of our Company are freely transferable. Further, in terms of the Articles, any person, entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends, or money as provided in the Articles, be entitled to receive, and may give a discharge for any dividends or other money payable in respect of the share.

Liquidation Rights

Under the Articles of the Company, the liquidator on any winding-up (whether voluntary or otherwise) may, with the sanction of a special resolution, divide among the contributors in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories (or any of them) as the liquidator shall think fit.

TAXATION

I. ***Statement of possible tax benefits available to the Company and its shareholders under the applicable laws in India***

Statement of Tax Benefits

To,
Board of Directors,
Adani Ports and Special Economic Zone Limited
Ahmedabad.

Dear Sirs,

Sub: Statement of possible tax benefits available to Adani Ports and Special Economic Zone Limited ("the Company") and its shareholders

We refer to the proposed Institutional Placement Program (IPP) of the shares of **Adani Ports and Special Economic Zone Limited** ("the Company") and enclose the statement showing the current position of tax benefits available to the Company and to its shareholders as per the provisions of the Income Tax Act, 1961 (incorporating amendments introduced by Finance Act, 2013) and the Wealth Tax Act, 1957 for inclusion in the Prospectus.

This statement is provided for general information purposes only and each investor is advised to consult its own tax consultant with respect to specific income/wealth tax implications arising out of participation in the issue.

Unless otherwise specified, sections referred below are sections of the Income tax Act, 1961 ("IT Act") and The Wealth Tax Act, 1957 ("WT Act). The benefits set out below are subject to conditions specified therein read with the Income Tax Rules, 1962 and the Wealth Tax Rules, 1957 presently in force.

The benefits outlined in the enclosed statement based on the information and particulars provided by the Company are neither exhaustive nor conclusive.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future.
- the conditions prescribed for availing the benefits have been/would be met with.
- the revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding tax benefits available to the Company and to its shareholders in the Prospectus for the proposed IPP which the Company intends to submit to the Securities and Exchange Board of India, the Registrar of Companies and the Stock Exchange(s).

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of **Adani Ports and Special Economic Zone Limited** and shall not, without our prior written consent, be disclosed to any other person.

Yours faithfully,

For,
M/s. G. K. Choksi & Co.,
(Firm Registration No: 101895W)
Chartered Accountants

ROHIT K CHOKSI
Partner
Mem No: 31103

Place: Ahmedabad
Date: 29th May, 2013

STATEMENT OF TAX BENEFITS AVAILABLE TO ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

The tax benefits listed below are the possible benefits available under the current tax laws in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

1. <u>SPECIFIC TAX BENEFITS AVAILABLE TO THE COMPANY</u>

The following specific tax benefits are available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws.

Income arising from business of Development of SEZ

As per section 80-IAB of the Income Tax Act, 1961 ("IT Act"), a deduction of an amount equal to one hundred percent of the profits and gains derived by an undertaking or an enterprise from any business of developing a Special Economic Zone, notified on or after the 1st day of April, 2005 under the Special Economic Zones Act, 2005, shall be allowed to an assessee, being Developer of a Special Economic Zone. Such deduction is available for ten consecutive assessment years out of fifteen assessment years beginning from the year in which Special Economic Zone is notified by the Central Government. The Company is a Developer of Mundra Special Economic Zone and accordingly, is eligible for the aforesaid deduction.

However, the aforesaid deductions are not available while computing tax liability of the Company under Minimum Alternative Tax (MAT). Nonetheless, such MAT paid/payable on the book profits of the Company computed in terms of the provisions of IT Act, read with the Companies Act, 1956 would be eligible for credit against tax liability arising under normal provisions of tax post tax holiday period.

2. <u>SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS</u>

There are no special tax benefits available to resident as well as non – resident shareholders of the Company.

3. <u>GENERAL TAX BENEFITS AVAILABLE TO THE COMPANY</u>

The following benefits are available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws.

i. Dividends

➢ **Exemption u/s 10 (34)**

As per section 10(34) of the IT Act, any income by way of dividends referred to in section 115-O from a domestic company is exempt from tax in the hands of the company. Such income is also exempt from tax while computing book profit for the purpose of determination of MAT liability.

However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

- **Exemption u/s 10 (35) of the IT Act**

  As per section 10(35) of the IT Act, the following incomes will be exempt in the hands of the company –

  a) Income received in respect of the units of a mutual fund specified under clause (23D) of Section 10 of the IT Act; or

  b) Income received in respect of units from the administrator of the specified undertaking; or

  c) Income received in respect of units from the specified company.

  Such income is also exempt from tax while computing book profit for the purpose of determination of MAT liability.

  However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

  Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

  However, this exemption does not apply to any income arising from transfer of units of the administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

- **Dividend Received from Specified Foreign Companies – Section 115BBD**

  As per section 115BBD, where the Company receives any dividend from a foreign company in which it holds 26% or more in nominal value of equity share capital, the income tax on such dividend shall be payable at the rate of 15% (plus applicable surcharge, education cess and secondary higher education cess).

ii. <u>Profits and Gains of Business or Profession</u>

- As per section 35AC of the IT Act, a deduction of the amount of expenditure incurred by way of payment of any sum to a public sector company or a local authority or to an association or institution approved by the National committee for carrying out any eligible project or scheme, is allowable while computing income from profits and gains of business or profession.

- Where the Company pays any sum to a National Laboratory or a University or an Indian Institute of Technology or specified person referred to in section 35(2AA) of the IT Act with a specific direction that the said sum shall be used for scientific research undertaken under a programme approved in this behalf, the deduction shall be allowed of a sum equal to two times of the sum so paid.

- In case the Company or any of its subsidiary companies is engaged in any of the specified businesses as prescribed in Section 35AD of the IT Act, there shall be allowed a deduction of 100% or 150% of the capital expenditure incurred except cost of land, goodwill or any financial instruments depending on the type and nature of the business and the date on which such business is commended as prescribed in Section 35AD.

- Under Section 35(1)(i) and Section 35(1)(iv) of the IT Act, in respect of any revenue or capital expenditure incurred respectively, other than expenditure on the acquisition of any land, on scientific research related to the business of the company are allowed as deduction against the income of Company.

- Under Section 35(1)(ii) of the IT Act, any sum paid to a research association which has as its object, the undertaking of scientific research or to a university, college or other institution to be used for scientific research is eligible for weighted deduction to the extent of one and three-fourth times (175%) of the sum so paid. This weighted deduction is available to amounts paid to approved research association, university, college or institution.

- Under Section 35(1)(iia) of the IT Act any sum paid to a company registered in India which has as its main object the conduct of scientific research and development and is approved by the prescribed authority and fulfils such conditions as may be prescribed shall be liable to deduction at one and one fourth times (125%) of the amount so paid.

- Subject to certain conditions, Section 35D of the IT Act provides for deduction of specified preliminary expenditure incurred before the commencement of the business or after the commencement of business in connection with the extension of the undertaking or in connection with the setting up a new unit. The deduction allowable is equal to one-fifth of such expenditure incurred for each of the five successive previous years beginning with the previous year in which the business commences.

- Under Section 35DD of the IT Act, the Company will be entitled to a deduction equal to 1/5th of the expenditure incurred in connection with Amalgamation or Demerger of an undertaking by way of amortization over a period of 5 successive years, beginning with the previous year in which the amalgamation or demerger takes place.

iii. Depreciation

The Company is entitled to claim depreciation on specified tangible and intangible assets owned and used by it for the purpose of its business as per provisions of section 32 of the IT Act.

iv. Carry forward and Set Off of Business loss and unabsorbed depreciation

- Business loss (other than speculative loss), if any, arising during a year can be set off against the income under any other head of income, other than income under the head ‘salaries’, in terms of the provisions of section 71 of the IT Act. Balance business loss, if any, can be carried forward and set off against business profits for eight subsequent years in terms of the provisions of section 72 of the IT Act.

- Unabsorbed depreciation under section 32(2) of the IT Act and loss on account of capital expenditure under section 35(1)(iv) of the IT Act can be carried forward and set off against any source of income in subsequent years subject to provisions of section 72(2) of the IT Act.

v. Capital gains

- As per section 2(42A) of the IT Act, shares held in a company or any other security listed in a recognized stock exchange in India or units of the Unit Trust of India or units of a mutual fund specified under section 10(23D) of the IT Act or zero coupon bonds will be considered as short term capital asset if the period of holding of such shares, units or security is twelve months or less. If the period of holding is more than twelve months, it will be considered as long term capital assets as per section 2(29A) of the IT Act. In respect of other assets the determinative period of holding is thirty six months as against twelve months mentioned above. Further, gain/loss arising from the transfer of short term capital asset and long term capital asset is regarded as short term capital gains and long term capital gains respectively.

- Section 48 of the IT Act, which prescribes the mode of computation of Capital Gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of Capital Gains. However, in respect of long term capital gains, it offers a benefit by permitting substitution of cost of acquisition/improvement with the indexed cost of acquisition/improvement, which adjusts the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time.

- As per section 10(38) of the IT Act, long term capital gains arising to the Company from transfer of long term capital asset being an equity share in a Company or a unit of an equity oriented fund listed in recognized stock exchange in India where such transaction is chargeable to Securities Transaction Tax (STT) will be exempt in the hands of the Company.

However, such income shall be taken into account in computing book profit under section 115JB of the IT Act.

- As per section 54EC of the IT Act, capital gains up to ₹ 50 Lakhs per annum, arising from the transfer of a long term capital asset (in cases not covered under section 10(38) of the IT Act) are exempt from capital gains tax provided such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by National Highways Authority of India (NHAI) or Rural Electrification Corporation Ltd (RECL).

- Gains arising on transfer of short term capital assets are currently chargeable to tax at the rate of 30 percent (plus applicable surcharge, education cess and secondary higher education cess). However, as per section 111A of the IT Act, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to STT, will be taxable at the rate of 15% (plus applicable surcharge, education cess and higher education cess).

- However, as per the proviso to section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units or zero coupon bond (other than through a recognised stock exchange), calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at concessional rate of 10 percent (plus applicable surcharge, education cess and secondary higher education cess).

- As per section 70 read with section 74 of the IT Act, short term capital loss arising during a year is allowed to be set-off against short term capital gains as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years in terms of the provisions of section 74 of the IT Act.

- Long term capital loss arising during a year is allowed to be set-off only against long term capital gains in terms of section 70 of the IT Act. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years in terms of the provisions of section 74 of the IT Act. Long term capital loss arising on sale of shares or units of equity oriented fund subject to STT may not be carried forward for set off.

vi. Credit of Minimum Alternate Tax ("MAT")

- As per section 115JAA(1A) of the IT Act, credit is allowed in respect of tax paid under section 115JB of the IT Act for any assessment year commencing on or after April 1, 2006.

- MAT credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the IT Act for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to ten assessment years immediately succeeding the assessment year in which the MAT credit becomes allowable under section 115JAA(1A) of the IT Act.

- MAT credit can be set off in a year when tax is payable under the normal provisions of the IT Act. MAT credit to be allowed shall be the difference between MAT payable and the tax computed as per the normal provisions of the IT Act for that assessment year.

vii. Tax on distributed profits of domestic companies

As per section 115-O of the IT Act, tax on distributed profits of domestic companies is chargeable at 15% (plus applicable surcharge, education cess and higher education cess). As per sub-section (1A) to section 115-O, the domestic Company will be allowed to set-off the dividend received from its subsidiary company during the financial year against the dividend distributed by it, while computing the Dividend Distribution Tax (DDT) if:

a) the dividend is received from its domestic subsidiary and the subsidiary has paid the DDT payable on such dividend; or

b) the dividend is received from a foreign subsidiary, the Company has paid tax payable under section 115BBD.

Provided, that the same amount of dividend shall not be taken into account for reduction more than once. For the purpose of this sub-section, a company shall be a subsidiary of another company, if such other company holds more than half in nominal value of the equity share capital of the company.

viii. Other Deductions

- A deduction amounting to 100% or 50%, as the case may be, of the sums paid as donations to various entities is allowable as per section 80G of the IT Act.

- A deduction amounting to 100% of any sum contributed to any political party or an electoral trust is allowable under section 80GGB of the IT Act while computing total income.

4. GENERAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

4.1 RESIDENT SHAREHOLDERS

- Under Section 10(34) of the IT Act, income earned by way of dividend from domestic company referred to in Section 115-O of the IT Act is exempt from income-tax in the hands of the shareholders. Accordingly, dividend declared by the Company is exempt in the hands of shareholders.

- Under Section 10(38) of the IT Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the Company (i.e. capital asset held for the period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, such long term capital gains of a shareholder being company shall be taken into account in computing tax payable under section 115JB, if the shareholder is a company.

- In terms of section 36(1)(xv) of the IT Act, STT paid in respect of the taxable securities transactions entered into in the course of the business by a shareholder is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

- As per the provisions of Section 10(23D) of the IT Act, all mutual funds set up by public sector banks, public financial institutions or mutual funds registered under the Securities and Exchange Board of India (SEBI) or authorized by the Reserve Bank of India are eligible for exemption from income-tax, subject to the conditions specified therein, on their entire income including income from investment in the shares of the Company.

- Under Section 54EC of the IT Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –

  i. National Highways Authority of India ('NHAI');

  ii. Rural Electrification Corporation Limited ('RECL');

  If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

- Under Section 54F of the IT Act, where in the case of an individual or HUF capital gain arise from transfer of long term assets [other than a residential house and those exempt u/s 10(38) of the IT Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced.

- Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act at 10% (plus applicable surcharge, education cess and higher education cess).

- Under Section 112 of the Act and other relevant provisions of the IT Act, long term capital gains [not covered under Section 10(38) of the IT Act] arising on transfer of shares of a listed company, if shares are held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge, education cess and secondary higher education cess) after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge, education cess and secondary higher education cess) (without indexation), at the option of the Shareholders.

4.2 BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ("FIIs"):

- **Dividends exempt under section 10 (34)**

  Under section 10(34) of the IT Act, income earned by way of dividend (Interim or final) from domestic company referred to in section 115-O of the IT Act is exempt from income tax in the hands of the shareholders.

  However, in view of the provisions of Section 14A of IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

  Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

- **Taxability of capital gains**

  Under section 10(38) of the IT Act, long term capital gains arising out of sale of equity shares or units of equity oriented fund will be exempt from tax provided that the transaction of sale of such equity shares or units is chargeable to STT.

  The income by way of short term capital gains or long term capital gains [long term capital gains not covered under section 10(38) of the IT Act] realized by FII's on sale of the shares of the Company would be taxed at the following rates as per section 115AD of the IT Act.

  - Short term capital gains, other than those referred to under section 111A of the IT Act shall be taxed @ 30% (plus applicable surcharge, education cess and secondary higher education cess).

  - Short term capital gains, referred to under section 111A of the IT Act shall be taxed @ 15% (plus applicable surcharge, education cess and secondary higher education cess).

  - Long term capital gains @10% (plus applicable surcharge, education cess and secondary higher education cess) (without cost indexation).

  It may be noted that the benefits of indexation and foreign currency fluctuation protection as provided by section 48 of the IT Act are not applicable.

- According to provisions of section 54EC of the IT Act and subject to the condition specified therein, long term capital gains not exempt under section 10(38) shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so reinvested, the exemption shall be allowed proportionately, provided that investments made in the said bonds should not exceed Rupees fifty lakhs.

However, if the assessee transfers or converts the notified bonds into money within a period of three years from the date of their acquisition, the amount of capital gains exempt earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

- **Provisions of the Act vis-à-vis provisions of the tax treaty**

As per Section 90(2) of the IT Act, the provisions of the Act would prevail over the provisions of the relevant tax treaty to the extent they are more beneficial to the non-resident, subject to compliance with sub-sections (4) and (5) of section 90 and section 206AA of the IT Act.

4.3 BENEFITS AVAILABLE TO MUTUAL FUNDS

As per the provisions of section 10(23D) of the IT Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under, Mutual Funds set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India, would be exempt from income tax subject to the conditions as the Central Government may notify. However, the mutual funds shall be liable to pay tax on distributed income to unit holders under section 115R of the Act.

4.4 BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS

As per the provisions of section 10(23FB) of the IT Act, any income of Venture Capital Companies/ Funds from investment in venture capital undertaking registered with the Securities and Exchange Board of India, would be exempt from income tax, subject to the conditions specified therein.. However, the income distributed by the Venture Capital Companies/ Funds to its investors would be taxable in the hands of the recipients.

4.5 BENEFITS AVAILABLE UNDER THE WEALTH-TAX ACT, 1957

Shares of the Company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957. Hence, no wealth tax will be payable on the market value of shares of the Company held by the shareholder of the Company.

Notes:

1. All the above benefits are as per the current tax law and will be available only to the sole/first named holder in case the shares are held by the joint holders.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (DTAA), if any, between India and the country in which the non-resident has fiscal domicile.
3. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

II. *Certain U.S. Federal Income Tax Considerations*

To ensure compliance with United States Treasury Department Circular 230, investors are hereby notified that: (i) any discussion of United States federal tax issues in this document is not intended or written to be relied upon, and cannot be relied upon by investors, for the purpose of avoiding penalties that may be imposed on investors under the United States Internal Revenue Code of 1986, as amended (the “Code”); (ii) such discussion is written in connection with the promotion or marketing of the transactions or matters addressed herein by the Company and dealers, managers and underwriters; and (iii) investors should seek advice based on their particular circumstances from their own independent tax advisors.

The following is a discussion of certain material U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person's decision to acquire Equity Shares.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets for U.S. federal income tax purposes (generally, for investment). This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or foreign currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually or constructively owns 10% or more, by voting power, of the Company's voting stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or
- a U.S. holder whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed income tax regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company ("PFIC") rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion. This discussion is not binding on the U.S. Internal Revenue Service ("IRS") or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

You are a "U.S. holder" if you are a beneficial owner of Equity Shares and you are:

- a citizen or resident of the United States;
- a U.S. domestic corporation, or other entity treated as a domestic corporation for U.S. federal income tax purposes;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust if (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

A "non-U.S. holder" is a beneficial owner of Equity Shares that is neither a U.S. holder nor a partnership for U.S. federal income tax purposes.

Although not free from doubt, the Company does not believe that it should be treated as, and does not expect to become, a PFIC for U.S. federal income tax purposes. However, no assurance can be given that the Company will not be considered a PFIC in the current or future years. The determination whether or not the Company is a PFIC is a factual determination that is made annually based on the types of income it earns and the value of its assets. If the Company was currently or were to become a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the Code.

Taxation of Dividends

U.S. Holders. Subject to the PFIC rules below, if you are a U.S. holder you must include in your gross income the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by the Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, the Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

You should not include the amount of any Indian tax paid by the Company with respect to the profits out of which the dividends are paid, as that tax is, under Indian law, a liability of the Company and not the shareholders, unless you are a U.S. corporation that owns 10% or more of the voting stock of the Company and also claims a foreign tax credit against your U.S. tax liability for your share of income taxes paid by the Company. The dividend is ordinary income that you must include in income when you receive the dividend, actually or constructively. The dividend will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations.

Subject to the PFIC rules described below, dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding paragraph are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules.

Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", or in certain cases "general category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Non-U.S. Holders. Dividends paid to non-U.S. holders generally will not be subject to U.S. income tax unless the dividends are "effectively connected" with your conduct of a trade or business within the United States, and the dividends are attributable to a permanent establishment (or in the case of an individual, a fixed place of business) that you maintain in the United States if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. taxation on a net income basis. In such cases you generally will be taxed in the same manner as a U.S. holder (other than with respect to the Medicare Tax described below). If you are a corporate non-U.S. holder, "effectively connected" dividends may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

Taxation of Capital Gains

U.S. Holders. Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares, you will generally recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognized on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long-term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at a maximum rate of 20%. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other conditions are met. Your ability to deduct capital losses is subject to limitations.

Non-U.S. Holders. If you are a non-U.S. holder, you will not be subject to U.S. federal income tax on gain recognized on the sale, exchange or other disposition of your Equity Shares unless:

- the gain is "effectively connected" with your conduct of a trade or business in the United States, and the gain is attributable to a permanent establishment (or in the case of an individual, a fixed place of business) that you maintain in the United States if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. taxation on a net income basis; or

- you are an individual, you are present in the United States for 183 or more days in the taxable year of such sale, exchange or other disposition and certain other conditions are met.

In the first case, the non-U.S. holder will be taxed in the same manner as a U.S. holder (other than with respect to the Medicare Tax described below). In the second case, the non-U.S. holder will be subject to U.S. federal income tax at a rate of 30% on the amount by which such the non-U.S. holder's U.S.-source capital gains exceed such non-U.S.-source capital losses.

If you are a corporate non-U.S. holder, "effectively connected" gains that you recognize may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

Medicare Tax

Certain U.S. holders who are individuals, estates or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income", which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. This surtax applies to taxable years beginning after December 31, 2012. Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.

PFIC Considerations

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A foreign corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75 percent of its gross income is "passive income" or (ii) at least 50 percent of its gross assets during the taxable year, based on a quarterly average and generally by value, which produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. In determining whether a foreign corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Although not free from doubt, the Company does not believe that it should be treated as, and does not expect to become, a PFIC for U.S. federal income tax purposes, but the Company's possible status as a PFIC must be determined annually and therefore may be subject to change. Because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond the Company's control, including the amount and nature of the Company's income, as well as on the market valuation of the Company's assets and the Company's spending schedule for its cash balances and the proceeds of the Issue, and because certain aspects of the PFIC rules are not entirely certain, there can be no assurance that the Company is not a PFIC and will not become a PFIC or that the IRS will agree with our conclusion regarding our PFIC status.

A U.S. stockholder that holds stock in a foreign corporation during any taxable year in which the corporation qualifies as a PFIC is subject to special tax rules with respect to (a) any gain realized on the sale, exchange or other disposition of the stock and (b) any "excess distribution" by the corporation to the stockholder, unless the stockholder elects to treat the PFIC as a "qualified electing fund" ("**QEF**") or makes a "mark-to-market" election, each as discussed below. An "excess distribution" is that portion of a distribution with respect to PFIC stock that exceeds 125% of the average of such distributions over the preceding three-year period or, if shorter, the stockholder's holding period for its shares. Excess distributions and gains on the sale, exchange or other disposition of stock of a corporation which was a PFIC at any time during the U.S. stockholder's holding period are allocated ratably to each day of the U.S.

stockholder’s holding period. Amounts allocated to the current taxable year and any taxable year in which the Company was not a PFIC will be taxed as ordinary income (rather than capital gain) earned in the current taxable year. Amounts allocated to other years are taxed at the highest ordinary income tax rates in effect for those years, and the tax for each such prior year is subject to an interest charge at the rate applicable to income tax deficiencies. The preferential U.S. federal income tax rates for dividends and long-term capital gain of individual U.S. holders (as well as certain trusts and estates) would not apply, and special rates would apply for calculating the amount of the foreign tax credit with respect to excess distributions. In addition, a U.S. stockholder who acquires shares in a PFIC from a decedent generally will not receive a “stepped-up” fair market value tax basis in such shares but, instead, will receive a tax basis equal to the decedent’s basis, if lower.

If a corporation is a PFIC for any taxable year during which a U.S. stockholder holds shares in the corporation, then the corporation generally will continue to be treated as a PFIC with respect to the stockholder’s shares, even if the corporation no longer satisfies either the passive income or passive assets test described above, unless the U.S. stockholder terminates this deemed PFIC status by electing to recognize gain, which will be taxed under the excess distribution rules as if such shares had been sold on the last day of the last taxable year for which the corporation was a PFIC.

The excess distribution rules may be avoided if a U.S. stockholder makes a QEF election effective beginning with the first taxable year in the stockholder’s holding period in which the corporation is a PFIC. A U.S. stockholder that makes a QEF election is required to include in income its pro rata share of the PFIC’s ordinary earnings and net capital gain as ordinary income and long-term capital gain, respectively, subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. A U.S. stockholder whose QEF election is effective after the first taxable year during the stockholder’s holding period in which the corporation is a PFIC will continue to be subject to the excess distribution rules for years beginning with such first taxable year for which the QEF election is effective.

In general, a U.S. stockholder makes a QEF election by attaching a completed IRS Form 8621 to a timely filed (taking into account extension) U.S. federal income tax return for the year beginning with which the QEF election is to be effective. In certain circumstances, a U.S. stockholder may be able to make a retroactive QEF election. A QEF election can be revoked only with the consent of the IRS. In order for a U.S. stockholder to make a valid QEF election, the corporation must annually provide or make available to the stockholder certain information. The Company does not intend to provide to U.S. stockholders the information required to make a valid QEF election and the Company currently makes no undertaking to provide such information.

As an alternative to making a QEF election, a U.S. stockholder may make a “mark-to-market” election with respect to its PFIC shares if the shares meet certain minimum trading requirements. If a U.S. stockholder makes a valid mark-to-market election for the first tax year in which such stockholder holds (or is deemed to hold) stock in a corporation and for which such corporation is determined to be a PFIC, such holder generally will not be subject to the PFIC rules described above in respect of its stock. Instead, a U.S. stockholder that makes a mark-to-market election will be required to include in income each year an amount equal to the excess of the fair market value of the shares that the stockholder owns as of the close of the taxable year over the stockholder’s adjusted tax basis in the shares. The U.S. stockholder will be entitled to a deduction for the excess, if any, of the stockholder’s adjusted tax basis in the shares over the fair market value of the shares as of the close of the taxable year; provided, however, that the deduction will be limited to the extent of any net mark-to-market gains with respect to the shares included by the U.S. stockholder under the election for prior taxable years. The U.S. stockholder’s basis in the shares will be adjusted to reflect the amounts included or deducted pursuant to the election. Amounts included in income pursuant to a mark-to-market election, as well as gain on the sale, exchange or other disposition of the shares, will be treated as ordinary income. The deductible portion of any mark-to-market loss, as well as loss on a sale, exchange or other disposition of shares to the extent that the amount of such loss does not exceed net mark-to-market gains previously included in income, will be treated as ordinary loss.

The mark-to-market election applies to the taxable year for which the election is made and all subsequent taxable years, unless the shares cease to meet applicable trading requirements (described below) or the IRS consents to its revocation. The excess distribution rules generally do not apply to a U.S. stockholder for tax years for which a mark-to-market election is in effect. However, if a U.S. stockholder makes a mark-to-market election for PFIC stock after the beginning of the stockholder's holding period for the stock, a coordination rule applies to ensure that the stockholder does not avoid the tax and interest charge with respect to amounts attributable to periods before the election.

A mark-to-mark election is available only if the shares are considered "marketable" for these purposes. Shares will be marketable if they are regularly traded on a national securities exchange that is registered with the Securities and Exchange Commission or on a non-U.S. exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. For these purposes, shares will be considered regularly traded during any calendar year during which they are traded, other than in negligible quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. Each U.S. stockholder should ask its own tax advisor whether a mark-to-market election is available or desirable.

If the Company were to be treated as a PFIC in a taxable year and owned shares in another PFIC (a "lower–tier PFIC"), a U.S. holder would also be subject to the PFIC rules with respect to its indirect ownership of the lower-tier PFIC.

A U.S. stockholder of a PFIC must generally file an IRS Form 8621 annually and provide such other information as may be required by the U.S. Treasury Department if the U.S. stockholder (i) receives certain direct or indirect distributions from a PFIC, (ii) recognizes gain on a direct or indirect disposition of PFIC stock, or (iii) makes certain elections (including a QEF election or a mark-to-market election) reportable on IRS Form 8621.

U.S. holders are urged to consult their tax advisors as to the effect on them of the PFIC rules and the desirability of making, and the availability of, either a QEF election or a mark-to-market election with respect to our ordinary shares. The Company provides no advice on taxation matters.

Information with Respect to Foreign Financial Assets

In addition, a U.S. holder that is an individual (and, to the extent provided in future regulations, an entity), may be subject to recently-enacted reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds $50,000. If required, this disclosure is made by filing Form 8938 with the U.S. Internal Revenue Service. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation to file a Form TD F 90-22.1—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

A non-U.S. holder generally may eliminate the requirement for information reporting and backup withholding by providing certification of its foreign status to the payor, under penalties of perjury, on IRS Form W-8BEN. You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to the Issue, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, foreign tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.

LEGAL PROCEEDINGS

We are involved in various legal proceedings including, among others, environmental disputes, land related cases, service tax, custom duty and excise duty cases. Except as described below, we believe that we are not involved in any material legal proceedings, and in our opinion, no proceedings are threatened, which may have, or have had during the 12 months preceding the date of this Prospectus, a material adverse effect on our business, financial position, profitability or results of operations

Litigations against the Company

Civil Cases

1. Mundra International Container Terminal Private Limited ("**MICT**") has filed a civil suit along with an application for interim injunction before the City Civil Court at Ahmedabad, challenging the cancellation of Sub Concession Agreement dated January 7, 2003 by a letter dated November 3, 2007 issued by the Gujarat Maritime Board ("**GMB**")to the Company and the consequential letter dated November 8, 2007 issued by the Company to MICT, requesting injunction restraining the Company from taking any steps or measures against MICT and for use of second stage assets by the Company. The City Civil Court vide order dated February 6, 2008 rejected the application for interim injunction filed by MICT on the grounds that GMB was not a party to these proceedings. MICT filed an appeal against the said order of City Civil Court, before the High Court of Gujarat. The High Court of Gujarat vide order dated February 18, 2008 upheld the order of the City Civil Court. MICT filed a special leave petition before the Supreme Court of India against the order dated February 18, 2008 passed by the High Court of Gujarat, along with an amendment plaint making GMB a party. The Supreme Court vide order dated February 29, 2008 disposed of the special leave petition filed by MICT, wherein it held that the City Civil Court shall decide the amendment application filed by MICT making GMB as a party. The interim injunction application was heard by the City Civil Court on March 5, 2008 and the same was rejected by the said court vide order dated March 7, 2008. MICT has filed an appeal before the High Court of Gujarat dated March 18, 2008, which is currently pending.

2. Sameja Osman Ishak and 22 others have filed a special civil application before the High Court of Gujarat against the Company and others challenging the order dated July 15, 2005 passed by the Collector allotting certain land to the Company for the purpose of special economic zone and the resolution dated June 27, 2005 passed by the Department of Revenue, State Government of Gujarat. The Company has filed a reply dated August 6, 2007. Further, a rejoinder dated September 19, 2007 has been filed by the petitioners. The matter is currently pending.

3. The Company has entered into an agreement dated March 19, 2001, with Van Oord ACZ BV, parent company of Van Oord ACZ India Private Limited ("**Van Oord**"), for undertaking dredging and reclamation operations at the Mundra Port for a consideration of ₹ 877.1 millions. Van Oord ACZ BV further assigned the contract to Van Oord with the consent of the Company vide a tripartite agreement dated July 18, 2001 between Van Oord, Gujarat Adani Port Limited and Van Oord ACZ BV. Van Oord did not complete the work stating force majeure as the reason for the same and invoked the arbitration clause for recovering the outstanding amount towards the work carried out till then. Van Oord filed their statement of claim, wherein they claimed a sum of ₹ 93.4 million and USD 2.2 million together with costs and interest. The Company filed its defence statement and counter claim of ₹ 1,000 million. The arbitral tribunal has passed an award dated October 15, 2012 ("**Award**") against the Company awarding Van Oord the claimed amount of ₹ 93.4 million and USD 2.2 million together with costs and interest, being a total amount of ₹ 229,814,568. The Company has filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 against the Award before City Civil Court at Ahmedabad. The matter is pending.

4. Ravubha Premsangji Jadeja and others had filed special civil application before the High Court of Gujarat (the "**Court**") against State of Gujarat, the Company and others, challenging the allotment of Gauchar land in the village Siracha to the Company for setting up of a special economic zone. The applicants had sought for an order declaring the allotment of land to be illegal and direction for proper rehabilitation of the villagers and Gauchar land. The matter was disposed of vide the Court's order dated September 27, 2010 in terms of the settlement agreed to between the parties. The terms of the settlement agreement provided for

certain benefits to the village to including construction of cow sheds, drainage facility, roads, provision of clean water and establishment of primary school. Subsequently, Pravinsingh Bharubha Chauhan and others have filed a miscellaneous civil application alleging that the Company has not carried out the work as agreed in terms of the settlement agreement. The petitioner has prayed for issuance of appropriate directions to the Company to comply with the terms of the settlement and also for cancellation of allotment of Gauchar land. The Company has filed a reply denying the allegations. The matter is currently pending.

5. Adam Chaki has filed a special civil application before the High Court of Gujarat against State of Gujarat, the Company and others. The Company was allotted certain forest land measuring 2,008.41 hectare by the state government for establishing an SEZ. Pursuant to the final approval of the Ministry of Environment and Forest ("**MoEF**") on September 30, 2009, the state government issued a memorandum dated November 17, 2009 ("**Memorandum**") conveying the formal approval of the MoEF for diversion of forest land for development of SEZ. As condition for such allotment of forest land the Company was required to provide equal land for compensatory afforestation to the state forest department. The petitioner has alleged *inter alia* that the allotment of forest land to the Company was irregular. The petitioner has also claimed irregularities in the transfer of land given for compensatory afforestation stating *inter alia* that such land is not in existence and that the land allegedly transferred to the state forest department is in control of the border security force. The petitioner has prayed for ordering an inquiry into the allotment of land, quashing of the Memorandum and quashing of the order for transfer of land for compensatory afforestation. The Company has filed its reply denying the allegations. The matter is currently pending

6. Mahesh Himmatlal Puj has filed a special civil application ("**SCA**") before the High Court of Gujarat (the "**Court**") against State of Gujarat, the Company, Adani Power Limited, Costal Gujarat Power Limited (collectively the "**Companies**") and others, alleging wrongful termination of lease in relation to the land measuring 20,446 square meters leased to him by the state government (the "**Land**") and encroachment on the Land by the Companies. The petitioner has claimed that the Land was given on lease for the purpose of salt harvesting. The petitioner has prayed seeking to restrain the government from terminating the said lease and for directing the Companies to stop encroachment on the Land and restoration of the Land to its original state including filling up of intake channel constructed on the Land. The Court vide order dated September 14, 2010 granted interim relief to the petitioner, restraining the state government from cancelling the lease. The Company in its reply to the SCA prayed that, in the larger public interest, the Land be surrendered by the petitioner to the state government for allotment to the Company. The Court vide order dated October 29, 2010 ("**Order 1**") issued directions for diversion of intake channel passing through the Land and further directed the Collector, Bhuj, to decide the compensation to the petitioner for encroachment by the Company. The petitioner has subsequently filed civil applications ("**Civil Applications**") in SCA seeking compliance with Order 1 of the Court by the authorities and the Companies. Accordingly vide order dated April 2, 2011 the Collector; Bhuj has directed the Company to pay compensation of ₹ 6,336,000. Further, vide order dated April 5, 2011 ("**Order 2**") passed by the Court in the Civil Applications the Court has directed the state government to take decision regarding diversion of the intake channel and has directed the Collector, Kutch to determine the amount of compensation to paid for the encroachment. The Company has filed a civil application on September 6, 2011 alleging that the petitioner has not produced salt on the leased land allotted as per condition of allotment to him. Further, the Company has prayed for vacation of the Court's earlier order of September 14, 2010 and sought permission to apply to the state government for allotment of the Land. The matter is currently pending.

7. Kheti Vikas Seva Trust (an association of 200 villagers) has filed a writ petition dated January 24, 2011 before the High Court of Gujarat (the "**Court**") against State of Gujarat, the Company, Adani Power Limited ("**APL**") and others. The Petitioner has alleged that the power plant set up by APL, on the land allotted to the Company for setting up of a special economic zone, is in violation of necessary requirements for setting up of such a plant including environmental laws. The Petitioner has further alleged *inter alia* that the activities of the Company have resulted in filling up of creeks and damage to mangroves. The Petitioner has also claimed that the allotment of land to the Company had been arbitrary and done at very low prices resulting in unjust enrichment to the Company. The Company filed its reply on July 11, 2011 denying the allegations made by the Petitioner stating that all necessary approvals for development of the port and other facilities have been obtained and that the land has not been arbitrarily allotted. Subsequently, the Court has passed an order dated July 12, 2011 ("**Order 1**") prohibiting the cutting of mangrove and other forests

during the pendency of the petition without permission of the state forest and environment department. The Petitioner has filed a civil application alleging breach of the directions specified in Order 1 and praying for initiation of contempt proceedings against the Company, APL and other respondents. The Company in its reply dated September 19, 2011 has denied any violation of Order 1. Subsequently, the Court passed an order on the same day observing prima facie violation of Order 1 and appointing a committee to investigate the same. By subsequent orders dated October 20, 2011 and November 10, 2011 the Court has prohibited development in the south port areas within the peripheral limits of 300 meters from the boundaries of the seashore as well as in the area between Koyla creek and Navinal creek and 200 meters thereafter while clarifying that the road and railway construction already in existence will remain. The matter is currently pending.

8. Fakir Mamad Suleman Sameja and others have filed a writ petition (public interest litigation) before the High Court of Gujarat (the "**Court**") against State of Gujarat, the Company and others, challenging allotment of certain Gauchar land measuring 231 acres of village Navinal, Taluka Mundra in favour of the Company. The allocation of land was done vide order dated June 27, 2005 of the Department of Revenue, State of Gujarat ("**Department Order**") and the consequential order for resumption and allocation and sale of Gauchar land was passed by the collector by two separate orders on July 15, 2005 ("**Collector Orders**"). The petitioners have also alleged that proper valuation was not done for the allotment of land and the same was made available to the Company at very low prices. The petitioners have also alleged that the Company is operating the special economic zone in violation of environmental laws. The petitioners have prayed for *inter alia* the quashing of the Department Order and Collector Orders for allotment of Gauchar land. Two other separate writ petitions on similar grounds have been filed by Usman Fakirmohamad Gadh and others and by Shabbir Ali Mohammed Khalfa and others challenging allotment of Gauchar land measuring 198 acres of village Luni. A separate writ petition on similar grounds has been also filed by Jadeja Jivanji Bhanji and others in the Court against Union of India, the Company and others, challenging allotment of Gauchar land measuring 120 acres of village Goyarsama, taluka Mundra in favour of the Company. The petitioners have also claimed that a railway line has been constructed by the Company on the allotted land without proper permission. The Company has filed its reply in all the four writ petitions. The matters are currently pending.

9. Gajubha Bhimaji Jadeja and others have filed writ petition before the High Court of Gujarat (the "**Court**") against Union of India, the Company and others alleging that the Company and 12 other respondent companies are carrying out operations from business units in the special economic zone at Mundra ("**Mundra SEZ**") without Mundra SEZ having been granted environmental clearance from the Ministry of Environment and Forest ("**MoEF**"). The petitioners belong to village Navinal. The Petitioners have sought directions for demolition of the existing construction and stoppage of development and construction activities in the business units within the Mundra SEZ. The Court vide order dated February 14, 2013 ("**Order**") granted interim relief to the petitioners directing stoppage of business units under operation until hearing of matter. Certain respondent companies filed special leave petitions before the Supreme Court. The Supreme Court by order dated February 18, 2013 has set aside the Order allowing the operational units to function until hearing of the parties by the Court. The Company filed its reply to the writ petition on February 27, 2013 stating that all necessary permissions and approvals have been obtained by the Company and business units functioning in the SEZ at Mundra. The matter is currently pending.

10. Shabbir Ali Mohammad Khalifa and others have filed a writ petition before the High Court of Gujarat against State of Gujarat, the Company and others, challenging the extension of time granted by the Collector, Kutch ("**Collector**") to the Company for completion of certain developmental work on land allotted to the Company measuring 1,208 acre. The petitioners have alleged that one of the conditions for allotment of land was that developmental work i.e. laying down of railway line should be completed within two years. The petitioners have claimed that the extension of time limit granted by the Collector to the Company for completion of such work was arbitrary and in violation of the original government resolution of February 27, 2008 ("**Government Resolution**") which mandated completion of work within three years of notification of land. The Collector subsequently issued a show cause notice to the Company on March 5, 2011 ("**Notice**") asking the Company to show cause as to why land allotted should not be forfeited. The Notice was subsequently dropped by the Collector vide the Collector's order dated June 28, 2012 ("**Order**"). The petitioners have sought for setting aside of the Order. Further, the petitioners have also

challenged the validity of the amendment dated June 20, 2012 to the Government Resolution which extended the limit of three years for completion of work to ten years. The matter is currently pending.

11. Karshanbhai Jakha Mindhani and another have filed a writ petition (public interest litigation) before the High Court of Gujarat (the "**Court**") against State of Gujarat, the Company and others challenging allotment of Gauchar land in village Zarpara by the State Government to the Company. The petitioners have alleged that the said allotment has been done at throw away prices and upon payment of illegal gratification to the headman of the village causing loss to the exchequer and general public. The Court vide order dated November 15, 2011 (the "**Order**") granted interim relief to the petitioners and directed status quo as regards nature and possession of the said land until final orders. The Company has filed a civil application in the writ petition denying the allegations made out therein and praying for vacation of the Order and dismissal of the writ petition. The Court vide order dated December 9, 2011 passed in civil application recalled the interim order dated November 15, 2011 granting status quo. The matter is currently pending.

12. Shabbir Alimohammed Khalifa and others have filed a writ petition (public interest litigation) before the High Court of Gujarat challenging the grant of permission for use of certain land of village Luni for non-agricultural purposes by the Taluka Development Officer, Kutch (the "**Officer**") in favour of the Company. The petitioners have inter alia prayed for quashing of the order granting permission and an interim order restraining the Company from carrying out any activity until fresh permission is granted. The Company has filed its reply dated October 18, 2012 stating, *inter alia*, that land is being used for non-agricultural purposes after obtaining requisite sanctions from the concerned Government authorities. The matter is currently pending.

13. Sulemaan Noormohammed Turk and Abdulrazak Abdulla Turk filed a writ petition (public interest litigation) against the Union of India, the Company and others challenging the proposed construction of a new road of 10 meters width connecting Mundra Port with national highway 8A. The petitioners have alleged that the construction of the road is in violation of Articles 14, 21, 25, 48 and 51 A(g) of Constitution of India since the same has been undertaken by acquiring private property of the villagers of Mota Kapaya, Nana Kapaya and Dhrub villages of Mundra Taluka; by felling fruit bearing trees; and by destroying the ancient graveyard and a dargah. The petitioners have, inter alia, prayed for a writ of mandamus holding the act on the part of respondents as unconstitutional and a direction from the court to the respondents to provide adequate compensation and rehabilitation to the affected villagers. The Company filed its reply on May 1, 2013. The matter is currently pending.

14. Alimmad Dhorsani and others have filed a writ petition before the High Court of Gujarat (the "**Court**") against the State of Gujarat, the Company and others alleging that the state government is constructing a road through village Dhrab in the Mundra Taluka, connecting Mundra Port to national highway 8A, in violation of law, for the sole benefit of the Company, affecting the land belonging to farmers and without proper acquisition of land in accordance with law. The petitioners have claimed that an alternate road already exists there is no requirement to construct a new road. The petitioners have sought interim relief seeking stoppage of the construction work. The petitioners have sought directions from the Court for inter alia stoppage of the work of laying down of the road. The Company has filed its reply denying the averments including any involvement in the construction of the said road. On May 10, 2012 the Court passed an order directing the state government to stop construction on the road if the land was not acquired in accordance with law. The state government has filed an affidavit with the court stating that the land has been acquired in accordance with law. The petitioners have also filed a civil application in the writ petition alleging that Company has threatened the villagers and is undertaking the construction of the road without proper permission from the environment department and have sought directions for stoppage of construction work

15. Ibrahim Amad Gadh and others filed a writ petition (public interest litigation) against the Union of India, State of Gujarat, the Company, Adani Kandla Bulk Terminal Private Limited and others challenging the construction of a barge jetty at Tuna, off Tekra, Taluka Anjar (for which, the Company has been chosen as the concessionaire) as being irregular, illegal and in violation of environmental laws. The petitioners have alleged that the construction is causing irretrievable damage to the environment, ecosystem and natural water bodies in the said area. The petitioners have further alleged that the construction is being carried out

without obtaining requisite environmental clearance and is in violation of the Environment Impact Assessment Notification dated September 14, 2006. It was further alleged that the action is in violation of Clause 4 of Coastal Regulations Zone Notification, 2011, which stipulates that prior clearance is to be obtained for projects involving construction and operation of jetties, wharves etc. The petitioners prayed for, inter alia, declaring the act of the respondents to be illegal and unconstitutional and for directing the respondents to take suitable steps to rehabilitate the displaced villagers.

16. Ranjitsinh Bhikhubha Chauhan and another, residents of Siracha and Navinal villages have filed a writ petition (public interest litigation) before the High Court of Gujarat against Union of India, the Company and others challenging allotment of certain river-land by the Collector, Kutch in favour of the Company as well as the subsequent construction and other activities undertaken by the Company and other respondents thereon. The petitioners have alleged that the construction of the boundary wall, elevation of land as well as dredging and excavation activities are in violation of the terms of allotment and have caused blockage and obstruction to the flow of certain rain-fed rivers namely Dhaneshwari and Bochaavalo Chhelo, through villages including Navinal and Siracha and their ultimate merger with the Gulf of Kutch. The petitioners have inter alia prayed for quashing of the order of allotment and removal of various constructions on the said land. The matter is currently pending.

17. Aasariya Lakha Gilva and another, residents of Zarpara village, have filed a writ petition (public interest litigation) before the High Court of Gujarat against Union of India, the Company and others challenging allotment of river-bed area by the Collector, Kutch in favour of the Company as well as the subsequent construction and other activities undertaken by the Company thereon. The petitioners have alleged that the construction of boundary wall as well as filling up of tunnels on the river bed land are in violation of the terms of allotment and have caused blockage and obstruction to the flow of the river Naagmati into the Gulf of Kutch causing a danger of flooding and severe damage to nearby villages. The petitioners have inter alia prayed for quashing of the order of allotment and an interim order restraining the Company from blocking the flow of the river and carrying on constructions on the river-bed. The matter is currently pending.

18. 48 land related cases have been filed before various courts against the Company on grounds of disputes arising in relation to (i) partial or complete ownership of land; (ii) validity and legality of agreements to sale; (iii) specific performance of sale deeds; (iv) acquisition of land fraudulently or under threat; (v) cancelation of sale deeds; (vi) notification of land and resumption of gauchar land in favour of the Company; (vii) easementary rights in relation to land; (viii) illegal construction or development of land; (ix) inheritance rights in land; (x) challenge of entries in revenue and other land records; and (xi) illegal encroachment of land. The cases are pending at various stages of adjudication.

Tax proceedings

1. Several custom duty and other indirect tax related proceedings are pending with various authorities. The aggregate amount involved in these matters is approximately ₹ 1,751.30 million.

These matters are in relation to: (i) payment of customs duty on 73.159 MTs of Acrylonitrile; (ii) payment of customs duty on 457.54 MTs of crude petroleum oil; (iii) payment of customs duty as the Company was involved in the short delivery of goods and quantity to the 17 importers and for whom the Company had been appointed as the custodian; (iv) recovery of customs duty under Section 17 of the Customs Act, 1962 (“Act”); (v) classification of the parts of the dredger imported by the Company; (vi) cash-remittance towards education cess against import of steel sole plates by the Company; (vii) custom duty on import of second hand equipments on re-export basis; (viii) wrong availment and utilisation education cess; (ix) custom duty on import of aircraft; (x) wrong availment of cenvat credit on excise duty; (xi) wrong availment of cenvat credit on service tax; (xii) denial of refund of service tax paid on services used for authorised operating in the SEZ; (xiv) custom duty and confiscation of goods wrongfully utilized for construction of warehouse; (xv) differential custom duty on import of crawler crane under Section 112 (a), 112 (b) and 114 of the Act as well as confiscation thereof; and (xvi) penalty for failure to inform the custom department of clearance of goods by importer.

2. The Commissioner of Customs and Central Excise, Rajkot (the “**Commissioner**”) issued two show cause

notices to the Company on October 23, 2009. Notice bearing no. 220/2009 required the Company to show cause as to why service tax to the tune of ₹ 652,721,325/- should not be recovered in respect of certain services including *inter alia* “revenue and sharing from MICT”, “deferred infrastructure development income, and “vessel priority income”. Notice bearing no. 221/2009 required the Company to show cause as to why (i) service tax to the tune of 141,389,758/- in respect of certain services and (ii) an amount of ₹ 951,514,704 under various provisions of the CENVAT Credit Rules, 2004 (the “**Rules**”) read with Finance Act, 1994 should not be recovered along with interest and penalty thereon. By a common order passed on May 12, 2010 in respect of both show cause notices, the Commissioner confirmed service tax liability in respect of certain services specified in the show cause notice. The Commissioner also declared wrongful availment of CENVAT Credit under Rule 14 of the Rules, in respect of certain commodities and under Rule 6(3) read with Rule 14, in respect of “payment of amount equal to 8% of value of exempted service provided to SEZ”. The order of the Commissioner was challenged before the Customs Excise and Service Tax Appellate Tribunal (the “**Tribunal**”) which by its order dated September 28, 2011 confirmed service tax liability in respect of certain services and confirmed the wrongful availment of CENVAT Credit under Rule 14 of the Rules. With respect to liability under Rule 6(3) of the Rules, the Tribunal upheld the same only with respect to “payment of amount equal to 8% of value of exempted service provided to SEZ” and dropped the others. The total liability imposed on APSEZ after order of the Tribunal is ₹ 9.28 crore. It has also filed an appeal before the Gujarat High Court under challenging the imposition of liability. Further, the Commissioner has also filed an appeal against the said order before the Supreme Court in respect of the demands for which liability has been dropped by the Tribunal.

Show Cause Notices

1. The Company had received a show cause notice dated December 15, 2010 (No. 10-138/2008-IA-III) (the “**Notice**”) from the Ministry of Environment and Forest. As per the Notice certain activities have been undertaken by the Company in violation of the provisions of Coastal Regulation Zone Notification date, 1991 (the “**CRZ Notification**”), the approved Coastal Zone Management Plan of Gujarat dated September 27, 1996 and the conditions stipulated in the environmental clearance dated January 12, 2009 (No. 10-47/2008-IA-III) as amended by addendum dated January 19, 2009 issued to the Company in relation to development of waterfront including North, South, East and West Port (the “**Clearance**”). These activities include laying of dredging disposal pipeline in intertidal areas resulting in the obstruction of tidal flow, large scale destruction of mangrove areas, construction of reclamations obstructing creek systems and flow of seawater, development of Mundra aerodrome without obtaining requisite prior environmental clearance, and construction of “Samudra Township” and “Sterling” hospital in Coastal Regulation Zone area without obtaining requisite clearance under the CRZ Notification.

   The Notice required the Company to show cause within fifteen days why the Clearance as well as the clearance dated February 20, 2010 accorded to the Township Project by Gujarat State Environment Impact Assessment Authority should not be cancelled, the pipeline laid in the tidal area and reclamations carried out in the mangrove area should not be dismantled, the reclaimed channel/creek systems should not be opened up and mangrove afforestation of additional 1,000 hectare around the project site should not be undertaken. The Company had submitted its reply to the Notice on January 14, 2011.

2. On June 4, 2013, SEBI passed an order (“**Order**”) in relation to non-compliance by certain listed companies, including our Company, with the minimum public shareholding requirements stipulated under the SCRR (“**Minimum Public Shareholding**”). In accordance with the Order, the following conditions would be applicable to our Promoters, Promoter Group entities and Director till our Company achieves Minimum Public Shareholding:

   a) the voting rights and corporate benefits like dividend, rights, bonus shares, split, etc. shall be frozen to the extent of excess Promoter/ Promoter Group shareholding calculated in proportion to the public shareholding ;
   b) Promoters/ Promoter Group and Directors will be prohibited from buying, selling or otherwise dealing in the securities of our Company, either directly or indirectly, in any manner whatsoever, except achieving compliance with the Minimum Public Shareholding requirements; and

c) Promoters/ Promoter Group and Directors will be restrained from holding any new position as a director in any listed company.

This Order is without prejudice to the right of SEBI to take any action, including against the non-compliant companies, their promoters and/ or their directors in accordance with law. Such actions could include levying penalties, initiating criminal proceedings, moving the scrip to trade-to-trade segment or excluding the scrip from F&O segment or take other action as it may deem appropriate. The Order further specifies that this part of the Order dealing with future actions shall be treated as a show cause notice. SEBI has further instructed that that the companies specified in the Order should file a reply within 21 days of the Order.

Prior to this Issue, our public shareholding was 22.5% and this Issue is being made to achieve Minimum Public Shareholding. Our Company initiated the necessary steps to increase the public shareholding in our Company, including opening and closing of the Issue on June 4, 2013, before the issuance of the Order. Our Company proposes to file a reply to the Order.

Litigation against Directors

There are two outstanding legal proceedings involving Mr. Gautam S. Adani. These relate to (i) a civil dispute seeking to restrain defendants named therein from proceeding with a cold chain project, and (ii) alleged violation of certain provisions of the Customs Act, 1962 emanating from alleged misuse of advance licence granted to a third party for import of metallurgical coke and evasion of customs duty in relation thereof. These proceedings are pending at various stages of adjudication.

There are certain outstanding legal proceedings involving Mr. Rajesh S. Adani in relation to alleged violations of the Customs Act, 1962, Foreign Exchange Regulations Act, 1973 and Foreign Exchange Management Act, 1999. Such proceedings relate to violations stemming from import and export of various items, investment in a wholly owned subsidiary without prior approval from RBI and remittance of overseas agency commission. These proceedings are pending at various stages of adjudication.

Litigation against Subsidiaries

Adani Petronet (Dahej) Port Private Limited ("**Adani Dahej**")

1. Shri Jashwantbhai Jitsangbhai Gohil filed a writ petition (public interest litigation) before the High Court of Gujarat (the "**Court**") against the State of Gujarat, Adani Dahej and others challenging the construction of the conveyor belt for carrying coal from Dahej Port to railway yard of the Company, which is proposed to pass through southern side of village Lakhigam. It was alleged that the proposed construction was, inter alia, in violation of the guidelines issued by the Gujarat Pollution Control Board which states that the conveyor belt carrying coal dust should be at least 500 meters away from residential area, schools, colleges, and historical monuments. The petitioner has prayed for shifting of the conveyor belt away from the village and a direction not to undertake any further construction. The Court vide an order dated May 10, 2012 directed the respondents to file reply. Adani Dahej filed the reply on July 5, 2012 to which the petitioner filed his rejoinder on July 11, 2012. Adani Dahej filed the sur-rejoinder in July 2012. The matter is currently pending.

2. The Directorate General of Central Excise Intelligence, Ahmedabad issued a demand cum show cause notice to Adani Petronet (Dahej) Port Private Limited ("**Adani Dahej**") on November 22, 2010. The notice required Adani Dahej to show cause as to why, *inter alia*, the CENVAT credit amounting to a total of ₹ 354,060,223 availed by Adani Dahej should not be recovered along with appropriate interest under Rule 14 of the CENVAT Credit Rules, 2004. It was alleged that Adani Dahej has contravened the provisions of Rule 6(1) of the Central Excise Rules, 1994 as it has availed credit on input goods and input services which were used in relation to the construction of Dahej port (an exempted service) during the period from October 2007 to September 2010, and not in relation to provision of port services.

INDEPENDENT ACCOUNTANTS

S. R. Batliboi and Associates LLP, Chartered Accountants, the Auditors of our Company, have audited our consolidated financial statements as of and for each of the years ended March 31 2013, 2012 and 2011which form the basis for our reformatted audited consolidated financial statements as of and for each of the years ended March 2013, 2012 and 2011 included in this Prospectus.

GENERAL INFORMATION

1. Our Company was incorporated on May 26, 1998 in Gujarat as Gujarat Adani Port Limited under the Companies Act, 1956. The name of our Company was changed to Mundra Port and Special Economic Zone Limited on July 7, 2006 and a fresh certificate of incorporation consequent to the change of name was granted by the RoC on July 7, 2006. The name of our Company was further changed to Adani Ports and Special Economic Zone Limited on January 6, 2012. A fresh certificate of incorporation consequent to the change of name was granted by the RoC on January 6, 2012. The registered office of the Company is situated at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

2. The Issue is being made to QIBs in reliance upon Chapter VIII-A of the SEBI Regulations.

3. The Issue has been authorised and approved by the Board of Directors through its resolution dated May 14, 2012 and by our Company's shareholders through a special resolution dated August 9, 2012.

4. Our Company has received in-principle approvals under Clause 24(a) of the Equity Listing Agreement to list the Equity Shares being offered in the Issue on the BSE and the NSE on May 31, 2013.

5. Our Company has obtained and will obtain necessary consents, approvals and authorisations required in connection with the Issue.

6. Except as disclosed in this Prospectus, there has been no material change in our Company's financial condition since March 31, 2013, the date of its latest reformatted audited consolidated financial statements, included herein.

7. Except as disclosed in this Prospectus, there are no legal or arbitration proceedings against or affecting our Company or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are, or might be, material in the context of the Issue.

8. Our Company's Auditor, S.R. Batliboi and Associates LLP, Chartered Accountants has audited our consolidated financial statements as of and for each of the years ended March 31, 2013, 2012 and 2011which form the basis for our reformatted audited consolidated financial statements as of and for each of the years ended March 2013, 2012 and 2011 included in this Prospectus and has consented to the inclusion of its examination report in relation thereto in this Prospectus.

9. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

10. Consents

Consents in writing of the Directors, the legal advisors, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members, the Public Issue Account Bank and the Registrar to the Issue to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC and such consents will not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

S. R. Batliboi and Associates LLP, Chartered Accountants, our Company's Auditor, has given its written consent to the inclusion of their examination report dated May 27, 2013 in the form and context in which it appears in this Prospectus. Further, G. K. Choksi & Co., Chartered Accountants, has given its written consent to inclusion of its report dated May 29, 2013 relating to the possible tax benefits accruing to our Company and its shareholders in the form and context in which it appears in this Prospectus.

11. Experts

The Company has received consent from the Auditors namely, S. R. Batliboi and Associates LLP, Chartered Accountants to include their name as an expert under Section 58 of the Companies Act in this Prospectus in relation to the report of the Auditor dated May 27, 2013 included in this Prospectus and such consent has not been withdrawn as of the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the United States Securities Act of 1933.

G. K. Choksi & Co., Chartered Accountants, have furnished a report dated May 29, 2013 relating to the possible tax benefits accruing to our Company and its shareholders in the form and context in which it appears in this Prospectus. It is clarified that the reference to G. K. Choksi & Co. as “Expert” is in accordance with Section 58 of the Companies Act only.

Except for the report of the Auditors dated May 27, 2013 and statement of tax benefits provided by G. K. Choksi & Co., Chartered Accountants, the Company has not obtained any expert opinion.

12. Company Secretary and Compliance Officer

The Company Secretary and Compliance Officer of our Company is Ms. Dipti Shah. Her contact details are as follows:

Ms. Dipti Shah

Adani Ports and Special Economic Zone Limited
Adani House
Nr. Mithakhali Six Roads
Navrangpura, Ahmedabad – 380 009
Tel: (91 79) 2656 5555
Fax: (91 79) 2656 5500
Email: dipti.shah@adani.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems related to Allotment, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds in the ASBA Accounts.

13. **Price Information of Past Issues handled by Global Coordinators and Book Running Lead Managers in the past 3 years**

The price information of past issues handled by Global Coordinators and Book Running Lead Managers to the Issue is as follows:

(a) Price information of past issues handled by Global Coordinators and Book Running Lead Managers to the Issue:

I. DSP Merrill Lynch Limited

Sr. No	Issue Name	Issue Size (₹ mm)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index (1) on Listing Date (Closing)	Closing Price as on 10th Calendar Day from Listing Day (₹) (2)(3)	Benchmark Index as on 10th Calendar Day from Listing Date (Closing) (2)(3)	Closing Price as on 20th Calendar Day from Listing Day (₹) (2)(4)	Benchmark Index as on 20th Calendar Day from Listing Date (Closing) (2)(4)	Closing Price as on 30th Calendar Day from Listing Day (₹) (2)(5)	Benchmark Index as on 30th Calendar Day from Listing Date (Closing) (2)(5)
1	Credit Analysis and Research Limited	5,399.8	750.00	26-Dec-12	949.00	922.55	23.0%	5,905.60	934.75	6,016.15	923.45	6,024.05	920.85	6,019.35
2	Bharti Infratel Limited	41,727.6	220.00(6)	28-Dec-12	200.00	191.65	(12.9%)	5,908.35	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80

Source of the information provided in the table above is website of NSE.

Notes

1. Benchmark index is CNX Nifty
2. In case 10th day, 20th day or 30th day is not a trading day, closing price on NSE of next trading day is considered
3. 10th listing day has been taken as listing date plus 9 calendar days
4. 20th listing day has been taken as listing date plus 19 calendar days
5. 30th listing day has been taken as listing date plus 29 calendar days
6. Issue price for non- institutional investors, QIB category: ₹ 220.0 per equity share; issue price for retail individual investors: ₹ 210.0; Issue price for anchor investors: ₹ 230

II. Morgan Stanley India Company Private Limited

Sr. No.	Issue Name	Issue size (₹ Mn.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1	Multi Commodity Exchange of India Limited	6,633.05	1,032.00	9-Mar-12	1,387	1,297.05	25.68%	17,503.24	1,290.5	17,273.37	1,249.9	17,058.61	1,264.1	17,486.02

Source of the information provided in the table above is website of the Bombay Stock Exchange. Further, the deal size provided in the table above is as per issue prospectus.

Notes:

1. The BSE Sensex is considered as the Benchmark Index
2. In case 10th/20th/30th day is not a trading day, closing price on the BSE of a trading day immediately prior to the 10th/20th/30th day, as the case may be, is considered

(b) Summary statement of price information of past issues handled by Global Coordinators and Book Running Lead Managers to the Issue:

I. DSP Merrill Lynch Limited

Financial Year	Total no. of IPOs[1]	Total Funds Raised (₹mm)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
FY12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY13	2	47,127.40	-	-	1	-	-	1	-	-	1	-	-	1
YTD FY14	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1 Based on the date of listing

II. Morgan Stanley India Company Private Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (Mn.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-2012	1	6,633.05	-	-	-	-	1	-	-	-	-	-	-	1
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-YTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-

14. Track record of past issues handled by Global Coordinators and Book Running Lead Managers

For details regarding the track record of the Global Coordinators and Book Running Lead Managers to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the website of the Book Running Lead Managers as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1	DSP Merrill Lynch Limited	http://www.dspml.com/gmcgib.aspx
2	Morgan Stanley India Company Private Limited	http://www.morganstanley.com/indiaofferdocuments/disclosure01102012.html

15. Price Information of Past Issues handled by Book Running Lead Managers in the past 3 years

The price information of past issues handled by Book Running Lead Managers to the Issue is as follows:

(a) Price information of past issues handled by Book Running Lead Managers to the Issue:

I. Standard Chartered Securities (India) Limited

Sr. No.	Issue name	Issue size (₹ in Million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	Closing price on listing date (in ₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (in ₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (in ₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (in ₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Bharti Infratel Ltd.	41,727.6	220.00	28-Dec-12	200.00	191.65	(12.89%)	5,908.35(1)	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80

Source: Designated stock exchange for the respective issue has been considered for price information

Notes:

1. The NSE Nifty is considered as the Benchmark Index
2. The 10th, 20th and 30th calendar day computation includes the listing day
3. In case 10th/20th/30th day is not a trading day, closing price of the next trading day has been considered

II. Macquarie Capital (India) Private Limited

Sr. No.	Issue name	Issue size (₹ in Million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	Closing price on listing date (in₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (in ₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (in ₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (in ₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	-	-	-	-	-	-	-	-	-	-	-	-	-	-

III. Goldman Sachs (India) Securities Private Limited

Sr. No.	Issue name	Issue size (₹ in Million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	Closing price on listing date (in ₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (in ₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (in ₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (in ₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	-	-	-	-	-	-	-	-	-	-	-	-	-	-

IV. Deutsche Equities India Private Limited

Sr. No.	Issue Name	Issue size (INR Cr.)	Issue price[(a)] (INR)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date[(b)] (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day[(b)] (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day[(b)] (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day[(b)] (Closing)
1	Bharti Infratel Limited	4,172.3	220.00	28-Dec-12	200.00	191.65	(12.89)%	5,908.35	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80

Source: www.nseindia.com, www.bseindia.com

Notes:
(a) Excluding any employee/retail discount
(b) Benchmark index being the index of the designated stock exchange for the respective transaction (i.e. Nifty in case of Bharti Infratel Limited)

V. Citigroup Global Markets India Private Limited

Sr. No.	Issue Name	Issue Size (₹ mm)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index [1] on Listing Date (Closing)	Closing Price as on 10th Calendar Day from Listing Day (₹)	Benchmark Index as on 10th Calendar Day from Listing Day (Closing)	Closing Price as on 20th Calendar Day from Listing Day (₹)	Benchmark Index as on 20th Calendar Day from Listing Day (Closing)	Closing Price as on 30th Calendar Day from Listing Day (₹)	Benchmark Index as on 30th Calendar Day from Listing Day (Closing)
1	Multi Commodity Exchange	6,633.05	1,032	9-Mar-12	1,387.00	1,297.05	25.68%	17,503.24	1,290.50	17,273.37	1,249.90	17,058.61	1,288.80	17,486.02
2	L&T Finance Holdings Ltd	12,450.00	52.00[3]	12-Aug-11	51.00	49.95	(3.94%)	16,839.63	44.70	16,341.70	49.65	16,676.75	50.80	16,866.97

Source of the information provided in the table above is website of the BSE.

Notes:
1. Benchmark index is Sensex.
2. In case 10th/20th/30th day is not a trading day, closing price on the BSE of a trading day immediately prior to the 10th/20th/30th day, is considered.
3. Issue price for all categories except Eligible Employees bidding under the Employee Reservation Portion and Anchor Investors was ₹52.00 per equity shares. Price for Eligible Employees was ₹50.00 per equity share and Anchor Investors was ₹56.00 per equity share.

VI. SBI Capital Markets Limited

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Chang e in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1.	Credit Analysis and Research Limited	539.98	750.00	26-Dec-12	949.00	923.95	23.19%	19,417.46	934.45	19,784.08	924.15	19,906.41	916.60	19,923.78

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Chang e in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
2.	PC Jeweller Limited	601.31	135.00(1)	27-Dec-12	135.50	149.00	10.37%	19,323.80	181.90	19,691.42	169.00	19,986.82	157.80	20,103.53
3.	Repco Home Finance Limited	270.232	172.00(2)	01-Apr-13	159.95	161.8	-5.93%	5,704.40	171.65	5,558.70	168.75	5,834.40	170.90	5,930.20

Source: Designated stock exchange for the respective issues has been considered for the purpose of calculating of the above price information.

Note:
The 10th, 20th and 30th calendar day computation includes the listing day. If either of the 10th, 20th or 30th calendar days is a trading holiday, the next trading day is considered for the computation.

We have considered the designated stock exchange for the pricing calculation.
(1) Issue price for employees and retail individual bidders was ₹ 130.00
(2) Issue price for employees was ₹ 156.00

VII. IDFC Capital Limited

Sr. No.	Issue Name	Issue size ₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1	Tribhovandas Bhimji Zaveri Limited	2,00.0	120.0	9-May-12	115.0	111.2	-7.33%	16,479.6	120.3	16,183.3	116.0	1,6438.6	110.0	16,718.9
2	Repco Home Finance Limited	2,70.4	172.0	1-Apr-13	159.95	161.80	-5.93%	5704.40	168.30	5594.00	170.65	5783.10	170.90	5930.20

Source: www.bseindia.com, www.nseindia.com for the price information and prospectus for issue details

Notes:

i. In case of reporting dates falling on a holiday, values for the trading day immediately following the holiday has been considered
ii. Price information and benchmark index values has been shown only for designation stock exchange for the issuer
iii. BSE is the designated stock exchange for the issues listed as item 1. NSE is the designated stock exchange for the remaining issues mentioned in the table above.

VIII. Axis Capital Limited

Sr. No.	Issue name	Issue size (₹ in Million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	Closing price on listing date (in ₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (in ₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (in ₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (in ₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Bharti Infratel Limited[1]	41,727.6	220.00	28-Dec-12	200.00	191.65	-12.89%	5908.35	207.4	5988.4	204.65	6039.2	208.8	6055.75
2.	Tara Jewels Limited	2,200.0	230.00	6-Dec-12	242.00	229.9	-0.04%	5930.90	230.25	5857.9	223.75	5905.6	234.15	5988.4
3.	MT Educare Limited	990.0	80.00	12-Apr-12	86.05	90.35	12.94%	5276.85	107.9	5200.6	107.1	5239.15	91.35	4907.8
4.	NBCC Limited[2]	1,249.7	106.00	12-Apr-12	101.00	96.95	-8.54%	5276.85	96.35	5200.6	94.75	5239.15	85.5	4907.8
5.	TD Power Systems Limited	2,270.0	256.00	8-Sep-11	260.00	275.25	7.52%	5153.25	287.30	5031.95	260.75	4945.90	256.05	4979.60
6.	Future Ventures India Limited	7,500.0	10.00	10-May-11	9.00	8.20	-18.00%	5541.25	8.30	5486.35	8.10	5473.10	9.30	5521.05

Source: www.nseindia.com

1 Price for retail individual bidders was ₹ 210.00 per equity share and for anchor investors was ₹ 230.00
2 Price for retail individual bidders and eligible employees was ₹ 100.70 per equity share.

Notes:

1. The S&P CNX NIFTY is considered as the Benchmark Index.
2. Price on NSE is considered for all of the above calculations.

3. In case 10th/20th/30th day is not a trading day, closing price on NSE of the next trading day has been considered.

(c) Summary statement of price information of past issues handled by Book Running Lead Managers to the Issue:

I. Standard Chartered Securities (India) Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2011-2012														
2012-2013	1	41,727.6	-	-	1	-	-	-	-	-	1	-	-	-
2013-2014														

Note:
In the event that any day falls on a holiday, the price/ index of the immediately succeeding day has been considered

II. Macquarie Capital (India) Private Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2011-2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-

III. Goldman Sachs (India) Securities Private Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2011-2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-

IV. Deutsche Equities India Private Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (INR Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	1	4,172.3	-	-	1	-	-	-	-	-	1	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com, www.bseindia.com

Note:
In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

V. Citigroup Global Markets India Private Limited

Financial Year	Total no. of IPOs	Total Funds Raised (₹ mm)	Nos. of IPOs trading at Discount on Listing Date			Nos. of IPOs trading at Premium on Listing Date			Nos. of IPOs trading at Discount as on 30th Calendar Day from Listing Day			Nos. of IPOs trading at Premium as on 30th Calendar Day from Listing Day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2011-2012	2	19,083.05	-	-	1	-	1	-	-	-	-	-	-	2
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-YTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-

VI. SBI Capital Markets Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-12	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	2	1,141.28	0	0	0	0	0	2	0	0	0	0	0	2
2013-14	1	270.23	0	0	1	0	0	0	0	0	1	0	0	0

Note:
The 30th calendar day computation includes the listing day. If the 30th calendar day is a trading holiday, the next trading day is considered for the computation.

VII. IDFC Capital Limited

Financial Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-12	Nil	0	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	1	2,00.0	0	0	1	0	0	0	0	0	1	0	0	0
2013-14	1	2,70.4	0	0	1	0	0	0	0	0	1	0	0	0

VIII. Axis Capital Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	4	46,167.3	0	0	3	0	0	1	0	0	2	0	0	2
2011-2012	2	9,770.0	0	0	1	0	0	1	0	0	1	0	0	1

Note:
In the event that any day falls on a holiday, the price/ index of the next trading day has been considered.
The information for each of the financial years is based on issues listed during such financial year.

16. Track record of past issues handled by Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the website of the Book Running Lead Managers as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1.	Standard Chartered Securities (India) Limited	http://www.standardcharteredsecurities.co.in/OfferDocuments/tabid/87/Default.aspx
2.	Macquarie Capital (India) Private Limited	www.macquarie.in/mgl/in/Track-record-of-public-issues
3.	Goldman Sachs (India) Securities Private Limited	http://www2.goldmansachs.com/worldwide/india/indian_offerings.html
4.	Deutsche Equities India Private Limited	www.db.com/india/en/content/duetsche-equities-india.html.
5.	Citigroup Global Markets India Private Limited	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
6.	SBI Capital Markets Limited	http://www.sbicaps.com/Main/TrackRecordEquity.aspx
7.	IDFC Capital Limited	http://www.idfc.com/capital/investment-banking/track-record-document.aspx

Sr. No.	Name of the Book Running Lead Manager	Website
8.	Axis Capital Limited	http://www.enam.com

FINANCIAL STATEMENTS

REFORMATTED CONSOLIDATED STATEMENTS

EXAMINATION REPORT

To the Board of Directors
Adani Ports and Special Economic Zone Limited
Adani House
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad – 380 009

Dear Sir,

1. We have examined the Reformatted Consolidated Audited Financial Statements (the "Reformatted Consolidated Statements") of Adani Ports and Special Economic Zone Limited (the "Company") and its subsidiaries, associate and joint venture company (collectively, the "Group") for the each of the years ended on March 31, 2013, March 31, 2012 and March 31, 2011 annexed to this report for the purposes of inclusion in the Red Herring Prospectus and the Prospectus (the "Prospectuses") prepared by the Company in connection with the proposed Institutional Placement Programme (the "IPP") of its equity shares (the "Offering") in accordance with provisions of Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009, as amended from time to time (the "ICDR Regulations"). The preparation of these Reformatted Consolidated Statements is the responsibility of the Company's management. Our responsibility is to report on such statements based on our procedures.

2. We have examined the Reformatted Consolidated Statements, which have been prepared by the Company in accordance with, inter alia, the requirements of the Revised Schedule VI of the Companies Act, 1956 (the "Act") based on the audited consolidated financial statements as defined in paragraphs 3a and 3b below, and approved by the Board of Directors, taking into consideration:

    a. the terms of our engagement agreed with you vide our engagement letter dated May 23, 2013, requesting us to carry out work on such financial information, proposed to be included in the Prospectuses of the Company in connection with the Offering; and

    b. The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (the "ICAI").

3. The Reformatted Consolidated Statements have been compiled by the Management from:

    a. the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2013, March 31, 2012 and March 31, 2011, prepared in accordance with accounting principles generally accepted in India for the relevant period and originally approved by the Company in its Board of Directors Meetings held on May 15, 2013, May 14, 2012 and May 9, 2011, respectively, all of which have been audited by us. Our reports dated May 15, 2013, May 14, 2012 and May 9, 2011, on the financial statements for the year ended March 31, 2013, March 31, 2012 and March 31, 2011 respectively, have been unqualified, however, our report dated May 15, 2013 on the financial statements for the year ended March 31, 2013 contains the following emphasis of matter paragraph:

       We draw attention to Note 41 to the consolidated financial statements recording sale of investments in Australia subsidiaries, on the basis indicated in the note, whereby gain of Rs. 4,195.7 million have been recognized in the books. Our opinion is not qualified in respect of this matter.

    b. other financial and miscellaneous records of the Company, to the extent considered necessary, for the presentation of the reformatted consolidated statements under the requirements of the Revised

Schedule VI of the Act in relation to the year ended on March 31, 2011.

4. As indicated in our auditor's reports on the consolidated financial statements referred to in paragraph 3a above, we did not audit the financial statements of certain subsidiaries and associate company, as below:

   a. In respect of the year ended March 31, 2013, the consolidated financial statements include total assets of Rs. 18,161.8 million as at March 31, 2013, total revenues of Rs. 3,456.7 million and net cash outflows amounting to Rs. 523.6 million for the year then ended, in respect of subsidiaries and an associate company which were audited by other auditors.

   b. In respect of the year ended March 31, 2012, the consolidated financial statements included financial information relating to certain subsidiaries and an associate company, whose financial statements reflected total assets of Rs 233,216.6 million as at March 31, 2012, total revenue of Rs 12,786.8 million and cash inflows amounting to Rs 435.8 million for the year then ended, which financial statements were audited by other auditors.

   c. In respect of the year ended March 31, 2011, the consolidated financial statements included financial information relating to certain subsidiaries and an associate company, whose financial statements reflected total assets of Rs 10,803.6 million as at March 31, 2011, total revenue of Rs 1,561.0 million and cash outflows of Rs 300.7 million for the year then ended March 31, 2011, which financial statements were audited by other auditors.

   Accordingly, we have relied upon the audit reports of such other auditors, as indicated in our auditor's reports referred to in paragraph 3a above.

5. In the presentation of the reformatted consolidated statements based on the consolidated financial statements as referred to in paragraph 3, no adjustment are required to be made for any events occurring subsequent to the dates of the audit reports specified herein.

6. As stated in our audit reports referred to in paragraph 3a. above, we conducted our audits in accordance with the auditing standards generally accepted in India to enable us to issue an opinion on the General Purpose Financial Statements as defined in "Framework for the Preparation & Presentation of Financial Statements" issued by ICAI. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

7. Our audits referred to in paragraph 3a above were carried out for the purpose of issuing opinion on the general purpose financial statements taken as a whole. For none of the periods referred to in paragraph 3 above, did we perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

8. The reformatted consolidated statements are as they were produced in the respective years' audited consolidated financial statements after making adjustments for reclassifications, as considered appropriate and have been prepared in accordance with paragraph 2 above.

9. We have not audited or reviewed any financial statements of the Company or of the Group as of any date or for any period subsequent to March 31, 2013. Accordingly, we express no opinion of the financial position, results of operations or cash flows of the Company or of the Group as of any date or for any period subsequent to March 31, 2013.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit

reports issued by us nor should this be construed as a new opinion on any of the financial statements referred to herein.

12. This report is intended solely for your information and for inclusion in the documents prepared in connection with the Offering and is not to be used, referred to or distributed for any other purpose, without prior written consent.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Arpit K. Patel
Partner
Membership Number: 34032

Place of Signature: Ahmedabad
Date: May 27, 2013

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

REFORMATTED AUDITED CONSOLIDATED BALANCE SHEET

PARTICULARS	Notes	As at March 31, 2013 INR in Million	As at March 31, 2012 INR in Million	As at March 31, 2011 INR in Million
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	**4**	4,034.9	4,034.9	4,034.9
Reserves and Surplus	**5**	59,927.8	44,117.9	37,863.8
Sub Total		**63,962.7**	**48,152.8**	**41,898.7**
Minority Interest		1,423.1	1,348.8	987.1
NON-CURRENT LIABILITIES				
Long-Term Borrowings	**6**	102,575.0	154,462.4	17,168.6
Deferred Tax Liabilities (Net)	**7**	5,529.7	15,203.2	3,501.5
Other Long Term Liabilities	**8**	5,869.9	6,187.3	6,524.9
Long-Term Provisions	**9**	1,042.5	1,361.2	2.7
Sub Total		**115,017.1**	**177,214.1**	**27,197.7**
CURRENT LIABILITIES				
Short Term Borrowings	**10**	4,047.0	10,052.0	7,113.2
Trade Payables	**11**	1,742.2	4,025.2	1,342.6
Other Current Liabilities	**12**	21,403.4	15,758.6	15,649.9
Short-Term Provisions	**9**	3,000.5	2,609.2	1,047.2
Sub Total		**30,193.1**	**32,445.0**	**25,152.9**
Total				
		210,596.0	**259,160.7**	**95,236.4**
ASSETS				
NON CURRENT ASSETS				
Fixed assets				
Tangible assets	**13**	112,179.3	170,450.5	62,391.3
Intangible assets	**13**	1,241.8	2,703.6	1,116.9
Capital work-in-progress	**36**	29,512.2	36,377.0	17,167.2
		142,933.3	**209,531.1**	**80,675.4**
Goodwill on consolidation		403.5	11,125.2	403.5
Non-current investments	**14**	770.8	697.5	666.2
Deferred Tax Assets (net)	**7**	243.9	24.1	33.9
Loans and Advances	**15**	11,510.5	12,192.7	4,501.9
Trade Receivables	**18**	739.9	917.8	-
Other Non-Current Assets	**19**	2,999.1	4,810.5	1,126.4
Sub Total		**159,601.0**	**239,298.9**	**87,407.3**
CURRENT ASSETS				
Current Investment	**16**	1,445.1	-	-
Inventories	**17**	979.5	691.0	423.4
Trade Receivables	**18**	7,282.8	3,022.2	2,839.9
Cash & Bank Balances	**20**	8,305.5	11,184.2	2,283.2
Loans and Advances	**15**	17,471.5	1,911.8	1,949.9
Other Current Assets	**19**	15,510.6	3,052.6	332.7
Sub Total		**50,995.0**	**19,861.8**	**7,829.1**
Total		**210,596.0**	**259,160.7**	**95,236.4**

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

REFORMATTED AUDITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PARTICULARS	Notes	For the Year ended March 31, 2013 INR in Million	For the Year ended March 31, 2012 INR in Million	For the Year ended March 31, 2011 INR in Million
Continuing operations				
Revenue from Operations (net)	**21**	35,766.3	26,972.6	20,001.1
Other Income	**22**	2,644.4	515.0	1,100.4
Total Revenue		**38,410.7**	**27,487.6**	**21,101.5**
Expenses				
Operating Expenses	**23**	9,128.6	6,735.2	5,321.1
Employee Benefits Expense	**24**	1,307.5	1,097.5	797.6
Other Expenses	**25**	1,570.4	1,673.8	897.5
Depreciation and Amortization Expense	**13**	4,219.7	3,159.3	2,387.6
Finance Costs	**26**	5,418.4	2,814.6	1,661.9
Total Expenses		**21,644.6**	**15,480.4**	**11,065.7**
Profit from ordinary activities before tax		**16,766.1**	**12,007.2**	**10,035.8**
Tax Expense:				
- Current Tax (including MAT)		3,874.2	2,543.3	223.4
- MAT Credit Entitlement		(3,655.8)	(2,421.7)	-
- Deferred Tax Charge		1,012.4	805.9	650.7
Profit After Tax from continuing operations (A)		**15,535.3**	**11,079.7**	**9,161.7**
Discontinuing operations				
(Loss) from ordinary activities attributable to discontinued operations before tax (Refer Note 41)		(3,690.9)	(184.7)	-
Tax Expenses:				
- Current Tax		62.2	23.6	-
- Deferred Tax Charge / (Credit)		(410.4)	(55.4)	-
Loss after tax from ordinary activities attributable to discontinued operations.		(3,342.7)	(152.9)	-
Gain on sale of discontinued operations (Refer Note 41)		4,195.7	-	-
Profit / (Loss) after tax from discontinued operations (B)		853.0	(152.9)	-
Profit after tax for the year (A + B)		16,388.3	10,926.8	9,161.7
Add / (Less) :- Share of minority shareholders in (profit) / loss of subsidiaries		(156.1)	93.9	19.8
Net Profit		**16,232.2**	**11,020.7**	**9,181.5**
Basic and Diluted Earning per Equity Share (in INR) face value of INR 2 each	**27**			
- From continuing operations		7.68	5.58	4.58
- From total operations		8.10	5.50	4.58

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

REFORMATTED AUDITED CONSOLIDATED CASH FLOW STATEMENT

	Particular	For the year ended 31st March, 2013 INR in Million	For the year ended 31st March, 2012 INR in Million	For the year ended 31st March, 2011 INR in Million
A.	**Cash Flow from Operating Activities**			
	Net profit before tax (from Continuing Operations)	16,766.1	12,007.2	10,035.8
	Profit / (Loss) from Discontinued operations	504.8	(184.7)	-
	Adjustments for :	-	-	-
	Gain from Discontinued operations	(4,195.7)		
	Depreciation on continuing operations	4,219.7	3,159.3	2,387.6
	Depreciation on discontinued operations	3,344.1	1,471.0	
	Sundry Balances written off (Net)	-	43.7	12.7
	Unclaimed liabilities / excess provision written back	(14.0)	(0.8)	(52.2)
	Land Lease Income on Present Value Basis	(524.9)	(484.4)	(874.6)
	Cost of Land Leased	25.7	11.3	34.3
	Amortisation of Amounts Received under Long Term Land Lease/ Infrastructure Usage Agreements	(289.6)	(327.6)	(284.3)
	Interest Expense	4,894.1	3,818.7	1,489.3
	Service Line Contribution amortized during the year	(1.3)	(2.2)	-
	Unrealised Foreign Exchange (Gain) / Loss	88.9	(8.6)	9.0
	Foreign Exchange Monetary Item Difference (Gain) / Loss	-	-	(98.1)
	Unrealised derivative (Gain) / Loss	98.5	977.5	-
	Interest Income	(1,085.2)	(491.5)	(791.4)
	Dividend Income from long term and current investments	(75.0)	(20.0)	(62.1)
	Profit on sale of Current Investments	-	-	(2.0)
	(Profit)/Loss on sale of Fixed Assets	55.3	(9.5)	(2.3)
	Operating Profit before Working Capital Changes	**23,811.5**	**19,959.4**	**11,801.7**
	Adjustments for :			
	(Increase) in Trade Receivables	(4,663.7)	(2,265.4)	(1,119.1)
	(Increase) in Inventories	(288.5)	(267.6)	(102.3)
	Decrease / (Increase) in Other Non Current Assets	2,105.5	(3,193.3)	-
	Decrease / (Increase) in Other Current Assets	(2,730.3)	(2,653.0)	378.0
	(Increase) in Long term Loans and Advances	(206.2)	854.4	(81.8)
	(Increase) in Short term Loans and Advances	(4,518.0)	(1,781.5)	9.9
	Increase in Provision	(854.5)	19.8	39.6
	Increase in Long term Trade Payables and Other Liabilities	27.8	8.2	(279.9)
	Increase in Short term Trade Payables and Other Liabilities	4,842.5	3,839.9	1,479.9
	Cash Generated from Operations	**17,526.1**	**14,520.9**	**12,126.0**
	Direct Taxes (paid) / Refund (Net)	(3,735.0)	(2,523.8)	(33.2)
	Net Cash from Operating Activities	**13,791.1**	**11,997.1**	**12,092.8**
B.	**Cash Flow from Investing Activities**			
	Purchase / Construction of Fixed Assets	(38,366.5)	(45,599.9)	(18,613.2)
	Investments made in Associates / Subsidiaries / Share application paid (including acquisition from third parties)	(73.4)	(3,126.3)	(215.0)
	Investment in discontinued operations	-	(84,727.5)	

	Particular	For the year ended 31st March, 2013 INR in Million	For the year ended 31st March, 2012 INR in Million	For the year ended 31st March, 2011 INR in Million
	Investment in Mutual Funds	(1,445.1)	-	-
	Inter-corporate deposit/ loans given	(18,813.3)	-	(10,350.0)
	Inter-corporate deposit/ loans received back	4,180.3	80.0	12,190.0
	Proceeds from / (Deposits in)Fixed Deposits with a maturity period of more than 90 days (net)	6,920.1	(5,907.7)	4,584.5
	Proceeds from sale of fixed assets	52.5	127.9	355.7
	Proceeds from sale of investments	-	-	1,524.6
	Dividend Income	75.0	20.0	62.1
	Interest Received	572.4	373.2	757.4
	Net Cash used in Investing Activities	**(46,898.0)**	**(138,760.3)**	**(9,703.9)**
C.	**Cash Flow from Financing Activities**			
	Capital contribution Received	186.0	455.6	166.2
	Minority Adjustment on conversion of Subsidiary to JV	(266.4)	-	-
	Receipt of Long Term Borrowings	82,713.3	140,105.5	9,650.4
	Repayment of Long Term Borrowings (including Debentures)	(27,268.6)	(7,109.9)	(7,761.0)
	Receipt of Short Term Borrowings	18,117.0	30,222.3	5,000.0
	Repayment of Short Term Borrowings	(24,122.0)	(27,283.5)	(8,750.0)
	Inter-corporate deposit received	8,040.0	7,655.0	1,500.0
	Inter-corporate deposit refund	(8,040.0)	(7,655.0)	(1,500.0)
	Interest & Finance Charges Paid	(4,740.7)	(3,550.5)	(1,527.0)
	Interest & Finance Charges Paid and Capitalised	(1,632.5)	(1,684.2)	(455.0)
	Payment of Dividend and dividend distribution tax	(1,629.9)	(1,498.7)	(1,603.0)
	Service Line Contribution received	20.7	83.5	-
	Government Grant received	-	22.8	-
	Net Cash Flow from/(used in) Financing Activities	**41,376.9**	**129,762.9**	**(5,279.4)**
D	**Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve**	734.2	-	-
E	**Net Increase in Cash and Cash Equivalents (A+B+C+D)**	9,004.2	2,999.7	(2,890.5)
F	**Cash and Cash Equivalents at start of the year**	3,747.4	747.7	3,638.2
G	**Cash and Cash Equivalents on disposal of subsidiaries**	(5,193.6)	-	-
H	**Cash and Cash Equivalents at close of the year**	**7,558.0**	**3,747.4**	**747.7**

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

REFORMATTED AUDITED CONSOLIDATED CASH FLOW STATEMENT

	Particular	For the year ended 31st March, 2013 INR in Million	For the year ended 31st March, 2012 INR in Million	For the year ended 31st March, 2011 INR in Million
I	**Components of Cash & Cash Equivalents**			
	Cash and Cheques on Hand	6.9	0.8	0.8
	Balances with Scheduled Banks			
	- On Current Accounts	7,538.2	3,184.2	658.8
	- On Current Accounts Earmarked for unpaid dividend and share application refund money	12.9	12.4	8.1
	- On Fixed Deposit Accounts	-	550.0	80.0
	Cash and Cash Equivalents at close of the year (refer note 20)	**7,558.0**	**3,747.4**	**747.7**

Notes:

1 The Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statements notified by Company Accounting Standard Rules, 2006

2 Previous year's figures have been regrouped where necessary to confirm to this year's classification.

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

NOTES TO THE REFORMATTED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Adani Ports and Special Economic Zone Limited ('the Company', 'APSEZL') (formerly known as Mundra Port and Special Economic Zone Ltd.) is in the business of development, operations and maintenance of port infrastructure and linked multi product SEZ and related infrastructure contiguous to Mundra port. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional terminals and south port infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years effective from February 17, 2001. The Company has expanded port infrastructure facilities through proposed supplementary concession agreement, which will be effective till 2040, for coal terminal at Wandh, Mundra with the right and authority to develop, design, finance, construct, operate and maintain the port and related infrastructure. The said agreement is in the process of getting signed with GoG and GMB as at the year end although the part of the Coal terminal at Wandh is recognised as commercially operational w.e.f. February 1, 2011.

The Container terminal facilities (CT-1) initially developed by the Company was transferred under sub-concession agreement between Mundra International Container Terminal Limited (MICTL) (erstwhile Adani Container Terminal Limited) and APSEZL entered into, on January 7, 2003 wherein APSEZL has given rights to MICTL to handle the container cargo for a period of 28 years i.e. up to February 17, 2031. For the new container facilities developed as South Port (CT-3) has been agreed to be transferred to Adani International Container Terminal Private Limited (AICTPL)

The Multi Product Special Economic Zone at Mundra and surrounding areas is developed by the Company as per approval of Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 as amended from time to time till date. The Company has also taken approval of Ministry of Commerce and Industry to set up Free Trade and Warehousing Zone vide letter no. F.1/16/2011-SEZ dated March 26, 2012.

The entities considered for consolidation and their nature of operations are as follows:

i) Adani Logistics Limited (ALL), a 100% subsidiary of APSEZL, has developed multi-modal cargo storage-cum-logistics services through development of inland container depots at various strategic locations and operates container trains on specific railway routes as per concession agreement entered into with Ministry of Railways, Government of India.

ii) MPSEZ Utilities Private Limited (MUPL), a 100% subsidiary of APSEZL, has developed infrastructure including operation, development, maintenance, improvement, and extension of utility services (including power distribution) of every description at Mundra Special Economic Zone in Kutch district (Gujarat).

iii) Mundra SEZ Textile and Apparel Park Private Limited, a 51.41% subsidiary of APSEZL & 5.57% investment held through ALL (a 100% subsidiary of APSEZL), has set up an integrated textile park under the scheme of Ministry of Textiles, Government of India in Special Economic Zone at Mundra, Kutch district (Gujarat).

iv) Karnavati Aviation Private Limited (KAPL – erstwhile Gujarat Adani Aviation Private Limited), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) services through its aircrafts.

v) Adani Petronet (Dahej) Port Private Limited (APPPL), a 74% subsidiary of APSEZL, has developed port infrastructure facilities of bulk cargo at Dahej, Gujarat.

vi) Adani Murmugao Port Terminal Private Limited, a 74% subsidiary of APSEZL, is in the process of setting up coal handling terminal at Murmugao, Goa.

vii) Mundra International Airport Private Limited, a 100% subsidiary of APSEZL, has plan to set up air cargo operations at Mundra, district Kutch (Gujarat).

viii) Adani Hazira Port Private Limited, a 100% subsidiary of APSEZL, has developed multi – cargo terminal and related infrastructure at Hazira – Surat (Gujarat). The further expansion of port facilities is under development.

ix) Hazira Infrastructure Private Limited, a step down subsidiary of APSEZL, a 100% subsidiary of Adani Hazira Port Private Limited has plans to develop and construct rail corridor between Surat and Hazira along with related infrastructure subject to approval by Railway Board and Government of Gujarat.

x) Hazira Road Infrastructure Private Limited, a step down subsidiary of APSEZL, a 100% subsidiary of Adani Hazira Port Private Limited has plan to develop and operate road and highway project subject to approved of local authority, State Government and National Highway Authority of India.

xi) The Company has strategically acquired controlling interest in Adinath Polyfills Private Limited.

xii) Adani Abbot Point Terminal Holdings Pty Ltd (AAPTHPL), was 100% subsidiary of APSEZL up to March 30, 2013. AAPTHPL is Holding 100% of Adani Abbot Point Terminal Pty Ltd. AAPTHPL was formed in Financial year 2011-12 to acquire Abbot Point Terminal Operation.

xiii) Adani Abbot Point Terminal Pty Ltd, was step down subsidiary of APSEZL up to March 30, 2013, a 100% subsidiary of Adani Abbot Point Terminal Holdings Pty Ltd (earlier a 100% subsidiary of Mundra Port Pty Ltd (MPPL) up to March 5, 2012) is operating X50 coal terminal with 50 Million Tonnes capacity at Queensland, Australia. The name of the company was changed from APCT#1 Pty Ltd. Pursuant to it's transfer by North Queensland Bulk Ports Corporation Ltd. To Mundra Port Pty Ltd. (MPPL) on June 1, 2011.

xiv) Mundra Port Pty Ltd. was a 100% subsidiary of APSEZL upto March 30, 2013. APSEZ through sale of Optionally Convertible Redeemable Preference Shares of MPPL transferred majority voting rights in MPPL although it continues to hold legal ownership of MPPL equity shares. It is the 100% Unit Holder of Mundra Port Holding Trust and also has 100% shares in Mundra Port Holding Pty Ltd, the Trustee Company.

xv) Mundra Port Holding Pty Ltd was a step down subsidiary of APSEZL upto March 30, 2013 and a 100% subsidiary of Mundra Port Pty Ltd. The Company is a trustee to Mundra Port Holding Trust.

xvi) Mundra Port Holding Trust (Trust), is held by Mundra Port Pty Ltd. The trust hold immovable asset of X50 Coal Terminal at Abbot Point.

xvii) Adani Vizag Coal Terminal Pvt. Ltd., is a 100% subsidiary of APSEZL. The company is developing Port facilities at East Quay for handling steam coal at Visakhapatnam Port.

xviii) Adani International Container Terminal Private Limited, is a 50% joint venture of APSEZL. The Company is a special purpose entity incorporate to develop / acquire container terminal and associated facility at Mundra South Zone. During the financial year 2012-13, the holding of company reduce to 50% on proportionate allotment of shares to joint venture partner and transfer of 1% holding to parent Company, Adani Enterprises Ltd.

xix) Adani Kandla Bulk Terminal Pvt. Ltd., is a 51% subsidiary of APSEZL. The Company is developing a Dry Bulk terminal off Tekra near Tuna outside Kandla Cheek at Kandla Port (Gujarat).

xx) Adani Warehousing Services Pvt. Ltd., is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing/storage facilities and other related services.

xxi) Rajasthan SEZ Private Limited (RSEZ) was a 100% subsidiary of APSEZL up to February 9, 2013 was engaged in the business establishing and developing Special Economic Zone and industrial estates/Parks in the state Rajasthan.

2. Principles of consolidation

The Consolidated financial statements relates to the Adani Ports Group which comprises the financial statements of APSEZL and its subsidiaries, associates and joint venture. In the preparation of consolidated financial statements, investment in the subsidiaries, associates and joint venture have been accounted for in accordance with Accounting Standard (AS) 21 - ‘Consolidated Financial Statements’, AS 23 – ‘Accounting for Investments in Associates in Consolidated Financial Statements’ and AS 27 - 'Financial Reporting of Interests in Joint Ventures', as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended). Consolidated financial statements have been prepared on the following basis:

i) Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.

ii) The excess of the cost to the Company of its investment in subsidiaries over the Company’s portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. When there is excess of Company’s portion of equity of the Subsidiary over the cost of the investment then it is treated as Capital Reserve.

iii) Minority interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the statement of profit and loss and consolidated balance sheet, separately from parent shareholders’ equity. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Parent Company.

iv) Translation of the financial statements of non integral foreign subsidiaries for incorporation in the consolidated financial statements have been done using the following exchange rates:

(a) Assets and liabilities have been translated by using the rates prevailing as on the date of the balance sheet.

(b) Income and expense items have been translated by using the average rate of exchange prevailing during the year, approximates to the exchange rate prevailing at the transaction date.

(c) Exchange difference arising on translation of financial statements of non integral operations as specified above is recognised in the Foreign Currency Translation Reserve until the disposal of net investment.

v) The difference of the proceed from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiaries.

vi) Financial statements of the subsidiaries are prepared for the same reporting year as the parent Company, using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company’s stand-alone financial statements for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Any deviation in accounting policies is disclosed separately.

vii) In case of associates where the Company has significant influence or hold directly or indirectly through subsidiaries 20% or more of equity shares, investment in associates are accounted for using equity method in accordance with AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements', as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended). The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates in the consolidated statement of profit and loss. The difference between the cost of investment in the associates and the share of net assets, at the time of acquisition of shares in the associates, is identified in the financial statements as Goodwill or Capital Reserve, as the case may be.

viii) In case of joint venture the interest in the assets, liability, income and expense are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profit / losses are eliminated to the extent of the Company's proportionate share.

ix) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

x) Notes to the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements has not been disclosed in the consolidated financial statements.

3. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company.

These reformatted financial statements have been prepared only in connection with the filing of an offer document with the stock exchanges in respect of the proposed offering of equity shares of Adani Ports and Special Economic Zone Ltd. ("APSEZL" or the "Company") through an Institutional Placement Programme (IPP) (the "Offering") as defined and in accordance with the requirements set out in Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR") and the related clarifications issued by the Securities and Exchange Board of India ('SEBI') as amended to date.

3.1. Summary of Significant Accounting Policies

a) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible Fixed Assets

i) Fixed assets are stated at cost net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are changed to the consolidated statement of profit and loss for the period during which such expenses are incurred.

iii) From accounting periods commencing on or after August 9, 2012, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining useful life of the asset.

iv) Gains or losses arising from derecognition / sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

v) Insurance spares are capitalized as part of mother assets.

c) Expenditure on new projects and substantial expansion

Expenditure directly relating to construction / development activity (net of income, if any) is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the consolidated statement of profit and loss.

d) Depreciation on tangible fixed assets

i) Depreciation on fixed asset is calculated on Straight Line Method (SLM) using the rates arrived at based on the useful lives estimated by the management or those prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher. For assets stated in para (ii) to (v) below, higher depreciation rate has been used based on the useful life estimated by the management.

ii)

Assets	Estimated Useful Life
Leasehold Land Development, Marine Structure and Dredged Channel	Over the balance period of Concession Agreement or Sub-Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Machinery	4 Years and 10 Years respectively

Assets	Estimated Useful Life
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Machinery	5 Years
Fender, Buoy, Capstan installed at Jetty - Marine Structures	5 - 15 Years

iii) Depreciation on individual assets costing up to INR 5,000 and mobile phones, included under office equipments are provided at the rate of 100% in the month of purchase.

iv) Insurance spares, whose use is expected to be irregular, are depreciated prospectively over the remaining useful lives of the respective mother assets.

v) Depreciation on Fixed Assets, in case of non integral foreign operations, is calculated on SLM basis over the estimated useful life of the assets as follow:

Assets	Estimated Useful Life
Plant and Machinery	5 to 40 Years
Buildings	15 to 20 Years
Marine Assets	20 to 50 Years
Electric Installations	20 to 50 Years
Vehicles	6 Years

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life (Years)
Leasehold Land – Right to Use	Over the balance period of Concession Agreement or Sub-Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
Goodwill arising on the amalgamation of Adani Port Limited	Over the balance period of Concession Agreement computed from the Appointed Date of the Scheme of Amalgamation i.e. 28 years.
Softwares	3 Years
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	Over the license period of 20 years.
Rights for expansion of existing assets	Over the period of 5 years.
Right of use to develop and operate the port facilities	Over the balance period of Sub-Concession Agreement
User agreements and customers relationships	Over the period of 5 to 10 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

The above also includes assets held by non-integral foreign operations.

f) Impairment of tangible and intangible assets

i) The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. The asset's recoverable amount is the higher of the asset's or cash generating unit's (CGU), net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is consider impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Borrowing Costs

Borrowing cost includes interest & amortization of ancillary costs incurred in connection with the arrangement of borrowings over the loan period.

Borrowing costs directly attributable to the acquisition or construction of an assets that takes substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are charged to consolidated statement of profit and loss.

h) Leases

Where the Company is the lessee

Finance leases includes rights of use in leased land, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance charges are charged as expense in the consolidated statement of profit and loss.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term the capitalized leased assets is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, wherein the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases includes rights to use in leased / sub leased land in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, lease rentals are apportioned between principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The principal amount received reduces the net investment in the lease and interest is recognized as revenue. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the consolidated statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the consolidated statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

i) Investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments, which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long - term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long - term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

j) Inventories

Stores and Spares: Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty accounted for on an accrual basis.

Net Realizable Value is the estimated current procurement price in the ordinary course of the business.

k) Government Grant

Government Grants available to the enterprise are accounted where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

In accordance with the Accounting Standard 12 "Accounting for Government Grants", grants in the nature of promoter's contribution are credited to the Capital Reserve and shown under the head Reserves & Surplus.

l) Initial Contribution for Services

Initial contribution received from consumers against services by the subsidiary company MPSEZ Utilities Private Limited, are treated as capital receipt and accounted as Capital Reserve. During the year, the Subsidiary Company has received INR Nil (2012 – INR 83.5 million, 2011 – INR Nil million) as contribution.

m) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

i) Port Operation Services

Revenue from port operation services including cargo handling, storage and rail infrastructure are recognized on proportionate completion method basis based on service performed. Revenue on take-or-pay charges are recognized for the quantity that is the difference between annual agreed tonnage and actual quantity of cargo handled. The amount recognised as a revenue is exclusive of service tax and education cess where applicable.

Income in the nature of license fees / royalty is recognised as and when the right to receive such income is performed as per terms and conditions of relevant agreement.

ii) Income from Long Term Leases

As a part of its business activity, the Company leases/ sub-leases land on long term basis to its customers. In some cases, the Company enters into cancellable lease / sub-lease transaction, while in other cases, it enters into non-cancellable lease / sub-lease transaction apart from other criteria to classify the transaction between the operating lease or finance lease. The Company recognises the income based on the principles of leases as per Accounting Standard – 19, Leases and accordingly in cases where the land lease / sub-lease transaction are cancellable in nature, the income in the nature of upfront premium received / receivable is recognised on operating lease basis i.e. on a straight line basis over the period of lease / sub-lease agreement / date of Memorandum of understanding takes effect over lease period and annual lease rentals are recognised on an accrual basis. In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognised on finance lease basis i.e. at the inception of lease / sub-lease agreement / date of Memorandum of understanding takes effect over lease period, the income recognised is equal to the present value of the minimum lease payment over the lease period (including non-refundable upfront premium) which is substantially equal to the fair value of land leased / sub-leased. In respect of land given on finance lease basis, the corresponding cost of the land and development costs incurred are expensed off in the statement of profit and loss. In case of Subsidiary Mundra SEZ Textile and Apparel Park Private Limited (MITAP), the upfront premium received/receivable under Long Term Leases/Infrastructure Usage Agreement is recognized as income pro-rata over the period of sub-lease agreement. (This income pertaining to MITAP in the books of APSEZL constitutes 4.14% for the financial year 2012-13, 4.24% for the financial year 2011-12, 3.62% for the financial year 2010-11 of the total unamortized amount under Long Term Lease/Infrastructure Usage Agreements.)

iii) Income from Multi-modal Cargo Storage cum Logistics Services

Multi-modal and transportation income are recognized on the basis of proportionate services provided as per the contractual terms.

iv) Non Scheduled Aircraft Services

Revenue from chartered services is recognized when the service is performed under contractual obligations.

v) Utilities Services

Revenue is recognized as and when the service performed under contractual obligations and the right to receive such income is established. Delayed payment charges are accounted as and when received.

vi) Contract Revenue

Revenue from construction contracts is recognized on a percentage completion method, in proportion that the contract costs incurred for work performed up to the reporting date stand to the estimated total contract costs indicating the stage of completion of the project. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen.

Income from fixed price contract – Revenue from infrastructure development project / services under fixed price contract, where there is no uncertainty as to measurement or collectability of consideration is recognized based on milestones reached under the contract.

vii) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest income on land leases is included under the head "Revenue from operations" and other interest income is included under the head "Other income".

viii) Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

n) Foreign Currency Translation

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

c) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of (a) and (b) above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

iv) Forward Exchange Contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contracts and recognised is amortized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the consolidated statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period. Any gain/loss arising on forward contracts which are long term foreign currency monetary items is recognized in accordance with paragraph (iii) above.

v) Translation of integral and non-integral foreign operation

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

vi) Derivative transactions

The Company uses derivative financial instrument, such as principal only swap i.e. INR to foreign currency to take advantage of lower interest rate of foreign currency loan. In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the consolidated statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

In case of non integral foreign subsidiary companies:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of the cash flows of recognised assets and liabilities ("cash flow hedges")

At inception, the Company documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been, and will continue to be, highly effective in offsetting future cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than twelve months, it is classified as a current asset or liability when the remaining maturity of the hedged item is less than twelve months.

o) Retirement and Other Employee Benefits

i) **Provident fund and superannuation fund**

Retirement benefits in the form of Provident Fund and Superannuation Fund Schemes are defined contribution schemes and the contributions are charged to the consolidated statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

ii) **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the consolidated statement of profit and loss every year.

iii) **Leave Benefits**

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer it's settlement for twelve month after the reporting date.

iv) **Actuarial Gains/ Losses**

Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

p) **Income Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The Company is eligible and claims tax deductions available under section 80IAB of the Income Tax Act, 1961. Some of the Subsidiaries are eligible for section 80IA benefits.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In view of the Company availing tax deduction under Section 80IAB / 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of timing difference, which originates during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference share dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

s) Segment Reporting Policies

i) Identification of segments:

The Company’s operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk and return profile of individual business unit, the organisational structure and internal reporting system of the Group. The analysis of geographical segments is based on the geographical location of the customers.

ii) Inter segment transfers:

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

iii) Unallocated Items:

Includes general corporate income and expense items which are not allocated to any business segment.

t) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liabilities but discloses it's existence in the financial statement.

4. Share Capital

Share capital	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Authorized shares			
5,000,000 Non Cumulative Redeemable Preference Shares of INR 10 each	50.0	50.0	50.0
4,975,000,000 Equity Shares of INR 2 each	9,950.0	9,950.0	9,950.0
	10,000.0	**10,000.0**	**10,000.0**
Issued, subscribed and fully paid-up shares			
2,811,037, 0.01% Non-Cumulative Redeemable Preference Shares of INR 10 each fully paid up (Redeemable at a premium of INR 990 per Share on March 28, 2024).	28.1	28.1	28.1
2,003,394,100 fully paid up Equity Shares of INR 2 each.	4,006.8	4,006.8	4,006.8
Total issued, subscribed and fully paid-up share capital	**4,034.9**	**4,034.9**	**4,034.9**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Preference Shares	March 31, 2013		March 31, 2012		March 31, 2011	
	No.	INR in Million	No.	INR in Million	No.	INR in Million
At the beginning of the year	2,811,037	28.1	2,811,037	28.1	2,811,037	28.1
Outstanding at the end of the year	2,811,037	28.1	2,811,037	28.1	2,811,037	28.1

Equity shares	March 31, 2013		March 31, 2012		March 31, 2011	
	No.	INR in Million	No.	INR in Million	No.	INR in Million
At the beginning of the period	2,003,394,100	4,006.8	2,003,394,100	4,006.8	400,678,820	4,006.8
Increase due to additional shares on account of split of face value from INR	-	-	-	-	1,602,715,280	-

Equity shares	March 31, 2013		March 31, 2012		March 31, 2011	
	No.	INR in Million	No.	INR in Million	No.	INR in Million
10 to INR 2 each						
Outstanding at the end of the period	**2,003,394,100**	**4,006.8**	**2,003,394,100**	**4,006.8**	**2,003,394,100**	**4,006.8**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The final dividend recommended by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

For the financial year 2012-13 the Company proposed a final dividend of INR 1.00 per share.

For the financial year 2011-12 the Company declared and paid an Interim dividend of INR 0.30 per share and a final dividend of INR 0.70 per share.

For the financial year 2010-11 two interim dividends of INR 0.40 per share and INR 0.50 per share were declared and paid.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Terms of Non-cumulative redeemable preference shares

The Company has 2,811,037 outstanding 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of INR 10 each issued at a premium of INR 990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable on March 28, 2024 at an aggregate premium amount of INR 2,782.9 million. The Company credits the redemption premium on proportionate basis every year to Preference Share Capital Redemption Premium Reserve and debits the same to Securities Premium Account as permitted by Section 78 of the Companies Act, 1956.

In the event of liquidation of the Company the holder of NCRPS will have priority over equity shares in the payment of dividend and repayment of capital.

d. Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company are as below:

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Adani Enterprise Limited, the holding company			
1,552,361,640 equity shares of INR 2 each fully paid	3,104.7	3,104.7	3,104.7

e. Aggregate number of bonus shares issued, during the period of five years immediately preceding the reporting date:

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Equity shares allotted as fully paid bonus shares by capitalization of securities premium and balance of profit and loss carried forward in Financial Year 2007-08.	901.1	901.1	901.1

f. **Details of shareholders holding more than 5% shares in the company**

	31 March 2013		31 March 2012		31 March 2011	
	Nos.	**% Holding in the Class**	**Nos.**	**% Holding in the Class**	**Nos.**	**% Holding in the Class**
Equity shares of INR 2 each fully paid						
Adani Enterprises Limited, holding company	1,552,361,640	77.49%	1,552,361,640	77.49%	1,552,361,640	77.49%
Non-Cumulative Redeemable Preference Shares of INR 10 each fully paid up						
Gujarat Ports Infrastructure and Development Co. Ltd.	309,213	11.00%	309,213	11.00%	309,213	11.00%
Priti G Adani	500,365	17.80%	500,365	17.80%	500,365	17.80%
Shilin R Adani	500,364	17.80%	500,364	17.80%	500,364	17.80%
Pushpa V Adani	500,365	17.80%	500,365	17.80%	500,365	17.80%
Ranjan V. Adani	500,455	17.80%	500,455	17.80%	500,455	17.80%
Suvarna M. Adani	500,275	17.80%	500,275	17.80%	500,275	17.80%
	2,811,037	**100.00%**	**2,811,037**	**100.00%**	**2,811,037**	**100.00%**

5. **Reserves and surplus**

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Securities Premium Account – Preference			
Balance as per the last Consolidated Balance Sheet	1,669.8	1,808.9	1,948.0
Less: Transferred to Preference Share Capital Redemption Premium Reserve	(139.1)	(139.1)	(139.1)
Closing Balance	**1,530.7**	**1,669.8**	**1,808.9**
-Equity			
Balance as per the last Consolidated Balance Sheet	16,673.5	16,673.5	16,673.5
Closing Balance	**16,673.5**	**16,673.5**	**16,673.5**
Debenture Redemption Reserve			
Balance as per the last Consolidated	1,178.2	1,987.8	1,084.4

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Balance Sheet			
Less: Transferred to General Reserve	(1,215.8)	(1,279.5)	(199.0)
Add: Amount transferred from surplus balance in the consolidated statement of profit and Loss	691.0	469.9	1,102.4
Closing Balance	**653.4**	**1,178.2**	**1,987.8**
Capital Redemption Reserve			
Balance as per the last Consolidated Balance Sheet	11.2	9.8	8.4
Add: Amount transferred from surplus balance in the consolidated statement of profit and loss	1.4	1.4	1.4
Closing Balance	**12.6**	**11.2**	**9.8**
Capital Reserve			
Government Grant			
Balance as per the last Consolidated Balance Sheet	228.3	205.5	223.4
Add : Government grant received during the year	-	22.8	-
Less : Impact of Change in Minority Interest in Subsidiary	-	-	(17.9)
	228.3	**228.3**	**205.5**
Initial Contribution for Services – MUPL			
Balance as per the last Consolidated Balance Sheet	81.3	-	-
Add/(Less) : Contribution during the year	(15.0)	83.5	-
Less : Transferred to consolidated statement of profit and loss	(1.6)	(2.2)	-
	64.7	**81.3**	**-**
	293.0	**309.6**	**205.5**
Preference Share Capital, Redemption Premium Reserve			
Balance as per the last Consolidated Balance Sheet	1,113.2	974.1	835.0
Add : Transferred from Securities Premium Account	139.1	139.1	139.1
Closing Balance	**1,252.3**	**1,113.2**	**974.1**
Hedge Accounting Reserve			
Balance as per the last Consolidated audited Balance Sheet	(996.4)	-	-
Add : Addition during the year	(1,549.9)	(996.4)	-
Less : Adjusted on account of sale of discontinued operations	(2,546.3)	-	-
Closing Balance	**-**	**(996.4)**	**-**
General reserve			
Balance as per the last Consolidated Balance Sheet	4,999.0	2,542.2	1,357.0
Add: Amount transferred from surplus balance in the consolidated profit and loss balance	1,754.2	1,177.3	986.2
Add : Transferred from Debenture	1,215.8	1,279.5	199.0

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Redemption Reserve			
Closing Balance	**7,969.0**	**4,999.0**	**2,542.2**
Foreign Currency Translation Reserve			
Balance as per the last Consolidated Balance Sheet	(1,314.0)	-	
Add : Addition during the year	(58.1)	(1,314.0)	-
Less : Adjusted on account of sale of discontinued operations	(1,372.1)	-	-
Closing Balance	**-**	**(1,314.0)**	**-**
Foreign Currency Monetary Item Translation Difference Account			
Balance as per the last Consolidated Balance Sheet	(231.9)	-	-
Add : Addition during the year	(678.0)	(330.0)	-
Less : Amortised in statement of profit and loss account	305.8	98.1	-
Closing Balance	**(604.1)**	**(231.9)**	-
Surplus in the consolidated statement of profit and loss			
Balance as per the last Consolidated Balance Sheet	20,705.7	13,662.0	8,373.9
Profit for the year	16,232.2	11,020.7	9,181.5
	36,937.9	**24,682.7**	**17,555.4**
Less: Appropriations			
Dividend on Preference Shares	*-	*-	*-
Tax on Dividend on Preference Shares (including surcharge)	*-	*-	*-
Interim Dividends on Equity Shares	**-**	601.0	1,803.2
Tax on Interim Dividend (including surcharge)	**-**	97.5	-
Proposed final dividend on Equity Shares#	2,003.4	1,402.4	0.2
Tax on Final Dividend (including surcharge)	340.5	227.5	-
Transfer to Capital Redemption Reserve	1.4	1.4	1.4
Transfer to General Reserve	1,754.2	1,177.3	986.2
Transfer to Debenture Redemption Reserve	691.0	469.9	1,102.4
Net Surplus in the consolidated statement of profit and loss	**32,147.4**	**20,705.7**	**13,662.0**
* Figures being nullified on conversion to INR in million.			
Total reserves and surplus	**59,927.8**	**44,117.9**	**37,863.8**
# Figures represents rounding off effect relating to year ended March 31, 2011.			

Note:
In the current year the Company has provided dividend distribution tax of INR 340.5 million (2012 - INR 325.0 million, 2011 - INR Nil)

6. Long-term borrowings

Debentures

10.50% Secured Non Convertible Redeemable Debenture of INR 1,000,000 each (Redeemable at three annual equal installments commencing from February 25, 2021) (secured)

11.2% Secured Non Convertible Redeemable Debenture of INR 1,000,000 each (Redeemable at par on September 19, 2015) (secured)

10.50% Secured Non Convertible Redeemable Debenture of INR 1,000,000 each (Redeemable at 40 quarterly installments commencing from December 27, 2012, 2 installments paid till March 31, 2013) (secured)

Non-current portion			Current maturities		
March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
9,890.0	-	-	-	-	-
3,000.0	-	-	-	-	-
7,040.0	-	-	560.0	-	-

7.50% Secured Non-Convertible Redeemable Debentures of INR 1,000,000 each (Redeemed at par on December 30, 2012) (secured)

8.75% Secured Non-Convertible Redeemable Debentures of INR 1,000,000 each (Redeemed on August 18, 2012) (secured)

6.50% Secured Non- Convertible Redeemable Debentures of INR 1,000,000 each (Redeemed on December 30, 2011) (secured)

Non-current portion			Current maturities		
March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
-	-	4,250.0	-	4,250.0	-
-	-	463.0	-	463.0	868.0
-	-	-	-	-	4,250.0

Term loans

Foreign currency loans:						
From banks (secured)	60,852.2	146,234.0	6,825.3	3,120.7	1,797.6	695.6
From banks (unsecured)	285.5	309.1	-	-	1,164.1	-
From other financial institutions (secured)	8,663.5	1,411.3	1,443.7	160.4	216.8	237.6
Rupee Term Loan from Banks (secured)	10,072.0	4,340.5	3,257.5	2,235.2	200.0	200.0
Rupee Term Loan from Banks (unsecured)	1,262.8	-	-	1,250.0	-	-
Suppliers bills accepted under foreign currency letters of credit						
From banks (secured)	1,509.0	2,167.5	924.5	1,323.6	3,043.6	5,182.8
From banks (unsecured)	-	-	-	586.2	-	209.2
Others (unsecured)	-	-	4.6		-	-
	102,575.0	**154,462.4**	**17,168.6**	**9,236.1**	**11,135.1**	**11,643.2**
The above amount includes						
Secured borrowings	101,026.7	154,153.3	17,164.0	7,399.9	9,971.0	11,434.0

Unsecured borrowings	1,548.3	309.1	4.6	1,836.2	1,164.1	209.2
Amount disclosed under the head "other current liabilities" (note 12)	-	-	-	(9,236.1)	(11,135.1)	(11,643.2)
Net amount	**102,575.0**	**154,462.4**	**17,168.6**	**-**	**-**	**-**

1. Debentures amounting to INR 9,890.0 million (2012 - INR Nil, 2011 - INR Nil) are proposed to be secured by first Pari-passu charge on all the immovable and movable assets of Multipurpose Terminal (MPT), Terminal -II and Container Terminal - II Project Assets of the Company. At the reporting date such security are pending to be completed.

2. Debentures amounting to INR 3,000.0 million (2012 - INR Nil, 2011 - INR Nil) are secured by first Pari-passu charge on all the immovable and movable assets of Multipurpose Terminal (MPT), Terminal -II and Container Terminal - II Project Assets of the Company.

3. Debentures amounting to INR 7,600.0 million (2012 - INR Nil, 2011 - INR Nil) are secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited.

4. Debentures include Secured Non-Convertible Redeemable Debentures amounting to INR Nil (2012 - INR 4,250.0 million, 2011 - INR 8,500.0 million) were secured by first Pari-passu charge on all the immovable and movable assets of Multipurpose Terminal (MPT), Terminal -II and Container Terminal - II Project Assets.

5. Debentures include Secured Non-Convertible Redeemable Debentures aggregating to INR Nil (2012 - INR 463.0 million, 2011 - INR 1,331.0 million) were secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited.

6. Foreign currency loan from banks aggregating to INR Nil (2012 - INR 19.3 million, 2011 - INR 914.4 million) carried interest @ 6M Libor plus 62.5 basis point. The same were secured by exclusive charge on the Cranes procured under the facility.

   Further, of the above loan, INR Nil (2012 - INR Nil, 2011 - INR 863.8 million) were further secured by pari-passu second charge on the entire fixed assets of the company over which the first security is created in favour of existing lenders.

7. Foreign currency loan from banks aggregating to INR 1,325.6 million (2012 - INR 1,514.2 million, 2011 - loan from banks INR 1,453.8 million); Suppliers bills accepted under foreign currency letters of credit INR 618.9 million) carries interest @ 6M Libor plus basis point in range of 165 to 315. The loan is repayable in 6 Quarterly installments of approx INR 220.9 million from March 31, 2013. The loan is secured by exclusive charge on the Dredgers procured under the facility.

8. Foreign currency loan from banks aggregating to INR 719.3 million (2012 - INR 892.3 million, 2011 - INR 996.8 million) carries interest @ 6M Euribor plus 140 basis point. Further, out of the above loan INR 229.1 million is repayable in 7 semiannual installments of INR 32.7 million, INR 490.3 million is repayable in 8 semiannual installment of INR 61.3 million from March 31, 2013. The loan is secured by exclusive charge on the Dredgers procured under the facility.

9. Foreign currency loan aggregating to INR 2,916.9 million (2012 - INR 2,687.3 million, 2011 - INR Nil) carries interest @ 6M Euribor plus 95 basis point. The loan is repayable in 19 semiannual installments of approx. INR 153.5 million from March 31, 2013. The loan is secured by exclusive charge on the Dredgers procured under the facility.

10. Foreign Currency loan from banks aggregating to INR 537.4 million (2012 - INR 633.1 million,

2011 - INR 663.1 million) carries interest @ 6M Libor plus 225 basis point. The loan is repayable in 16 quarterly installments of INR 33.6 million from the March 31, 2013. The loans are secured by exclusive charge on the dredgers purchase under the facility and is further secured of second pari pasu charge on the entire movable and immovable fixed assets pertaining to Multipurpose Terminal (MPT), Terminal -II and Container Terminal - II Project Assets and SPM.

11. Foreign currency loans from banks aggregating to INR 1,357.9 million (2012 - INR 1,486.1 million, 2011 - INR NIL) carries interest @ 6M Euribor plus 75 basis point. The loan is repayable in 18 semi annually installments of INR 75.4 million from March 31, 2013. The loans are secured by exclusive charge on the Cranes purchased under the facility.

12. Foreign Currency Loans from banks aggregating to INR 17,615.5 million (2012 - INR 16,881.6 million, 2011 - INR 1,116.3 million) is secured by the first pari passu charge on all the immovable and movable assets pertaining to Multipurpose Terminal, Terminal II, Container Terminal II, project assets of the company. Further, out of the above loan as aggregating to INR 5,265.6 million are repayable in 21 Quarterly installments of approx INR 250.7 million from March 31, 2013 carries interest @ 3M Libor plus Basis point in range of 300 to 380, INR 8,142.8 million are repayable in 3 annual installment of INR 2,714.3 million starting repayment year 2014-15 , INR 2,035.7 million are repayable in 15 semi-annual installments of INR 135.7 million from March 31, 2013. The balance amount of INR 2,171.4 million (2012 - INR 2,046.3 million, 2011 - INR NIL) is bullet repayable on maturity of the loan in 2016 which carries interest @ 6M Libor plus basis point in range of 300 to 380.

13. Foreign currency Loan from banks aggregating to INR 2,714.3 million (2012 - INR 2,557.8 million, 2011 - INR NIL) are secured by first pari pasu charge on all the movable and immovable assets pertaining to Coal Terminal project assets at Wandh and carries interest @ 3M Libor plus basis point in range of 310 to 380. These loans are repayable in 24 quarterly installments of approx INR 113.1 million from March 31, 2013.

14. Foreign currency Loans from bank aggregating to INR 16,285.6 million (2012 - INR 14,068.0 million, 2011 - INR Nil) carries interest @ 1M Libor plus basis point in range of 310 to 370, is repayable in 3 equal installments of INR 1,809.5 million and INR 3,619.0 million each starting repayment year 2015-16 and 2016-17 respectively. These loans are secured by first pari pasu charge on all the movable and immovable assets pertaining to Coal Terminal project assets at Wandh and specific charge over land admeasuring to 175 hectares.

15. Foreign Currency term Loans from Banks aggregating to INR 1,412.3 million (2012 - INR 1,708.3 million, 2011 - INR 1,032.8 million) carries interest @ 4.6% p.a. Out of these loans, INR 647.9 million are repayable in 16 semiannual installments of approx INR 40.5 million, INR 237.1 million are repayable in 17 semiannual installments of INR 13.9 million, INR 262.4 million are repayable in 18 semiannual installments of INR 14.6 million, INR 265.0 million are repayable in 19 semiannual installments of INR 13.9 million from March 31, 2013.

Suppliers bills accepted under foreign currency letter of credit from banks aggregating to INR Nil (2012 - INR 765.3 million, 2010 - INR 1,463.3 million) were carrying interest @ 6M Libor plus basis point in range of 100 to 325.These loans are secured by exclusive charge on the individual Tug procured under the facility.

16. Foreign currency loan from other financial institution aggregating to INR 2,171.4 million (2012 - INR Nil, 2011 - INR Nil) carries interest @ 6M Libor plus basis point in range of 300 to 330. The loan is repayable in 32 quarterly installments of approx. INR 67.9 million from March 31, 2013 and the same are secured by first Pari-passu charge on all the immovable and movable assets of Multipurpose Terminal (MPT), Terminal -II and Container Terminal - II Project Assets.

17. Foreign currency Loans from bank aggregating to INR 2,171.4 million (2012 - INR Nil, 2011 - INR Nil) are proposed to be secured by first pari pasu charge on all the movable and immovable assets pertaining to Coal Terminal at Wandh and carries interest @ 6M Libor plus basis point in

range of 260 to 300. The Loan is repayable on maturity in 2017-18. At the reporting date such security is pending to be completed.

18. Foreign currency term loan amounting to INR Nil (2012 – INR Nil, 2011 – INR 111.1 million) from financial institutions were secured by first pari passu charge on all the movable assets of the Company (Save & except assets on which exclusive charged is created as stated elsewhere), both present and future and further secured by first charge on immovable assets pertaining to Container Terminal – II, Terminal – II, Multi Purpose Terminal and are further secured by a second charge on assets pertaining to the SPM project.

19. Rupee Term Loan from bank aggregating to INR 1,200.0 million (2012 - INR Nil, 2011 - INR Nil) is secured by first pari pasu charge on all the movable and immovable assets pertaining to agri park project assets and security creation on immovable assets on agri park project assets is pending to be executed by the Company carries interest @ 10.25%. The loans are repayable in 24 quarterly installments of approx INR 50.0 million from December'2013.

20. Rupee term loan amounting to INR 5,000.0 million (2012 - INR Nil, 2011 - INR Nil) are proposed to be secured by exclusive charge on land. The loan is repayable in 14 semi annual installment from September 30, 2013. At the reporting date such security is pending to be completed.

21. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR Nil (2012 - INR 1,488.8 million, 2011 - INR 1,661.8 million) carries interest @ 6M Libor plus basis point in range of 110 to 350. The same were secured against subservient charge on movable fixed assets and current assets except those secured by exclusive charge in favor of other lenders.

22. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR 148.6 million (2012 - INR 536.0 million, 2011 - INR Nil); carries interest @ 6M Libor plus basis point in range of 100 to 310 which is repayable on maturity in 2014-15. The loan is secured against exclusive charge on the goods, materials, assets acquired or procured under the facility

23. Suppliers bills accepted under foreign Currency Loan from banks aggregating to INR Nil (2012 - INR 253.6 million, 2011 - INR 522.0 million) carries interest @ 6M Libor plus basis points in range of 25 to 140. Further, these loans are secured by First Charge on goods procured under the Facility and second pari-passu charge on the entire movable and immovable fixed assets pertaining to Multipurpose Terminal (MPT), Terminal II, Container Terminal II Project assets and SPM.

24. Suppliers bills accepted under foreign currency letters of credit aggregating to INR 553.7 million (2012 - INR Nil, 2011 - INR Nil) carries interest @ 6M Libor plus basis point in range of 100 to 200 repayable in 2014-15. The loan is secured against exclusive charge on assets purchased under the facility.

25. Term Loan taken by the subsidiaries includes:-

    i) Loans from banks including Foreign Currency term Loan amounting to INR 2,269.0 million (2012 - INR 2,317.4 million, 2011 - INR 975.4 million), rupee term loan INR 2,983.1 million (2012 - INR 3,141.7 million, 2011 - INR 3,302.5 million) and suppliers bills accepted under foreign currency letter of credit amounting to INR 1,029.0 million (2012 - INR 1,057.0 million, 2011 - INR 977.3 million) taken by Adani Petronet (Dahej) Port Private Limited are secured on pari passu basis by first mortgage of all the immovable assets of the Company, both present and future and are further secured by hypothecation of movable assets, both present and future of the Company. Of the above loans, Indian Rupee loan carries interest @ SBIPLR plus 1.75% p.a. The loan is repayable in 16 quarterly installments of INR 50.0 million each and 24 quarterly installments of INR 175.0 million; Foreign currency loans carries interest in the range of LIBOR plus basis point in range of 375 to 500. The loans are repayable in 40 quarterly installments each along with interest; suppliers bills accepted under foreign currency letter of credit carries interest in the range of LIBOR plus 100 to 200 basis points.

ii) Foreign Currency Loans from banks amounting to INR 1,167.1 million (2012 - INR 1,289.1 million, 2011 - INR 1232.3 million) and Foreign Currency Loans from financial institutions amounting to INR 745.4 million (2012 - INR 836.2 million, 2011 - INR Nil) taken by Adani Logistics Limited are secured by equitable mortgage of immovable properties of the Company and first charge by way of hypothecation of all movable assets and intangible assets and assignment of book debt, revenues and receivable of the Company. Of the above loans, the foreign currency loans from banks amounting to INR 1,161.7 million (2012 - INR 1,289.1 million, 2011 - INR 1,232.3 million) are repayable on quarterly installment basis with interest becoming payable on last date of each quarter upto September 30, 2016; the foreign currency loans from financial institutions amounting to INR 745.4 million (2012 - INR 836.2 million, 2011 - INR 799.2 million) is repayable on quarterly basis upto June 21, 2018 and is being paid on 21st of last month of each quarter.

iii) Foreign Currency term Loans from financial institutions amounting to INR 752.2 million (2012 - INR 791.8 million, 2011 - INR 771.0 million) taken by Karnavati Aviation Private Limited carries interest @ of LIBOR plus 425 basis point. The Loan is repayable in 20 half yearly installments along with interest from the date of loan. The loan is secured by hypothecation of Aircraft Challenger 605.

Foreign Currency term Loans from banks amounting to INR 1,199.7 million (2012 - INR Nil, 2011 - INR Nil) taken by Karnavati Aviation Private Limited carries interest @ of LIBOR plus 325 basis point. The Loan is repayable in 20 half yearly installments along with interest from the date of loan. The loan is secured by hypothecation of Aircraft Legacy 650.

iv) Loans from banks taken by Adani Hazira Port Private Limited includes Foreign Currency Loan amounting to INR 14,043.0 million (2012 - INR 3,069.4 million, 2011 - INR Nil), Rupee Term Loans amounting to INR 1,000.0 million (2012 - INR 1,000.0 million, 2011 - INR Nil) and suppliers bills accepted under foreign currency letter of credit amounting to INR 621.3 million (2012 - INR 576.8 million, 2011 - INR Nil). Of the above loans, foreign currency loan carries interest @ LIBOR plus 205 to 455 basis points, is repayable in 28 structured quarterly installments starting June 30, 2014; Rupee term loans carries interest @ 11% to 12% p.a. is repayable in 44 quarterly installments, starting from June 30, 2014. These loans are secured by first ranking pari-passu charge on all movable and immovable assets of the company and all future revenues & receivables of the company; the suppliers bills accepted under foreign currency letter of credit carries interest in range of LIBOR plus 100 to 350 basis point. The facility is secured by exclusive charge on underlying assets purchased under the facility.

v) Loans from banks taken by Adani Murmugoa Port Terminal Private Limited includes rupee term loans amounting to INR 398.9 million (2012 - INR 398.9 million, 2011 - INR 155.0 million) and suppliers bills accepted under foreign currency letter of credit amounting to INR 480.0 million (2012 - INR 416.4 million, 2011 - INR Nil). Of the above, rupee term loans carries interest @ 10% p.a. which is payable on monthly basis. The loan is repayable in 32 equal quarterly installments starting from June 30, 2014. These term loans are secured by a first mortgage and charge on immovable property of the company and first charge by way of hypothecation of all movable assets, intangible assets, assignment of book debt, operating cash flows, revenues and receivables of project and by pledge of equity shares aggregating to 30% of paid up share capital of the Company; Suppliers bill are secured by exclusive charge on underlying assets purchased under the facility and carries interest of LIBOR plus 200 basis points and accepted by banks with a term of three year.

vi) Loans from banks taken by Adani International Container Terminal Pvt. Ltd. includes foreign currency term loan aggregating to INR 2,035.7 million (2012 – INR Nil, 2011 – INR Nil) carries interest @ 6M LIBOR plus 460 plus basis point. The same are repayable in 5 structured annual installments.

Foreign currency term loan from banks aggregating to INR 1,357.1 million (2012 – INR Nil, 2011 – INR Nil) carries interest @ 6M LIBOR plus 450 basis point. The same are repayable in 38 structure quarterly installments.

The facility is secured by first ranking pari-passu charge on the Company's all present and future movable and immovable assets and all present and future revenues & receivable from the project.

Suppliers Credit facilities aggregating to INR 1,725.2 million (2012 – INR 117.3 million, 2011 – INR Nil) from banks are secured by hypothecation of machinery, equipment and other movable assets purchased under the facility. Letter of Credit carries interest in range of 0.50% to 2.00%.

vii) Foreign Currency Term Loans from banks amounting to INR Nil (2012 - INR 40,698.1 million, 2011 - INR Nil) taken by Mundra Port Pty Ltd (MPPL) carries interest rate LIBOR plus 280 basis point, the loan is repayable from March 27, 2016 in 12 quarterly installments. These loans are secured by:-

a) Subservient charge on movable assets of Adani Ports and Special Economic Zone Ltd on standalone basis, India excluding assets on which exclusive charge has been given in favour of existing lenders and land, but including current assets of the Company.

b) Second charge on beneficial interest in Mundra Port Holding Trust held by MPPL, shares of Mundra Port Holding Pty Limited held by MPPL and pledge of shares over Adani Abbot Point Terminal Pty Limited held by Adani Abbot Point Terminal Holdings Pty Ltd.

c) Featherweight floating charge over all other property of MPPL.

viii) Foreign Currency Term Loans from banks amounting to INR Nil (2012 - INR 58,209.4 million, 2011 - INR Nil) taken by Adani Abbot Point Terminal Holdings Pty Ltd (AAPTHPL) and it's subsidiary company, carries interest rate BBSY plus 2.75%, the loan is repayable from September 30, 2014 in 10 quarterly installments. These loans are secured by the first ranking charge in favour of Security Trustee over all of the assets and undertakings and distribution account of AAPTHPL and of the Trust, the limited recourse share mortgage granted by APSEZL, to the security trustee in respect of all of the shares in AAPTHPL and the first ranking limited recourse unit mortgage granted by MPPL to the security trustee in respect of all of the units in the Trust and over all of the shares in Mundra Port Holdings Pty Limited.

7. Deferred tax

	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
Deferred tax liability			
Fixed assets: Impact of difference between tax depreciation and depreciation /amortization charged for the financial reporting post tax holiday period	6,288.8	15,600.4	3,773.3
	6,288.8	**15,600.4**	**3,773.3**
Deferred tax Assets			
Unabsorbed depreciation / business loss	1,002.3	420.6	305.4

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Others	0.7	0.7	0.3
	1,003.0	**421.3**	**305.7**
Net deferred tax liability	**5,285.8**	**15,179.1**	**3,467.6**
Note:			
Disclosure in Consolidated Balance Sheet is based on entity wise recognition, as follows:			
Deferred tax Liabilities	5,529.7	15,203.2	3,501.5
Deferred tax Assets	243.9	24.1	33.9
Net deferred tax liability	**5,285.8**	**15,179.1**	**3,467.6**

In entities where deferred tax assets comprising of unabsorbed depreciation, carry forward losses and the timing differences of depreciation and other differences in block of fixed assets, the net deferred tax assets have been recognized in case in the opinion of the management, there is virtual certainty that sufficient future taxable income are available against which deferred tax assets can be realized evidenced by cargo/service orders at the reporting date.

8. Other long-term liabilities

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Advance from customers	246.6	282.5	315.6
Deposits from customers	421.3	425.1	400.2
Unearned Income under Long Term Land Lease/ Infrastructure Usage Agreements	5,190.1	5,479.7	5,809.1
Capital Creditors, retention money and other payables	11.9	-	-
	5,869.9	**6,187.3**	**6,524.9**

9. Provisions

	Long Term			Short Term		
	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Provision for employee benefits						
Provision for gratuity	2.1	0.8	2.7	16.3	9.7	7.5
Provision for compensated absences	4.1	-	-	74.5	58.7	51.2
	6.2	**0.8**	**2.7**	**90.8**	**68.4**	**58.7**
Other provisions						
Proposed equity dividend	-	-	-	2,003.4	1,402.4	801.4
Provision for tax on proposed equity dividend	-	-	-	340.5	227.5	-
Proposed preference dividend	-	-	-	*-	*-	*-
Provision for tax on proposed preference	-	-	-	*-	*-	*-

	Long Term			Short Term		
	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
dividend						
Provision for Income Tax (Net of advance tax)	-	-	-	438.7	237.3	70.3
Provision for Derivative Losses (Mark to market)	1,036.3	1,360.4	-	9.2	544.9	-
Provision for Operational Claims	-	-	-	117.9	128.7	116.8
	1,036.3	**1,360.4**	**-**	**2,909.7**	**2,540.8**	**988.5**
	1,042.5	**1,361.2**	**2.7**	**3,000.5**	**2,609.2**	**1,047.2**

* Figures being nullified on conversion to INR in million.

Description	Year	Opening Balance	Additions during the year	Utilization during the year	Closing Balance
Operational Claims	2012-13	128.7	63.6	74.4	117.9
	2011-12	116.8	17.5	5.5	128.7
	2010-11	94.4	49.7	27.3	116.8

Note: Operational Claims are the expected claims against outstanding receivables made/to be made by the customers towards shortages of stock, handling losses, damages to the cargo, storage and other disputes. The probability and the timing of the outflow / adjustment with regard to above depends on the ultimate settlement / conclusion with the respective customer.

10. Short-term borrowings

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Suppliers bills accepted under foreign currency letters of credit issued by Banks (secured)	1,447.0	2,005.6	2,071.4
Suppliers bills accepted under foreign currency letters of credit issued by Banks (unsecured)	-	43.3	41.8
Short Term Loan from Banks (secured)	-	3,500.0	5,000.0
Short Term Loan from Banks (unsecured)	-	2,500.0	-
Commercial Paper (unsecured)	2,500.0	2,000.0	-
Others (unsecured)	100.0	3.1	-
	4,047.0	**10,052.0**	**7,113.2**
The above amount includes			
Secured borrowings	1,447.0	5,505.6	7,071.5
Unsecured borrowings	2,600.0	4,546.4	41.8

1. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR 196.0 million (2012 - INR 98.8 million, 2011 - INR Nil) carries interest @ 6M Libor plus basis point in range of 100 to 175 which are payable on maturity in 2013-14. The loan is secured against exclusive charge on assets purchased under the facility.

2. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR 488.0 million (2012 - INR 1,462.0 million, 2011 - INR Nil) carries interest @ 6M Libor plus basis

point in range of 90 to 190 which are repayable on maturity in 2013-14. The loan is secured against exclusive charge on assets purchased under the facility.

3. Suppliers bills accepted under foreign currency letters of credit aggregating to INR Nil (2012 - INR 49.3 million, 2011 - INR 612.3 million) carries interest @ 6M Libor plus basis points in range of 25 to 140. Further, these loans are secured by first charge on goods procured under the facility and second pari pasu charge on the entire movable and immovable fixed assets pertaining to multi purpose terminal, terminal II, container terminal II and SPM projects assets.

4. Suppliers bills accepted under foreign currency letters of credit aggregating to INR 668.0 million (2012 - INR 302.0 million, 2011 - INR 850.1 million) carries interest @ 6M Libor plus basis point in range of 65 to 170 and 1 year Libor plus basis point in range of 100 to 225 which is repayable on maturity in 2013-14. The loan is secured against subservient charge on movable fixed assets and current assets except those secured by exclusive charge in favor of other lenders.

5. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR 95.0 million (2012 - INR 93.5 million, 2011 - INR Nil); carries interest @ 6M Libor plus basis point in range of 100 to 185 which is repayable on maturity in 2013-14. The loan is secured against exclusive charge on the goods, materials, assets acquired or procured under the facility.

6. Short Term loan aggregating to INR Nil (2012 - INR 3,500.0 million, 2011 - INR Nil) are secured by first pari pasu charge on Multi Purpose Terminal, terminal II, Container Terminal II, project assets of the Company.

   Further, short term loan aggregating to INR Nil (2012 – Nil, 2011 – INR 5,000.0 million) from bank were secured by first pari passu charge on all assets pertaining to Multi Purpose Terminal, Terminal – II and Container Terminal – II Project assets of the Company and were further secured by a second charge on assets pertaining to the SPM Project.

7. Suppliers bills accepted under foreign currency letters of credit from banks aggregating to INR Nil (2012 - INR Nil, 2011 - INR 609.1 million) were secured by hypothecation of Aircraft Hawker 850 XP and mortgage on current assets of the company.

11. Trade payables

	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
Trade payables	1,742.2	4,025.2	1,342.6
	1,742.2	**4,025.2**	**1,342.6**

12. Other current liabilities

	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
(a) Current maturities of long-term borrowings (secured) (refer note 6)	7,399.9	9,971.1	11,434.0
(b) Current maturities of long-term borrowings (unsecured) (refer note 6)	1,836.2	1,164.1	209.2
(c) Interest accrued but not due on borrowings	707.3	553.9	285.7
(d) Unclaimed dividend#			
-Equity share	8.2	7.6	6.4
-Preference share	*-	*-	*-
(e) Application money received for allotment of securities pending refund to applicants#	4.7	4.8	1.7
(f) Unearned revenue	335.7	253.4	245.3
(g) Unearned Income under Long Term Land	313.9	313.9	312.1

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Lease/ Infrastructure Usage Agreements			
(h) Other liabilities:			
Advance towards sale of assets (Including payable INR 2,936.7 million)**	6,300.8	-	-
Advance from customers	558.9	579.1	440.7
Deposits from customers	346.2	118.9	72.8
Obligations under leasehold land	68.8	68.1	66.7
Statutory Liabilities	158.9	126.8	42.8
Capital creditors, retention money and other payable	3,360.0	2,596.4	2,279.8
Other liabilities	3.9	0.5	252.7
	21,403.4	**15,758.6**	**15,649.9**

* Figures being nullified on conversion to INR in million.

\# Not due for credit to "Investors Education & Protection Fund"

** Advance received / payable to Adani International Container Terminal Pvt. Ltd. (AICTPL) towards asset held for sale.

13. Consolidated Fixed Assets Schedule for last three years

INR in Millions

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Tangible:			
Leasehold Land			
Gross Block			
Opening	337.2	143.2	49.6
Additions	52.1	194.0	93.6
Deletions	(196.7)	-	-
Closing	192.6	337.2	143.2
Accumulated Depreciation			
Opening	12.0	5.3	2.3
Additions	8.3	6.7	3.0
Deletions	(3.6)	-	-
Closing	16.7	12.0	5.3
Net Block	175.9	325.2	137.9
Land Development Cost on Leasehold Land			
Gross Block			
Opening	1,111.2	1,077.3	670.0
Additions	1,069.3	33.9	409.0
Deletions	(20.6)	-	(1.7)
Closing	2,159.9	1,111.2	1,077.3
Accumulated Depreciation			
Opening	215.9	177.5	150.5
Additions	58.2	38.4	27.0
Deletions	-	-	-
Closing	274.1	215.9	177.5

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Net Block	1,885.8	895.3	899.8
Freehold Land			
Gross Block			
Opening	5,648.8	5,300.4	5,148.3
Additions	330.2	359.9	184.0
Deletions	(0.9)	(11.5)	(31.9)
Closing	5,978.1	5,648.8	5,300.4
Accumulated Depreciation			
Opening	-	-	-
Additions	-	-	-
Deletions	-	-	-
Closing	-	-	-
Net Block	5,978.1	5,648.8	5,300.4
Buildings, Roads and Civil Infrastructure			
Gross Block			
Opening	36,351.4	9,828.8	8,270.6
Additions	7,806.2	26,567.9	1,558.2
Deletions	(26,659.8)	(45.3)	-
Closing	17,497.8	36,351.4	9,828.8
Accumulated Depreciation			
Opening	1,218.2	626.5	432.6
Additions	1,160.5	593.0	193.9
Deletions	(1,105.5)	(1.3)	-
Closing	1,273.2	1,218.2	626.5
Net Block	16,224.6	35,133.2	9,202.3
Marine Structures			
Gross Block			
Opening	37,067.1	11,016.1	6,224.1
Additions	7,844.0	26,057.6	4,792.0
Deletions	(23,898.4)	(6.6)	-
Closing	21,012.7	37,067.1	11,016.1
Accumulated Depreciation			
Opening	2,162.5	1,356.3	1,040.3
Additions	1,413.2	806.4	316.0
Deletions	(1,077.8)	(0.2)	-
Closing	2,497.9	2,162.5	1,356.3
Net Block	18,514.8	34,904.6	9,659.8
Dredged Channels			
Gross Block			
Opening	8,732.2	8,656.8	5,501.2

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Additions	4,699.1	75.4	3,155.6
Deletions	-	-	-
Closing	13,431.3	8,732.2	8,656.8
Accumulated Depreciation			
Opening	1,442.3	1,107.3	868.6
Additions	397.9	335.0	238.7
Deletions	-	-	-
Closing	1,840.2	1,442.3	1,107.3
Net Block	11,591.1	7,289.9	7,549.5
Tugs & Boats			
Gross Block			
Opening	5,858.2	4,144.1	3,514.3
Additions	3,759.1	1,714.1	991.0
Deletions	(6.7)	-	(361.2)
Closing	9,610.6	5,858.2	4,144.1
Accumulated Depreciation			
Opening	903.1	526.9	425.4
Additions	576.6	376.2	274.5
Deletions	(2.8)	-	(173.0)
Closing	1,476.9	903.1	526.9
Net Block	8,133.7	4,955.1	3,617.2
Railway Tracks			
Gross Block			
Opening	2,502.7	2,299.2	2,148.5
Additions	1,499.2	203.5	150.7
Deletions	-	-	-
Closing	4,001.9	2,502.7	2,299.2
Accumulated Depreciation			
Opening	697.4	586.4	483.3
Additions	146.8	111.0	103.1
Deletions	-	-	-
Closing	844.2	697.4	586.4
Net Block	3,157.7	1,805.3	1,712.8
Plant and Machinery (including Project Assets)			
Gross Block			
Opening	84,569.5	26,793.4	20,228.8
Additions	23,356.2	57,828.0	6,729.8
Deletions	(55,946.1)	(51.9)	(165.2)
Closing	51,979.6	84,569.5	26,793.4
Accumulated Depreciation			
Opening	7,994.1	5,283.2	3,680.7

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Additions	4,556.0	2,710.9	1,609.3
Deletions	(2,580.9)	-	(6.8)
Closing	9,969.2	7,994.1	5,283.2
Net Block	42,010.4	76,575.4	21,510.2
Aircrafts			
Gross Block			
Opening	1,796.2	1,702.4	1,698.8
Additions	1,524.6	93.8	3.6
Deletions	-	-	-
Closing	3,320.8	1,796.2	1,702.4
Accumulated Depreciation			
Opening	282.7	181.7	86.3
Additions	109.5	101.0	95.4
Deletions	-	-	-
Closing	392.2	282.7	181.7
Net Block	2,928.6	1,513.5	1,520.7
Wagons			
Gross Block			
Opening	824.7	824.7	824.7
Additions	-	-	-
Deletions	-	-	-
Closing	824.7	824.7	824.7
Accumulated Depreciation			
Opening	152.6	113.4	74.2
Additions	39.2	39.2	39.2
Deletions	-	-	-
Closing	191.8	152.6	113.4
Net Block	632.9	672.1	711.3
Office Equipment			
Gross Block			
Opening	143.9	135.9	119.2
Additions	28.0	8.0	16.7
Deletions	(0.2)	-	-
Closing	171.7	143.9	135.9
Accumulated Depreciation			
Opening	40.9	36.3	26.6
Additions	7.4	4.6	9.7
Deletions	-	-	-
Closing	48.3	40.9	36.3
Net Block	123.4	103.0	99.6

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Furniture & Fixtures			
Gross Block			
Opening	177.0	161.2	155.8
Additions	22.4	15.8	5.9
Deletions	(0.2)	-	(0.5)
Closing	199.2	177.0	161.2
Accumulated Depreciation			
Opening	82.2	69.7	58.5
Additions	13.1	12.5	11.2
Deletions	(0.2)	-	-
Closing	95.1	82.2	69.7
Net Block	104.1	94.8	91.5
Computer Hardware			
Gross Block			
Opening	336.8	220.0	157.0
Additions	230.8	116.8	79.7
Deletions	(0.6)	-	(16.7)
Closing	567.0	336.8	220.0
Accumulated Depreciation			
Opening	135.9	95.5	83.8
Additions	66.9	40.4	27.4
Deletions	(0.3)	-	(15.7)
Closing	202.5	135.9	95.5
Net Block	364.5	200.9	124.5
Vehicles			
Gross Block			
Opening	418.8	301.0	118.1
Additions	87.0	126.4	187.0
Deletions	(28.1)	(8.6)	(4.1)
Closing	477.7	418.8	301.0
Accumulated Depreciation			
Opening	85.4	47.2	29.2
Additions	48.9	43.7	19.9
Deletions	(10.3)	(5.5)	(1.9)
Closing	124.0	85.4	47.2
Net Block	353.7	333.4	253.8
TOTAL TANGIBLE			
Gross Block:-			
Opening	185,875.7	72,604.5	54,829.0
Additions	52,308.2	113,395.1	18,356.8
Deletions	(106,758.3)	(123.9)	(581.3)
Closing	131,425.6	185,875.7	72,604.5

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Accumulated Depreciation			
Opening	15,425.2	10,213.2	7,442.3
Additions	8,602.5	5,219.0	2,968.3
Deletions	(4,781.4)	(7.0)	(197.4)
Closing	19,246.3	15,425.2	10,213.2
Net Block	112,179.3	170,450.5	62,391.3
Intangible			
Goodwill			
Gross Block			
Opening	785.9	785.9	785.9
Additions	-	-	-
Deletions	-	-	-
Closing	785.9	785.9	785.9
Accumulated Depreciation			
Opening	252.9	224.8	196.7
Additions	28.1	28.1	28.1
Deletions	-	-	-
Closing	281.0	252.9	224.8
Net Block	504.9	533.0	561.1
Software			
Gross Block			
Opening	259.3	254.6	226.4
Additions	60.0	4.7	42.4
Deletions	-	-	(14.2)
Closing	319.3	259.3	254.6
Accumulated Depreciation			
Opening	205.3	178.7	140.1
Additions	34.4	26.6	52.8
Deletions	-	-	(14.2)
Closing	239.7	205.3	178.7
Net Block	79.6	54.0	75.9
Liscense Fees - Indian Railways			
Gross Block			
Opening	500.0	500.0	500.0
Additions	-	-	-
Deletions	-	-	-
Closing	500.0	500.0	500.0
Accumulated Depreciation			
Opening	112.5	87.5	62.5
Additions	25.0	25.0	25.0
Deletions	-	-	-
Closing	137.5	112.5	87.5

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Net Block	362.5	387.5	412.5
User Agreement and customer relationships			
Gross Block			
Opening	1,529.3	-	-
Additions	107.2	1,529.3	-
Deletions	(1,636.5)	-	-
Closing	-	1,529.3	-
Accumulated Depreciation			
Opening	83.0	-	-
Additions	112.4	83.0	-
Deletions	(195.4)	-	-
Closing	-	83.0	-
Net Block	-	1,446.3	-
Right for the expansion of existing assets			
Gross Block			
Opening	264.7	-	-
Additions	18.5	264.7	-
Deletions	(283.2)	-	-
Closing	-	264.7	-
Accumulated Depreciation			
Opening	44.1	-	-
Additions	59.8	44.1	-
Deletions	(103.9)	-	-
Closing	-	44.1	-
Net Block	-	220.6	-
Rights of use in Leased land			
Gross Block			
Opening	70.0	71.3	-
Additions	12.8	-	75.0
Deletions	(5.1)	(1.3)	(3.7)
Closing	77.7	70.0	71.3
Accumulated Depreciation			
Opening	7.8	3.9	-
Additions	6.9	3.9	3.9
Deletions	-	-	-
Closing	14.7	7.8	3.9
Net Block	63.0	62.2	67.4
Gross Block			
Opening	-	-	-
Additions	233.5	-	-

Particulars	31st March, 2013	31st March, 2012	31st March, 2011
Deletions	-	-	-
Closing	233.5	-	-
Accumulated Depreciation			
Opening	-	-	-
Additions	1.7	-	-
Deletions	-	-	-
Closing	1.7	-	-
Net Block	231.8	-	-
TOTAL INTANGIBLE			
Gross Block			
Opening	3,409.2	1,611.8	1,512.3
Additions	432.0	1,798.7	117.4
Deletions	(1,924.8)	(1.3)	(17.9)
Closing	1,916.4	3,409.2	1,611.8
Accumulated Depreciation			
Opening	705.6	494.9	399.3
Additions	268.3	210.7	109.8
Deletions	(299.3)	-	(14.2)
Closing	674.6	705.6	494.9
Net Block	1,241.8	2,703.6	1,116.9
TOTAL NET BLOCK	**113,421.1**	**173,154.1**	**63,508.2**

Notes:

i. Freehold Land includes land development cost of INR 102.0 million (2012 - INR 102.0 million, 2011 - INR 102.0 million)

ii. Plant and Machinery includes cost of Water Pipeline amounting to INR 66.5 million (Gross) (2012 - INR 66.5 million, 2011 - INR 88.13 million), accumulated depreciation INR 25.7 million (2012 - INR 22.5 million, 2011 - INR 18.6 million) which is constructed on land owned by the government.

iii. Buildings includes 516 flats (2012 - 408 flats, 2011 - 384 flats) valuing INR 992.9 million (2012 - INR 821.9 million, 2011 - INR 768.17 million) at Samudra Township, Mundra, which are pending to be registered in the name of Company. Further, an advance of INR 457.9 million (2012 - INR 248.8 million, 2011 - INR 109.9 million) is also paid to purchase additional flats.

iv. As a part of concession agreement for development of port and related infrastructure at Mundra the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB) which the Company has recorded as Right of use in the GMB Land at present value of future annual lease payments in the books.

v. Land development cost on leasehold land includes costs incurred towards reclaimed land of INR 1,101.4 million (2012 - INR 353.7 million, 2011 - INR 353.7 million). This has been estimated by the management, out of the dredging activities which is not materially different from the actual cost.

vi. Additions in 2012 includes assets of INR 86,996.8 million acquired on purchase of Abbot Point Port asset in Australia.

vii. Deduction includes assets sold on divestment of Abbot Point Port Assets in Australia including cost capitalised during the year.

viii. Additions include borrowing cost capitalised INR 1,581.6 million (2012 - INR 2,206.5 million, 2011 - INR 200.1 million).

ix. Additions includes foreign exchange fluctuation capitalised on long term borrowings INR 3,553 million (2012 - INR 1,880.2 million, 2011 - INR 396.1 million)

14. Non-current investments

Trade investments (valued at cost unless stated otherwise)

Unquoted

In Equity Shares of Company

Investment Others

1,000 (2012 – Nil, 2011 – Nil) fully paid Equity Shares of AUD 1 each of Mundra Port Pty Ltd.

50,000,000 (2012 - 50,000,000, 2011 - 40,000,000) fully paid Equity Shares of INR 10 each of Kutch Railway Company Limited.

17,330,000 (2012 - 10,000,000, 2011 - 10,000,000) fully paid Equity Shares of INR 10 each of Bharuch Dahej Railway Company Limited.

Investment in associates

4,900 fully paid Equity Shares of INR 10 each of Dholera Infrastructure Private Limited

March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
*-	-	-
400.0	400.0	400.0
173.4	100.0	100.0
*-	*-	*-
573.4	**500.0**	**500.0**

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Non trade investments (valued at cost unless stated otherwise) **In Preference Shares of Company** **Unquoted**			
361,128 (2012 - 361,128, 2011 - 307,502) Preference Shares of VMB Developer Pvt. Ltd. of INR 100 each at a premium of INR 400 each.	180.6	180.6	153.8
22,000 Preference Shares of AMV Developer Pvt. Ltd. of INR 100 each at a premium of INR 400 each.	11.0	11.0	11.0
130,000, 0.01% Non Cumulative Optionally Convertible Preference Shares of INR 10 each of Adani Shipyard Private Limited.	1.3	1.3	1.3
8,850 (2012 - 8,850, 2011 - Nil) Preference Shares of BMV Developers and Construction Pvt. Ltd. of INR 100 each at a premium of INR 400 each.	4.4	4.4	-
In Government Securities			
National Savings Certificates (Lodged with Government Department)	0.1	0.1	0.1
	197.4	**197.4**	**166.2**
	770.8	**697.5**	**666.2**

* Figures being nullified on conversion to INR in million.

In terms of participation agreement with Rail Vikas Nigam Limited, Gujarat Maritime Board, Gujarat

Narmada Valley Fertilizers Company Limited, Dahej SEZ Limited, Hindalco Industries Limited-Unit Birla Copper and Jindal Infrastructure Industries Limited on June 16, 2008 (Supplemental to shareholder agreement dated January 12, 2007) Adani Petronet (Dahej) Port Private Limited (Subsidiary Company) has acquired 10.50% stake in Bharuch Dahej Railway Company Limited ('BDRCL'), a special purpose vehicle (SPV), for gauge conversion of Bharuch-Samni-Dahej Railway line between Bharuch and Dahej and subsequent operation and maintenance of the railway line and railway services thereon.

15. Loans and advances

	Non-Current			Current		
	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**	**March 31, 2013 INR in Million**	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
Capital advances						
Unsecured, considered good	3,131.6	8,294.4	3,990.5	-	-	-
(A)	**3,131.6**	**8,294.4**	**3,990.5**	**-**	**-**	**-**
Capital advance includes INR 577.2 million (2012 - INR 673.6 million, 2011 - INR 860.3 million) paid to various parties (including intermediates) for acquisition of land for development of Special Economic Zone in the mundra region.						
The Company has received bank guarantees of INR 103.8 million (2012 - INR 3,976.8 million, 2011 - 877.9 million) against capital advances given.						
Loan and advances to related parties						
Unsecured, to associate	87.6	87.6	87.6	3,644.1	-	
company considered good						
(B)	**87.6**	**87.6**	**87.6**	**3,644.1**	**-**	**-**
Advances recoverable in cash or kind						
Unsecured considered good	17.0	21.7	17.0	368.3	402.0	290.7
(C)	**17.0**	**21.7**	**17.0**	**368.3**	**402.0**	**290.7**
Other loans and advances						
(unsecured, considered Good)						
Income-Tax Receivable (net)	234.0	70.6	-	-	51.1	-
MAT Credit Entitlement	6,077.6	2,421.8	-	-	-	-
Fringe Benefit Tax-Receivable (net)	0.6	0.6	1.5	-	-	-
Prepaid expenses	47.7	-	-	175.5	141.6	50.8
Loans and Advances to employees	28.5	34.3	32.8	22.4	22.6	14.9
Balances with statutory / Government authorities	372.7	1,101.5	362.4	1,183.1	3.4	233.7
Inter Corporate Deposit	43.8	-	-	12,076.0	1,130.0	1,210.0
Deposit – Others	311.8	160.1	10.0	2.1	161.1	149.8
Share Application Money (Pending allotment)	1,157.6	0.1	0.1	-	-	-
(D)	**8,274.3**	**3,789.0**	**406.8**	**13,459.1**	**1,509.8**	**1,659.2**
Total (A+ B + C + D)	**11,510.5**	**12,192.7**	**4,501.9**	**17,471.5**	**1,911.8**	**1,949.9**

16. Current Investment

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
258,435.92 Units (2012 – INR Nil, 2011 – INR Nil) of INR 10 each in Reliance Liquid Fund-Treasury Plan-Daily Dividend Option.	395.1	-	-
49,876.02 Unit (2012 – INR Nil, 2011 – INR Nil) of INR 10 each in SBI Premier Liquid Fund-Regular Plan-Daily Dividend.	50.0	-	-
75,490,871.49 Unit (2012 – INR Nil, 2011 – INR Nil) of INR 10 each in Peerless Liquid Fund - Super Institutional Daily Dividend Reinvestment.	755.0	-	-
24,497,037.77 Unit (2012 – INR Nil, 2011 – INR Nil) of INR 10 each in Peerless Liquid Fund - Super Institutional Daily Dividend Reinvestment.	245.0	-	-
	1,455.1	-	-

17. Inventories (valued at lower of cost and net realizable value)

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Stores and spares	979.5	691.0	423.4
	979.5	**691.0**	**423.4**

18. Trade receivables

(Unsecured considered good except to the extent provided)

	Non-Current			Current		
	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Outstanding for a period exceeding six months from the date they are due for payment						
Considered good	-	-	-	828.8	991.0	224.5
Considered doubtful	-	-	-	33.4	26.4	26.2
	-	-	-	**862.2**	**1,017.4**	**250.7**
Provision for doubtful receivables	-	-	-	(33.4)	(26.4)	(26.2)
(A)	**-**	**-**	**-**	**828.8**	**991.0**	**224.5**
Other receivables / non trade receivable	739.9	917.8	-	6,454.0	2,031.3	2,615.4
(B)	**739.9**	**917.8**	**-**	**6,454.0**	**2,031.3**	**2,615.4**
Total (A + B)	**739.9**	**917.8**	**-**	**7,282.8**	**3,022.3**	**2,839.9**

* Includes INR 857.5 million (2012 - INR 857.5 million, 2011 - INR Nil) contractually due over a period.

19. Other assets

	Non-Current			Current		
	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**	**March 31, 2013 INR in Million**	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
Unsecured, considered good unless stated otherwise						
Non-current bank balances (Refer note 20)	7.3	238.1	231.8	-	-	-
(A)	**7.3**	**238.1**	**231.8**	**-**	**-**	**-**
Unamortised ancillary borrowing cost relating to long term borrowings	1,107.9	3,209.4	-	248.7	1,078.0	-
Others non trade receivable	-	4.0	20.0	-	18.0	16.6
Receivable for Sale of Investments (Refer note 41)	-	-	-	13,356.2	-	-
Interest accrued on deposits and loans	-	-	-	710.5	125.6	68.8
Accrued Revenue	-	-	-	1,195.2	1,831.0	247.3
Land Lease Receivables	1,883.9	1,359.0	874.6	-	-	-
(B)	**2,991.8**	**4,572.4**	**894.6**	**15,510.6**	**3,052.6**	**332.7**
Total (A + B)	**2,999.1**	**4,810.5**	**1,126.4**	**15,510.6**	**3,052.6**	**332.7**

20. Cash and bank balances

	Non-Current			Current		
	March 31, 2013 INR in Million	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**	**March 31, 2013 INR in Million**	**March 31, 2012 INR in Million**	**March 31, 2011 INR in Million**
Cash and cash equivalents						
Balances with banks:						
On current accounts	-	-	-	1,354.3	3,184.2	658.8
Deposits with original maturity of less than three months	-	-	-	6,183.9	550.0	80.0
Earmarked balances with banks:						
In Current Account (earmarked for Unpaid Dividend)	-	-	-	8.2	7.6	6.4
In Current Account (earmarked for share application Refund a/c)	-	-	-	4.7	4.8	1.7
Cheques/drafts on hand	-	-	-	5.4	-	*-
Cash on hand	-	-	-	1.5	0.8	0.8
	-	**-**	**-**	**7,558.0**	**3,747.4**	**747.7**
Other bank balances						
Deposits with original maturity for more than 12 months	7.3	163.2	4.5	-	828.9	11.3
Deposits with original maturity for more than 3 months but less than 12	-	-	-	258.1	3,846.8	1,273.1

	Non-Current			Current		
	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
months						
Margin money deposit	-	74.9	227.3	489.4	2,761.1	251.1
	7.3	**238.1**	**231.8**	**747.5**	**7,436.8**	**1,535.5**
Amount disclosed under non-current assets (Refer note 19)	(7.3)	(238.1)	(231.8)	-	-	-
	-	**-**	**-**	**8,305.5**	**11,184.2**	**2,283.2**

* Figures being nullified on conversion to INR in million.

Note: Margin Money and Fixed Deposit includes INR 489.4 million (2012 - INR 2,836 million, 2011 – INR 478.3 million) pledged / lien against bank guarantees, letter of credit and cash credit facilities.

21. Revenue from operations (net)

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
a) Income from Port Operations (including related infrastructure)	29,127.5	22,964.1	16,568.7
b) Land Lease, Upfront Premium and Deferred Infrastructure Income (includes Annual Discounting Income of INR 51.2 million (2012 - INR 72.7 million, 2011 - INR 68.2 million in respect of land lease)	2,765.2	1,708.1	1,446.9
c) Utilities Services	306.5	282.8	43.8
d) Aircraft Operation	202.3	174.6	125.7
e) Logistic Services	2,462.7	1,228.8	1,186.6
f) Other operating income including construction, Infrastructure development support services and related income	902.1	614.2	629.4
	35,766.3	**26,972.6**	**20,001.1**

22. Other Income

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Interest income on			
Bank Deposits, Inter Corporate Deposits etc.	1,085.2	388.9	789.1
Customers	149.5	23.0	2.3
Dividend income on			
Current investments	25.0	-	2.1
Long-term investments	50.0	20.0	60.0
Scrap sales	-	9.1	15.1
Profit on dilution of Investment	1,257.6	-	-
Gain on sale of current investments	-	-	2.0
Profit on Sale of Fixed Asset (net)	-	9.5	2.3
Gain on Foreign Exchange Variation (net)	-	-	130.5
Unclaimed Liabilities / Excess Provision written back	14.0	0.8	52.2
Miscellaneous Income	63.1	63.7	44.8
	2,644.4	**515.0**	**1,100.4**

23. Operating Expenses

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Handling Expenses to contractors	3,312.2	1,948.7	1,702.1
Customer Claims	33.2	2.0	65.3
Railway Operating Expenses	1,464.7	1,253.6	495.4
Tug and Pilotage Charges	192.2	146.8	91.3
Maintenance Dredging Costs	269.5	121.7	136.2
Other expenses including customs establishment charges	66.9	68.8	85.3
Repairs to Plant & Machinery (including stores and spares INR 505.2 million (2012 – INR 396.8 million, 2011 – INR 203.1 million))	870.5	671.0	413.6
Repairs to Buildings	71.6	62.6	52.4
Power & Fuel	851.5	1,287.1	746.9
Waterfront Charges	1,379.2	720.9	406.4
Construction Contract Expenses*	113.0	136.5	70.3
Cost of Land Leased / Sub-Leased	25.7	11.3	34.3
Cargo Freight and Transportation Expenses	336.8	166.8	930.5
Aircraft Operating Expenses	141.6	137.4	91.1
	9,128.6	**6,735.2**	**5,321.1**

* Includes material of INR 85.6 million (2012 - INR 78.6 million, 2011 - INR 63.8 million) and services INR 27.4 million (2012 - INR 57.9 million, 2011 - INR 6.5 million)

24. Employee benefits expense

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Salaries, Wages and Bonus	1,127.8	954.8	702.0
Contribution to Provident & Other Funds	64.0	56.8	40.6
Gratuity	24.7	10.0	14.5
Workmen and Staff Welfare Expenses	91.0	75.9	40.5
	1,307.5	**1,097.5**	**797.6**

25. Other Expenses

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Rent (including land lease discounting charge of INR 0.7 million; (2012 - INR 1.4 million, 2011 - INR 1.2 million, Refer note below)	63.9	73.4	32.6
Rates and Taxes	80.5	33.6	31.9
Insurance	122.1	78.5	56.8
Advertisement and Publicity	55.6	95.0	23.2
Other Repairs and Maintenance	120.6	92.5	44.0
Legal and Professional Expenses	341.8	243.4	148.3
Payment to auditors	10.8	7.1	7.7
Security Expenses	99.2	65.2	55.3
Communication Expenses	19.8	17.8	16.8
Electricity Expenses	31.5	18.5	29.8
Office Expenses	5.1	3.9	2.1

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Travelling and Conveyance	74.3	92.4	35.0
Directors Sitting Fee	1.5	1.5	0.7
Commission to Non-executive Directors	4.7	5.7	5.8
Charity & Donations	257.8	141.2	298.9
Loss on Foreign Exchange Variation (net)	74.7	465.3	-
Sundry Balances Written Off (Net)	-	43.7	0.1
Loss on sale of assets	55.3	-	-
Miscellaneous Expenses	151.2	195.1	108.5
	1,570.4	**1,673.8**	**897.5**

Note:
Assets taken under Operating Leases – office space and residential houses for staff accommodation are obtained on operating leases. The lease rent terms are generally for eleven months period and are renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements and there is no escalation clause in the lease agreements. Expenses of INR 27.9 million (2012 - INR 18.4 million, 2011 - INR 11.1 million) incurred under such leases have been expensed in the statement of profit & loss.

26. Finance costs

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Interest			
Debentures	917.4	605.7	747.2
Fixed Loans, Buyer's Credit, Short Term etc	3,595.1	1,243.9	651.9
Others	32.9	44.5	90.2
Bank and other finance charges (including amortization of Ancillary cost)	348.7	146.7	127.3
Loss on Derivatives / Swap Contracts (net)	524.3	773.8	45.3
	5,418.4	**2,814.6**	**1,661.9**

27. Earnings per share (EPS)

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Total operations for the year			
Net Profit for the year	16,232.2	11,020.7	9,181.5
Less : Dividends on Non-Cumulative Redeemable Preference Shares & tax thereon	*-	*-	*-
Net profit for calculation of basic and diluted EPS	16,232.2	11,020.7	9,181.5
	No.	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,003,394,100	2,003,394,100	2,003,394,100
Basic and Diluted Earnings per Share in Rupees			
- From total operations	**8.10**	**5.50**	**4.58**
* Figures being nullified on conversion to INR in million.			
Continuing Operations			
Profit After Tax (after adjustment of minority interest)	15,379.2	11,173.6	9,181.5
Net Profit for the period			

	March 31, 2013 INR in Million	March 31, 2012 INR in Million	March 31, 2011 INR in Million
Less : Dividends on Non-Cumulative Redeemable Preference Shares & tax thereon	*-	*-	*-
Net profit/(loss) for calculation of basic and diluted EPS	**15,379.2**	**11,173.6**	**9,181.5**
	No.	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,003,394,100	2,003,394,100	2,003,394,100
Basic and Diluted Earnings per Share in Rupees			
- From continuing operations	**7.68**	**5.58**	**4.58**

* Figures being nullified on conversion to INR in million.

28. Details of employee benefits

1. The company has recognised, in the consolidated statement of profit and loss for the current year under the following defined contribution plan.

Contribution to	2012-13	2011-12	2010-11
Provident Fund	**45.1**	41.5	30.6
Superannuation Fund	**5.8**	4.6	4.2
Total	**50.9**	**46.1**	**34.8**

2. The Company has a defined gratuity plan. Every employee gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in the form of a qualifying insurance policy. Currently, there are no retirement benefit plans applicable in case of subsidiaries in Australia.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Consolidated Statement of Profit and Loss

a) Net Employee benefit expense (recognised in Employee Cost)

INR in Million

Particulars	Gratuity (Funded)		
	March 31, 2013	**March 31, 2012**	**March 31, 2011**
Current Service cost	14.3	12.9	14.6
Interest Cost on benefit obligation	4.9	3.8	2.8
Expected return on plan assets	(4.3)	(3.3)	(2.2)
Actuarial loss / (gain) recognised in the year	9.5	0.4	1.8
Net benefit expense	24.4	13.8	17.0

Actual return on plan assets INR 4.7 million (2012 - INR 3.6 million, 2011 - INR 0.4 million)

Balance Sheet

b) Details of Provision for gratuity

INR in Million

Particulars	Gratuity (Funded)

	March 31, 2013	March 31, 2012	March 31, 2011
Present value of defined benefit obligation	79.8	60.9	49.7
Fair value of plan assets	61.3	50.4	39.5
Surplus/(deficit) of funds	(18.4)	(10.5)	(10.2)
Net asset/ (liability)	(18.4)	(10.5)	(10.2)

c) Changes in Present Value of the defined benefit obligation are as follows:

INR in Million

Particulars	Gratuity (Funded)		
	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation at the beginning of the period	60.9	49.7	32.9
Current Service cost	14.3	12.9	14.6
Interest Cost	4.9	3.8	2.8
Actuarial (gain) / loss on obligations	7.2	1.0	2.8
Benefits paid	(7.5)	(4.8)	(3.4)
Excess Provision written back	-	(1.7)	-
Defined benefit obligation at the end of the period	79.8	60.9	49.7

d) Changes in Fair Value of Plan Assets are as follows:

INR in Million

Particulars	Gratuity (Funded)		
	March 31, 2013	March 31, 2012	March 31, 2011
Opening fair value of plan assets	50.4	39.4	26.3
Expected return	4.3	3.2	2.2
Contributions by employer	6.6	11.9	13.1
Benefits Paid	(0.3)	(4.8)	(3.2)
Actuarial gains / (losses)	0.4	0.7	1.0
Closing fair value of plan assets	61.4	50.4	39.4

1. The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of Plan Assets amounting to INR 61.4 million (2012 - INR 50.4 million, 2011 - INR - 39.4 million) is as certified by the LIC.
2. The company's expected contribution to the fund in the next financial year is INR 25.6 million (2012 - INR 12.5 million, 2011 – INR 0.6 million).

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

INR in Million

Benefit Contribution to	2012-13 %	2011-12 %	2010-11 %
Investments with insurers	100.00	100.00	100.00

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) The principle assumptions used in determining Gratuity obligations are as follows:

Particulars	Gratuity (Funded)		
	March 31, 2013	March 31, 2012	March 31, 2011
Discount rate	8.25% to 8.75%	8% to 8.25%	8% to 8.25%

Particulars	Gratuity (Funded)		
	March 31, 2013	March 31, 2012	March 31, 2011
Expected rate of return on plan assets	8.50% to 8.75%	7.50% to 8.25%	7.50% to 8.25%
Rate of Escalation in Salary (per annum)	5% to 8.50%	5% to 8.50%	5% to 8.50%
Mortality	India Assured Lives Mortality (2006-08)	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Attrition rate	10% for 4 years & below and 1% thereafter	1% at each age + 10% service related	1% at each age + 10% service related

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Amounts for the current and previous five periods are as follows:

INR in Million

Gratuity	Mar'13	Mar'12	Mar'11	Mar'10	Mar'09	Mar'08
Defined benefit obligation	**(79.8)**	(60.9)	(49.7)	(32.6)	(22.0)	(15.6)
Plan Assets	**61.4**	50.4	39.4	26.3	26.3	18.1
Surplus / (deficit)	**(18.4)**	(10.5)	(10.2)	(6.3)	4.4	2.5
Experience loss (gain) on plan liabilities	**7.2**	1.0	2.8	5.6	0.1	10.1
Experience loss (gain) on plan assets	**(0.4)**	(0.7)	(1.0)	(0.5)	0.3	0.5

29 Segment Information Business Segment

The identified reportable Segments are Port and Special Economic Zone activities and others in terms of Accounting Standard-17 on 'Segment Reporting' as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended).

Other Segment mainly includes Aircraft Operating Income, Services as per Concession agreement with Government of India, Ministry of Railways for movement of Container Trains on specific Railway Routes and Multi-modal Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations.

The segment information on Consolidated Financial Statement with Segment wise Revenue, Result and Capital Employed for the year ended March 31 is given below:-

INR in Million

Sr. No.	Particulars	Year	Port and SEZ Activities	Others	Eliminations	Total
1	**Revenue**					
	External Sales	2012-13	32,548.6	3,217.7	-	35,766.3
		2011-12	25,277.4	1,695.2	-	26,972.6
		2010-11	18,634.0	1,367.1	-	20,001.1
	Inter-Segment Sales	2012-13	-	519.5	(519.5)	-
		2011-12	-	349.0	(349.0)	-
		2010-11	-	160.5	(160.5)	-
	Total Revenue	2012-13	32,548.6	3,737.2	(519.5)	35,766.3
		2011-12	25,277.4	2,044.2	(349.0)	26,972.6

Sr. No.	Particulars	Year	Port and SEZ Activities	Others	Eliminations	Total
		2010-11	18,634.0	1,527.6	(160.5)	20,001.1
2	**Results**					
	Segment Results	2012-13	19,776.2	29.6		19,805.8
		2011-12	14,553.8	(100.2)	-	14,453.6
		2010-11	10,946.1	(35.0)	-	10,911.1
	Unallocated Corporate Income (Net)	2012-13	-			2,378.7
		2011-12	-	-	-	368.2
		2010-11	-	-	-	786.6
	Operating Profit	2012-13	-	-	-	22,184.5
		2011-12	-	-	-	14,821.8
		2010-11	-	-	-	11,697.7
	Less: Finance Expense	2012-13	-	-	-	5,418.4
		2011-12	-	-	-	2,814.6
		2010-11	-	-	-	1,661.9
	Profit before tax	2012-13	-	-	-	16,766.1
		2011-12	-	-	-	12,007.2
		2010-11	-	-	-	10,035.8
	Loss from discontinued operation before tax*	2012-13	-	-	-	(3,690.9)
		2011-12	-	-	-	(184.7)
		2010-11	-	-	-	-
	Profit from sale of discontinued operation	2012-13	-	-	-	4,195.7
		2011-12	-	-	-	-
		2010-11	-	-	-	-
	Profit before tax after discontinued operation	2012-13	-	-	-	17,270.9
		2011-12	-	-	-	11,822.5
		2010-11	-	-	-	10,035.8
	Current Taxes (Including MAT)	2012-13	-	-	-	280.6
		2011-12	-	-	-	145.2
		2010-11	-	-	-	223.4
	Deferred Tax	2012-13	-	-	-	602.0
		2011-12	-	-	-	750.5
		2010-11	-	-	-	650.7
	Total Tax	2012-13	-	-	-	882.6
		2011-12	-	-	-	895.7
		2010-11	-	-	-	874.1
	Profit after tax	2012-13	-	-	-	16,388.3
		2011-12	-	-	-	10,926.8
		2010-11	-	-	-	9,161.7
	Less: Minority Interest	2012-13	-	-	-	156.1
		2011-12	-	-	-	(93.9)
		2010-11	-	-	-	(19.8)
	Net profit	2012-13	-	-	-	16,232.2
		2011-12	-	-	-	11,020.7
		2010-11	-	-	-	9,181.5
3	**Other Information**					
	Segment Assets	2012-13	155,250.3	12,992.2	-	168,242. 5
		2011-12*	226,126.0	9,653.3	-	235,779.3

Sr. No.	Particulars	Year	Port and SEZ Activities	Others	Eliminations	Total
		2010-11	83,511.8	7,888.4	-	91,400.2
	Unallocated Corporate Assets	2012-13	-	-	-	42,353.5
		2011-12*	-	-	-	23,381.4
		2010-11	-	-	-	3,836.2
	Total Assets	2012-13	155,250.3	12,992.2	-	210,596.0
		2011-12*	226,126.0	9,653.3	-	259,160.7
		2010-11	83,494.6	7,888.4	-	95,236.4
	Segment Liabilities	2012-13	8,203.6	11,068.9	-	19,272.5
		2011-12*	11,199.7	3,416.3	-	14,616.0
		2010-11	11,475.7	265.8	-	11,758.6
	Unallocated Corporate Liabilities	2012-13	-	-	-	125,937.7
		2011-12*	-	-	-	195,043.1
		2010-11	-	-	-	40,592.0
	Total liabilities	2012-13	8,203.6	11,068.9	-	145,210.2
		2011-12*	9,513.0	3,416.3	-	209,659.1
		2010-11	11,475.7	265.8	-	52,350.6
	Capital Expenditure during the year (including acquisition)	2012-13	36,490.2	2,052.3	-	38,542.5
		2011-12*	124,907.8	714.2	-	125,622.0
		2010-11	19,509.2	955.2	-	20,464.4
	Segment Depreciation(Expense)	2012-13	3,925.7	294.0	-	4,219.7
		2011-12*	4,363.7	266.6		4,630.3
		2010-11	2,154.2	233.4	-	2,387.6
	Non-Cash Expenses other than Depreciation	2012-13	(356.3)	456.7	-	100.4
		2011-12	503.5	16.8	-	520.3
		2010-11	43.6	-	-	43.6
	Unallocated Non-Cash other than Expenses Depreciation	2012-13	-	-	-	602.0
		2011-12	-	-	-	750.5
		2010-11	-	-	-	650.7

* The above 2011-12 numbers includes discontinued port activities as detailed below;

Particulars	INR in Million
Segment Assets	108,757.6
Unallocated Corporate Assets	10,721.7
Total Assets	119,479.3
Segment Liabilities	1,686.7
Unallocated Corporate Liabilities	110,931.1
Total liabilities	112,617.8
Capital Expenditure during the year	99,925.4
Segment Depreciation (Expense)	1,471.0

Details of discontinued Port activities which are not included above are as follows

INR in Million

Sr. No.	Particulars		Port and SEZ Activities	Eliminations	Total

Sr. No.	Particulars		Port and SEZ Activities	Eliminations	Total
1	**Revenue**				
	External Sales	2012-13	10,429.7	-	10,429.7
		2011-12	5,735.5	-	5,735.5
		2010-11	-	-	-
	Total Revenue	2012-13	10,429.7	-	10,429.7
		2011-12	5,735.5	-	5,735.5
		2010-11	-	-	-
2	**Results**				
	Segment Results	2012-13	3,339.5	-	3,339.5
		2011-12	1,687.4	-	1,687.4
		2010-11	-	-	-
	Unallocated Corporate Income (Net)	2012-13	-	-	181.6
		2011-12	-	-	81.4
		2010-11	-	-	-
	Operating Profit	2012-13	-	-	3,521.1
		2011-12	-	-	1,768.8
		2010-11	-	-	-
	Less: Finance Expense	2012-13	-	-	7,212.0
		2011-12	-	-	1,953.5
		2010-11	-	-	-
	Profit before tax	2012-13	-	-	(3,690.9)
		2011-12	-	-	(184.7)
		2010-11	-	-	-

Geographical Segments

The Company's secondary segments are the geographic distribution of activities. Revenue and Receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue, expenditure and certain asset information regarding the Company's geographical segments:

INR in Million

Sr. No.	Particulars		Domestic Operations	Foreign Operations (Discontinued operations)	Total
1	**Revenue**	2012-13	35,766.3	10,429.7	46,196.0
		2011-12	26,972.5	5,735.5	32,708.0
		2010-11	20,001.1	-	20,001.1
2	**Assets**	2012-13	210,596.0	-	210,596.0
		2011-12	139,681.4	119,479.3	259,160.7
		2010-11	95,236.4	-	95,236.4
3	**Addition to fixed assets**	2012-13	38,542.5	-	38,542.5
		2011-12	25,696.6	99,925.4	125,622.0
		2010-11	20,464.4	-	20,464.4

30 Adani Ports and Special Economic Zone Limited’s share in the voting power of subsidiary companies as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%)		
			March 31, 2013	**March 31, 2012**	**March 31, 2011**
1	Adani Logistics Limited	India	**100**	**100**	**100**
2	Karnavati Aviation Private Limited	India	**100**	**100**	**100**
3	MPSEZ Utilities Private Limited	India	**100**	**100**	**100**
4	Mundra SEZ Textile and Apparel Park Private Limited	India	**56.98**	**56.98**	**56.98**
5	Adani Murmugao Port Terminal Private Limited	India	**74**	**74**	**74**
6	Mundra International Airport Private Limited	India	**100**	**100**	**100**
7	Adani Hazira Port Private Limited	India	**100**	**100**	**100**
8	Adani Petronet (Dahej) Port Private Limited	India	**74**	**74**	**74**
9	Hazira Infrastructure Private Limited	India	**100**	**100**	**100**
10	Hazira Road Infrastructure Private Limited	India	**100**	**100**	**100**
11	Adani Vizag Coal Terminal Pvt. Ltd. [w.e.f. April 15, 2011]#	India	**100**	**100**	**NA**
12	Adani International Container Terminal Pvt. Ltd. [w.e.f. April 24, 2011]#*	India	**@-**	**100**	**NA**
13	Adani Kandla Bulk Terminal Pvt. Ltd. [w.e.f. March 7, 2012]#	India	**51**	**51**	**NA**
14	Mundra Port Pty Ltd.[w.e.f. April 18, 2011]#$	Australia	**-**	**100**	**NA**
15	Mundra Port Holdings Pty Ltd.[w.e.f. April 19, 2011]#$	Australia	**-**	**100**	**NA**
16	Mundra Port Holdings Trust [w.e.f. April 19, 2011]#$	Australia	**-**	**100**	**NA**
17	Adani Abbot Point Terminal Holdings Pty Ltd.[w.e.f. December 6, 2011]#$	Australia	**-**	**100**	**NA**
18	Adani Abbot Point Terminal Pty Ltd. [w.e.f. June 1, 2011]*$	Australia	**-**	**100**	**NA**
19	Adani Warehousing Services Pvt Ltd [w.e.f. April 19, 2012]#	India	**100**	**NA**	**NA**
20	Rajasthan SEZ Pvt. Ltd. (ceased from February 9, 2013)	India	**NA**	**100**	**100**

Date on which the company was incorporated.
* Date from which the controlling interest was acquired.
$ ceased to be subsidiary w.e.f. March 31, 2013.

Adani Ports and Special Economic Zone Limited's share in the voting power of associate company as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%)		
			March 31, 2013	**March 31, 2012**	**March 31, 2011**
1	Dholera Infrastructure Private Limited	India	49	49	49

@ Adani Ports and Special Economic Zone Limited's share in the voting power in joint ventures as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%)		
			March 31, 2013	March 31, 2012	March 31, 2011
1	Adani International Container Terminal Private Limited	India	50	-	-

31 Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the purposes of reporting as per AS 18 – Related Party Transactions, which are as under:

Holding Company	Adani Enterprises Limited
Associate	Dholera Infrastructure Private Limited
Fellow Subsidiary	Adani Power Limited Adani Agri Logistics Limited Adani Power Dahej Limited Adani Gas Limited Chemoil Adani Private Limited Adani Global FZE, Dubai. Adani Global Pte Limited Adani Infra (India) Limited Adani Power Rajasthan Limited Adani Welspun Exploration Limited Kutchh Power Generation Limited Adani Agri Fresh Limited Adani Energy Limited Mundra LNG Limited Adani Power Maharashtra Limited Adani Mundra SEZ Infrastructure Private Limited (upto June 29, 2012) Adani Agro Private Limited (upto June 29, 2012) Adani Properties Private Limited (upto June 29, 2012)
Key Management Personnel	Mr. Gautam S. Adani, Chairman and Managing Director Mr. Rajeeva Ranjan Sinha, Whole time Director Dr. Malay R. Mahadevia, Whole time Director
Joint Venture	Adani International Container Terminal Private Limited
Joint Venturer	Petronet LNG Limited
Relative of Key Management Personnel	Mr. Rajesh S. Adani, Director
Entities over which Key Management Personnel Directors and their relatives are able to exercise Significant Influence	Gujarat Adani Institute of Medical Science Adani Wilmar Limited Shanti Builders Shanti Krupa Estate Private Limited Adani Foundation Dholera Port and Special Economic Zone Limited Ezy Global Ignite Foundation Mundra Port Pty Limited, Australia (From March 30, 2013) Adani Abbot Point Terminal Pty Limited, Australia (From March 30, 2013) Abbot Point Port Holdings Pte Limited – Singapore

Aggregate of transactions for the year ended with these parties have been given below.

REFORMATTED AUDITED CONSOLIDATED RELATED PARTY TRANSACTION STATEMENT OF LAST THREE YEARS

INR in Million

Categories	Name of Related Party	March'2013	March'2012	March'2011
Rendering of Services	Adani Enterprises Limited	2,892.2	1,376.7	1,594.2
	Adani Global F.Z.E	0.8	0.2	0.1
	Adani Global Pte Limited	-	0.2	-
	Adani Infra (India) Limited	6.7	46.7	44.8
	Adani Mundra Sez Infrastructure Private Limited	0.3	8.1	4.6
	Adani Power Dahej Limited	155.6	37.9	18.6
	Adani Power Limited	3,780.6	2,433.1	1,628.1
	Adani Power Rajasthan Limited	84.4	9.0	6.2
	Chemoil Adani Private Limited	293.4	273.4	318.7
	Adani Foundation	0.3	0.7	0.8
	Adani Wilmar Limited	227.7	252.2	392.8
	Adani Welspun Exploration Limited	-	-	2.0
	Adani International Container Terminal Private Limited	751.6	-	-
	Adani Abbot Point Terminal Pty Limited, Australia	33.6	-	-
	Adani Power Maharashtra Limited	239.3	-	-
	Shanti Krupa Estates Private Limited	-	-	0.1
Lease & Infra. Usage Charge or Upfront Premium	Adani Mundra Sez Infrastructure Private Limited	-	308.8	6.6
	Adani Power Limited	128.2	14.5	15.4
	Chemoil Adani Private Limited	0.1	0.7	-
	Adani Wilmar Limited	5.2	58.2	4.6
	Adani International Container Terminal Private Limited	1,029.3	-	-
	Adani Foundation	*-	-	-
	Adani Mundra Sez Infrastructure Private Limited	7.2	-	-
Services Availed (incl reimb of expenses)	Adani Enterprises Limited	36.8	2.4	1.2
	Adani Mining Private Limited	-	-	*-
	Ezy Globel	-	-	1.2
	Adani Mundra Sez Infrastructure Private Limited	-	8.5	13.2
	Adani Power Limited	577.5	-	-
	Chemoil Adani Private Limited	8.6	-	-
	Adani Welspun Exploration Limited	0.1	-	-
	Shanti Builder	43.5	-	-
	Petronet Lng Limited	0.8	-	-
Purchase of Goods	Adani Power Limited	3.5	267.9	4.0
	Adani Enterprises Limited	-	193.7	-
	Adani Gas Limited	*-	0.1	0.6
	Chemoil Adani Private Limited	881.5	1,818.4	2,131.4
	Adani Agri Logistics Limited	-	1.4	-
	Adani Global F.Z.E	-	-	1.3
	Adani International Container Terminal Private Limited	2,864.5	-	-

Categories	Name of Related Party	March'2013	March'2012	March'2011
	Adani Power Rajasthan Limited	10.2	-	-
	Adani Wilmar Limited	0.2	-	-
Rent Expenses	Adani Properties Limited	0.6	0.7	0.9
	Adani Wilmar Limited	-	1.2	1.2
	Adani Enterprises Limited	0.1	-	-
Purchase of Asset	Adani Enterprises Limited	1.8	19.5	0.7
	Adani Mundra Sez Infrastructure Private Limited	170.9	47.0	-
	Adani Power Limited	-	1.7	25.6
	Shanti Builders	-	13.6	0.6
	Adani International Container Terminal Private Limited	6.8	-	-
	Adani Properties Private Limited	1.5	-	-
Sale of Asset	Adani Mundra Sez Infrastructure Private Limited	-	-	0.5
	Adani Global Fze	0.1	-	-
Other Income	Adani Mundra Sez Infrastructure Private Limited	1.7	3.1	1.7
	Adani Power Limited	9.9	0.2	3.2
	Adani Power Dahej Limited	8.5	7.5	-
	Adani Wilmar Limited	0.1	1.6	-
	Shanti Krupa Estates Private Limited	-	-	1.1
	Adani Enterprises Limited	0.1	-	-
	Chemoil Adani Private Limited	0.2	-	-
	Adani Foundation	0.3	-	-
Share Application Money Paid / Investment	Adani Enterprises Limited	-	-	110.1
	Petronet Lng Limited	-	166.7	56.2
	Adani International Container Terminal Private Limited	979.5	-	-
Share Application Money Refund	Dholera Infrastructure Private Limited	-	0.1	-
	Petronet Lng Limited	-	-	56.2
Share Application Money Received	Adani Enterprises Limited	-	5.2	-
Interest Income	Adani Enterprises Limited	-	-	91.1
	Adani Power Limited	274.1	-	46.5
	Adani Infra (India) Limited	97.6	-	-
Interest Expense	Adani Enterprises Limited	16.3	75.0	3.4
Loans Given	Adani Enterprises Limited	-	-	2,500.0
	Adani Power Limited	3,920.0	-	4,650.0
	Adani Infra (India) Limited	2,500.0	-	-
	Mundra Port Pty Limited, Australia	603.2		
	Adani International Container Terminal Private Limited	390.9	-	-
Loans Received back	Adani Enterprises Limited	-	-	2,500.0
	Adani Power Limited	3,380.0	-	4,650.0
	Adani International Container Terminal Private Limited	418.4	-	-
Borrowings (Loan Taken) Addition	Adani Enterprises Limited	8,174.1	7,665.0	1,500.0
	Adani Power Dahej Limited	-	204.1	-
Borrowings (Loan Repaid) Repaid	Adani Enterprises Limited	8,074.1	7,665.0	1,500.0
Remuneration	Gautam S. Adani	16.5	12.0	12.0
	Rajeeva R. Sinha	19.3	18.1	16.2

Categories	Name of Related Party	March'2013	March'2012	March'2011
	Malay Mahadevia	75.2	23.7	18.3
Commission to Director	Gautam S. Adani	10.0	10.0	10.0
Sitting Fees	Rajesh S. Adani	0.6	0.6	0.2
Balance Written Back	Adani Global F.Z.E	-	-	15.0
Donation	Adani Foundation	202.0	52.0	37.0
	Gujarat Adani Institute Of Medical Science	40.0	70.0	200.0
	Ignite Foundation	-	-	50.0
Sale of Investments	Adani Enterprises Limited	5.4	0.2	-
	Abbot Point Port Holdings Pte Limited – Singapore	13,347.0	-	-
Closing Balance				
Other Current Liabilities	Adani Enterprises Limited	10.0	10.0	10.0
	Chemoil Adani Private Limited	2.5	2.5	2.5
	Adani Wilmar Limited	5.0	5.0	5.0
	Adani International Container Terminal Private Limited	2,936.7	-	-
	Shanti Builder	3.3	-	-
	Adani Power Limited	16.1	-	-
		2973.6	**17.5**	**17.5**
Advances from Customers	Adani Enterprises Limited	30.8	35.0	8.1
	Adani Mundra Sez Infrastructure Private Limited	-	0.5	-
	Adani Power Limited	7.8	21.2	19.1
	Chemoil Adani Private Limited	22.5	23.2	25.3
	Kutchh Power Generation Limited	32.1	32.1	32.1
	Adani Foundation	-	0.0	-
	Adani Wilmar Limited	2.3	0.1	-
	Adani International Container Terminal Private Limited	3,364.1	-	-
	Adani Foundation	0.1	-	-
	Shanti Builder	0.1	-	-
		3459.7	**112.03**	**84.6**
Trade Payable (incl provisons)	Adani Enterprises Limited	159.0	3.8	0.8
	Adani Gas Limited	-	*-	-
	Adani Mundra Sez Infrastructure Private Limited	-	10.0	-
	Adani Power Limited	55.9	50.2	7.4
	Chemoil Adani Private Limited	-	8.7	458.2
	Adani Welspun Exploration Limited	0.1	-	2.1
	Shanti Builders	4.6	3.8	-
	Adani Wilmar Limited	-	1.4	0.1
	Adani Properties Private Limited	-	-	0.2
	Adani International Container Terminal Private Limited	11.4	-	-
	Petronet Lng Limited	0.5	-	-
	Adani Power Dahej Limited	0.1	-	-
		231.5	**77.9**	**468.8**
Trade Receivable	Adani Enterprises Limited	124.0	104.5	466.1
	Adani Global F.Z.E	1.0	0.3	0.1
	Adani Global Pte Limited	-	0.2	-
	Adani Infra (India) Limited	3.3	7.9	16.2

Categories	Name of Related Party	March'2013	March'2012	March'2011
	Adani Mundra Sez Infrastructure Private Limited	-	6.1	1.1
	Adani Power Limited	1,454.9	309.8	581.2
	Adani Power Rajasthan Limited	92.5	0.5	2.0
	Chemoil Adani Private Limited	3.7	4.8	15.4
	Adani Power Dahej Limited	157.4	-	20.5
	Adani Foundation	0.2	0.2	0.1
	Adani Wilmar Limited	22.4	18.5	47.0
	Adani Properties Limited	-	-	0.1
	Adani International Container Terminal Private Limited	896.6	-	-
	Shanti Builder	0.0	-	-
	Adani Power Maharashtra Limited	148.2	-	-
		2904.2	**452.8**	**1150.0**
Loans & Advances (incl ARCK)	Adani Mundra Sez Infrastructure Private Limited	-	248.8	108.8
	Mundra Port Pty Limited, Australia	605.5		
	Chemoil Adani Private Limited	0.4	0.1	-
	Shanti Builders	-	11.6	2.5
	Dholera Infrastructure Private Limited	87.6	87.6	87.6
	Adani Abbot Point Terminal Pty Limited, Australia	33.0	-	-
	Adani Power Limited	540.0	-	-
	Adani Infra (India) Limited	2,500.0	-	-
	Adani Properties Limited	10.0	10.0	10.0
		3,776.5	**358.1**	**209.0**
Other Current Assets	Adani Power Limited	196.7	-	-
	Abbot Point Port Holdings Pte Limited – Singapore	13,347.0		
		13,543.7	**-**	**-**
Share Application Money Outstanding	Dholera Infrastructure Private Limited	-	-	0.1
	Adani International Container Terminal Private Limited	1,051.6	-	-
		1,051.06	**-**	**-**
Capital Advances	Shanti Builder	4.7	-	-
		4.7	**-**	**-**
Corporate Guarantee	Gujarat Adani Institute Of Medical Science	135.0	135.0	135.0
	Mundra Port Pty Limited, Australia	USD 807.00 mio	-	-
	Mundra Port Pty Limited, Australia	AUD 22.03 mil	-	-
	Adani International Container Terminal Private Limited	USD 32.50 mio	-	-

Sub Notes:

1 The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

2 Pass through payable relating to railway freight and other payable to third parties have not been considered for the purpose of related party disclosure.

3 For the purpose of comparison, the previous years transaction have been re-classified in current year.

32 The Company takes various types of derivative instruments to hedge its future loans & interest liabilities. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives			Purpose
	As at March 31, 2013 (Amount in Million)	As at March 31, 2012 (Amount in Million)	As at March 31, 2011 (Amount in Million)	
INR - Foreign Currency Swap	**USD 296.7**	**USD 149.7**	**USD 100.0**	Hedging of equivalent rupee non convertible debentures aggregating to INR 1,1163.9 million and INR 4,768.3 million of long term loan (2012 - INR 6,864.9 million, 2011 - INR 4,502.0 million) to mitigate higher interest rate of INR loans against foreign currency loans with possible risk of principal currency losses.
Forward Contract	**USD 235.1**	**JPY 1,817.4**	-	Hedging of loan and interest liability INR 135.6 million (2012 - INR 1,212.4 million, 2011 - INR Nil).
	USD 9.0	**-**	-	Hedging of foreign currency letter of credit liability of INR 488.0 million (2012 - INR Nil, 2011 - INR Nil).
	EUR 8.8	**-**	-	Hedging of foreign currency term loan installment liability of INR 612.9 million (2012 - INR Nil, 2011 - INR Nil).
Interest rate swap	**-**	**AUD 891.00**		Hedging of Interest rate risk

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	As at March 31, 2013			As at March 31, 2012			As at March 31, 2011		
	Amount INR in Million	Foreign Currency (in Million)		Amount INR in Million	Foreign Currency (in Million)		Amount INR in Million	Foreign Currency (in Million)	
Foreign Currency Loan	62,525.9	USD	1151.8	41,060.9	USD	802.7	7,172.7	USD	160.6
	4,381.3	EUR	63.0	5,065.7	EUR	74.1	996.8	EUR	15.8
	1,562.3	JPY	2,708.6	2,061.5	JPY	3,302.0	1,032.8	JPY	1,911.8

Nature	As at March 31, 2013			As at March 31, 2012			As at March 31, 2011		
	Amount INR in Million	Foreign Currency (in Million)		Amount INR in Million	Foreign Currency (in Million)		Amount INR in Million	Foreign Currency (in Million)	
Buyer's Credit	3,121.1	USD	57.5	4,541.5	USD	88.8	7,214.3	USD	161.6
	2,486.5	EUR	35.8	2,169.4	EUR	31.8	1,215.2	EUR	19.2
	15.5	GBP	0.2	15.4	GBP	0.2	-		-
Trade Payables	241.8	USD	4.5	213.3	USD	4.2	561.9	USD	12.6
	103.8	EUR	1.5	314.2	EUR	4.6	-		-
	0.6	AUD	*-	0.8	AUD	*-	-		-
	1.7	GBP	*-	2.1	GBP	*-	-		-
	*-	JPY	*-	-		-	-		-
Interest accrued but not due	256.3	USD	4.7	265.6	USD	5.2	50.4	USD	1.1
	46.0	EUR	0.7	53.9	EUR	0.7	9.4	EUR	0.1
	15.0	JPY	26.0	18.9	JPY	30.3	9.2	JPY	17.1
	0.3	GBP	*-	0.21	GBP	*-	-		-
Other Receivable	13,347.0	AUD	235.7	-	-	-	-		-

* Figures being nullified on conversion to INR in million.

Closing rates as at March 31:

	2013	2012	2011
INR / USD	54.29	51.16	44.65
INR / EUR	69.50	68.34	63.24
INR / GBP	82.23	81.80	71.92
INR / JPY	0.58	0.62	0.54
INR / AUD	56.63	52.92	46.05

33 The Company has been availing benefit u/s 80IAB of the Income Tax Act, 1961 on the taxable income. In view of the amendment in Income Tax Act, 1961 w.e.f. April 1, 2011 by Finance Act 2011, the Company is liable to pay Minimum Alternate Tax (MAT) on income from the financial year 2011-12. Based on the amendment, the Company has made provision of INR 3,874.2 million and INR 2,543.3 million for financial year 2012-13 and 2011-12 respectively for current taxation based on its book profit for respective financial years and considered credit for MAT of INR 3,655.8 million and INR 2,421.7 million as the management believes, it has convincing evidence in the nature of strategic volumes of cargo available with the Company and higher depreciation charge for accounting purposes than the depreciation for income tax purposes in the future period, thereby, the MAT credit will be utilized post tax holiday period.

34 The MPSEZ Utilities Pvt Ltd is engaged in the business of distribution of power. Accordingly additional information pursuant to provision of paragraph 3,4C,4D of the Part-II of Schedule VI to the Companies Act, 1956 is given under to the extent applicable.

Sr. No.	Particulars	2012-13 Unit in Mus	2011-12 Unit in Mus	2010-11 Unit in Mus
ia)	Unit Purchased (incl. of GETCO/WR Transmission Losses)	141.223	117.225	21.731
ib)	UI Purchased	5.271	(0.381)	-
I	Net Units Purchased	146.494	116.845	21.731
ii)	Unit Sold	140.634	109.110	19.751
iii)	Transmission & Distribution Losses	5.860	7.735	1.980
iv)	Transmission & Distribution Losses (%)	4.00%	6.60%	9.11%

35 The Company has new container terminal at Mundra (CT-3), pending transfer to Adani International Container Terminal Private Limited (AICTPL), a Joint Venture entity between the Company and Global

Terminal Limited. The container terminal will get transferred to AICTPL on receiving the necessary regulatory approvals from the government authorities. Further, till the time the assets are transferred to AICTPL, the company continues to operate the asset. (Also refer note 40, below)

36 Capital Work in Progress includes Expenditure during Construction Period/New Projects and Capital Inventory, details of which are as follows:

INR in Million

Particulars		Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
A.	**Project Expenditure**	**26,555.3**	**30,309.6**	**13,387.6**
B.	**Capital Inventory**	**2,535.5**	**3,682.0**	**3,519.0**
C.	**Expenditure during Construction Period :**			
	Personnel Expenses			
	Salaries, Wages & Bonus	90.1	84.7	59.4
	Contribution to Provident Fund	7.0	5.3	1.8
	Workmen and Staff Welfare Expense	3.9	6.0	0.9
	Sub Total	**101.0**	**96.0**	**62.1**
	Other Expenses			
	Power & Fuel	7.1	2.4	11.2
	Insurance	11.3	2.0	0.9
	Other Repairs and Maintenance	3.3	0.7	0.1
	Legal and Professional Expenses	67.9	17.0	13.2
	Travelling and Conveyance	65.8	102.7	44.2
	Rent	76.3	38.0	29.2
	Security Charges	11.8	8.8	4.3
	Store and Consumables	18.9	3.2	-
	Other Expenses	61.7	33.1	14.3
	Sub Total	**324.1**	**207.9**	**117.4**
	Financial Expenses			
	Interest on Borrowings	791.9	970.4	453.6
	Bank Charges	29.4	152.6	141.0
	Ancillary Cost of Borrowings	48.3	858.0	-
	Sub Total	**869.6**	**1,981.0**	**594.6**
	Interest Income on Bank Deposits	(72.1)	(296.8)	-
	Depreciation	954.9	740.3	690.3
	Total Expenditure	**2,177.5**	**2,728.4**	**1,464.4**
	Trial Run Income	(106.4)	-	
	Miscellaneous Income	-	-	(11.6)
	Scrap Sales	(107.2)	(79.6)	-
	Total Income	(213.6)	(79.6)	(11.6)
	Net	1,963.9	2,648.8	1,452.8
	Brought Forward from Previous Year	2,385.4	260.6	222.4
	Total	**4,349.3**	**2,909.4**	**1,675.1**
	Amount capitalized during the year	(3,949.2)	(524.0)	(1,414.6)
	Balance Carried Forward Pending Allocation/Capitalisation	400.1	2,385.4	260.6
	Foreign exchange Fluctuation	21.3	-	-
Total Capital Work In Progress (A + B + C)		**29,512.2**	**36,377.0**	**17,167.2**

Note:
The above expenditure excludes operational expenditure related to project assets, such as fuel and stores & spares consumption, which has been directly allocated as project expenditure.

37 Capital Commitments

INR in Million

Particulars	As at March 31, 2013	As at March 31,2012	As at March 31,2011
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	14,334.9	20,129.3	17,710.1

Other Commitments

a) The port projects of subsidiary companies viz. Adani Hazira Port Private Limited, Adani Petronet Port Private Limited and Adani Murmugao Port Terminal Private Limited has been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the banks, the Company has executed a Sponsor Undertaking and Pledge Agreement whereby 51% of the holding would be retained by the Company at all points of time of which 30% holding is pledged and for the balance 21% holding, the Company has given a non-disposal undertaking to the lenders of respective subsidiary companies.

b) As per terms of sanction of US$ 800 million facility by State Bank of India (SBI) to Mundra Port Pty Limited (MPPL), an entity in which company remain invested 1,000 Equity Share of AUD 1 each at the reporting date. The Company has pledged its Equity holding in MPPL in favour of SBI. (Also Refer Note 41)

c) The Company has entered into an “Equity Subscription Agreement” to contribute equity in Mundra Port Pty Limited (MPPL), in which company has transferred substantial voting right to promoter entity during the year, for meeting capital expenditure requirements of Abbot Point Terminal assets, as and when required. In order to ensure timely subscription to equity, the bankers to the MPPL had required a stand by letter of credit facility. Accordingly, APSEZL procured stand by letter of credit from Standard Chartered Bank, which in-turn is backed by a corporate guarantee issued by the Company in favor of Standard Chartered Bank amounting to AUD 22.03 Million and Letter of comfort from State Bank of India, which is backed by Corporate Guarantee of US$ 800 Million issued by the Company in favour of State Bank of India. As at March 31, 2013, MPPL has availed loan of US$ 800 million from State Bank of India but no financing facility has been availed from Standard Chartered Bank.

38 Disclosure pursuant of Accounting Standard (AS) – 7 (revised) – Construction Contracts are as under;

A)

INR in Million

Particulars	As at March 31, 2013	As at March 31,2012	As at March 31,2011
a) Contract revenue recognized during the year	670.8	575.3	260.4
b) Aggregate amount of contract costs incurred during the year	130.4	136.5	70.3
c) Customer advances outstanding for contracts in progress	-	54.8	9.8
d) Retention money due from customers for contracts in progress.	81.9	80.0	79.1
e) Receivable from customers	183.2	8.3	250.4

B)

Contract revenue accrued in excess of billing amounting INR Nil (2012 - INR 81.6 million, 2011 - INR 59.3 million) has been reflected under the head “Other Assets” and billing in excess of contract revenue amounting to INR 13.7 million (2012 - INR Nil, 2011 - INR 104.4 million) has been reflected under the head “Other Current Liabilities”.

39 Contingent Liabilities not provided for

INR in Million

S.No	Particulars	As at March 31, 2013	As at March 31,2012	As at March 31,2011
a.	Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and an entity over which key management personnel, directors and their relatives are able to exercise significant influence - Amount outstanding there against INR 43,450.8 million (2012 - INR Nil, 2011 - INR Nil)	45,572.3	-	-
b.	Bank Guarantees given to Government Authorities	1,492.6	981.9	825.6
c.	Civil suits have been filed by the Customers for recovery of damages caused to machinery in earthquake INR 3.7 million (2012 - INR 3.7 million, 2011 - INR 3.7 million), to cargo stored in Company's godown INR 9.4 million (2012 - INR 9.4 million, 2011 - INR 9.4 million) and loss due to mis-handling of wheat cargo INR 62.0 millions (2012 - INR 62.0 million, 2011 - INR 62.0 million) and loss due to non-performance of dredging contract INR 229.8 millions (2012 - INR Nil, 2011 - INR Nil). The said civil suits are currently pending with various Civil Courts in Gujarat. The management is confident that no liability will devolve on the Company in this regard and hence no provision is made in the books of accounts towards these suits.	304.9	75.2	75.2
d.	The Company had received show cause notices from the Custom Authorities for recovery of custom duty and interest thereon on the import of a tug and bunkers by the Company INR Nil (2012 - INR 20.7 million, 2011 - INR 20.7 million), import of various Cargos at Port INR 4.1 million (2012 - INR 5.0 million, 2011 - INR 5.3 million). The Customs cases are currently pending with, assistant Commissioner of Customs, Mundra (INR 1.4 million), Customs, Excise and Service Tax Appellate Tribunal, Mumbai (INR 2.7 million), respectively. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	4.1	25.8	26.0
e.	Deputy Commissioner of Customs, Mundra and Assistant Commissioner of Customs, Mumbai have held that the Company wrongly availed duty benefit exemption under DFCEC Scheme on import of equipment and demanded duty payment of INR 2.5 million (2012 - INR 2.6 million, 2011 - INR 2.6 million). The Company has filed its reply to the show cause notice with Deputy Commissioner of Customs, Mundra and Commissioner of Customs, Mumbai against order in original. The management is of view that no liability shall arise on the Subsidiaries Company.	2.5	2.6	2.6

S.No	Particulars	As at March 31, 2013	As at March 31,2012	As at March 31,2011
f.	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other misc. fixed assets. The Excise department has demanded recovery of the duty along with penalty and interest thereon. The Subsidiaries Company has given deposit of INR 45.0 million (2012 - INR 45.0 million, 2011 - INR 25.0 million) against the demand. The matters are pending before High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Subsidiaries Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Subsidiaries Company.	691.9	672.3	652.8
g.	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company. The matter is currently pending at High Court of Gujarat INR 67.2 million (2012 - INR 67.2 million, 2011 - INR Nil); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad INR 1.5 million (2012 - INR 1.5 million, 2011 - INR 85.2 million) and Commissioner of Service Tax Ahmedabad INR 0.2 million (2012 - INR 0.2 million, 2011 - INR 83.0 million). The Subsidiaries Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	69.0	69.0	168.2
h.	The Subsidiary Companies has imported duty free plant and machinery for its Solid Cargo Port Terminal Project under the EPCG Scheme for which an export obligation of INR 15,836.8 million (2012 - INR 3,296.0 million, 2011 - INR 1926.2 million) is pending which is equivalent to 8 times of duty saved INR 1,979.6 million (2012 - INR 412.0 million, 2011 - INR 240.8 million).	1,979.6	412.0	240.8
i.	Commissioner of Customs, Ahmedabad has demanded for recovery of penalty in connection with import of Air Craft which is owned by Karnavati Aviation Private Limited (Formerly Gujarat Adani Aviation Private Limited.), subsidiary of the Company. Subsidiary Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the demand order, the management is reasonably confident that no liability will devolve on the Subsidiary Company and hence no liability has been recognized in the books of	168.1	**168.1**	**166.7**

S.No	Particulars	As at March 31, 2013	As at March 31,2012	As at March 31,2011
	accounts			
j.	Notice received from Superintendent/Commissioner of Service Tax Department and Show cause from Directorate General of Central Excise Intelligence for wrong availing of Cenvat credit /Service Tax credit and Education Cess on input services steel and cement. The management is of the view that no liability shall arise on the Subsidiary Companies.	442.5	469.0	354.0
k.	Notice received from Superintendent of Service Tax Department and Show cause from Directorate General of Central Excise Intelligence for non-payment of Service Tax on domestic air travel and on certain foreign air travel on reverse base mechanism. The management is of the view that no liability shall arise on the Subsidiary Company.	33.6	37.1	30.4
l.	Joint Commissioner Customs, Mundra has held the Company liable for custom duty on short delivery of imported goods of various Customers namely, H.M.S. through Mundra Port. The Company has been directed to remit the differential duty of INR Nil. (2012 - INR Nil, 2011 - INR 0.8 million under section 117 of the Customs Act. APSEZL has preferred to challenge the said Orders which are pending before Commissioner of Customs (Appeals) at Ahmadabad. This matter has been settled in favour of the Company.	-	-	0.8
m.	The Subsidiary Company has acquired land of 25.62 Acre at Kathuwas district, Rajasthan. The Company has paid stamp duty on acquisition of such land. The Collector of stamp duty has raised a demand for additional stamp duty of INR 8.0 million on the Company. The Company has filed an appeal against the said demand. The provision has not been made in books of account as the Subsidiaries Company is hopeful of defending its claim before the authorities and disclosed under contingent liabilities. During the year, the Company has paid INR 4.0 million under protest.	8.0	8.0	-
n.	Interest claims not acknowledged as debts	-	23.2	-
o.	Statutory claims not acknowledged as debts	4.6	-	-

40 Interest in a joint venture

The company holds 50% interest in Adani International Container Terminal Private Limited, a joint controlled entity which propose to acquire container terminal and related infrastructure facilities from Adani Ports and Special Economic Zone Ltd. (Refer note 35)

The company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended is as follows;

INR in Million

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity	271.8	NA	NA
Non-current liabilities	3,567.6	NA	NA

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Current liabilities	3,546.9	NA	NA
Non-current assets	5,254.6	NA	NA
Current assets	3,170.5	NA	NA
Income	102.0	NA	NA
Depreciation of plant and machinery	(14.0)	NA	NA
Other expense	(7.1)	NA	NA
Finance charges	(93.6)	NA	NA
Profit / (Loss) before tax	(12.7)	NA	NA
Income-tax expense	-	NA	NA
Profit / (Loss) after tax	(12.7)	NA	NA

41 The Company had acquired operations of Abbot Point Terminal, w.e.f. June 1, 2011 from North Queensland Bulk Ports Corporation Limited, Australia. During the financial year 2012-13, the Company had initiated and recorded the divestment of its entire equity holding in Adani Abbot Point Terminal Holdings Pty Limited (AAPTHPL) and entire Redeemable Preference Shares holding in Mundra Port Pty Ltd (MPPL) representing Australia Abbot Point operations to promoter Company, Abbot Point Port Holdings Pte Ltd, Singapore for consideration of AUD 235.7 million. The Company entered Share Purchase Agreement (‘SPA’) on March 30, 2013 to sell its holdings in AAPTHPL and MPPL. In terms of the SPA the conditionality as regards regulatory and lenders approvals was obtained except in respect of approval from one of the lenders who have given specific line of credit to MPPL, which the Company is following up with lender and is confident of obtaining the same.

The Company, based on the legal counsel opinion, concluded that on the date of signing of SPA, AAPTHPL and MPPL cease to be subsidiaries of the Company w.e.f. March 31, 2013 and accordingly not been consolidated as per provisions of Accounting Standard 21 "Consolidated Financial Statements" notified in Companies (Accounting Standards) Rules, 2006. The Company has accounted gain of INR 4,195.7 million against disposal of investment in the discounted operations, which was adjusted against its losses.

The position of assets and liabilities as at the reporting date and results of discontinued business operation after elimination of inter company transactions and balances for the year ended are as follows;

(A) Balance Sheet

INR in million

Particulars	As at March 31, 2013	As at March 31, 2012 (Refer note below)	As at March 31, 2011
Non-Current Liabilities			
Long- term borrowings	108,001.6	97,912.2	NA
Deferred tax liabilities (Net)	11,287.6	10,905.7	NA
Derivative Liability	2,546.3	996.4	NA
Other Long term Provisions	89.0	-	NA
Total Non-Current Liabilities	**121,924.5**	**109,814.3**	NA
Current Liabilities			
Short term borrowings	604.3	793.9	NA
Trade payables	1,962.1	-	NA
Other current liabilities	299.9	2,276.4	NA
Short-term provisions	14.7	528.1	NA
Total Current Liabilities	**2,881.0**	**3,598.4**	NA
ASSETS			
NON CURRENT ASSETS			

Particulars	As at March 31, 2013	As at March 31, 2012 (Refer note below)	As at March 31, 2011
Fixed Assets			
Tangible Assets	101,312.4	97,753.0	NA
Intangible Assets	1,620.3	1,794.0	NA
Capital Work in Progress	2,810.4	378.4	NA
	105,743.1	99,925.4	NA
Goodwill on Consolidation	10,721.7	10,721.7	NA
Long term loans and advances	2.7	5,373.1	NA
Total Non Current Assets	**116,467.5**	**116,020.2**	NA
CURRENT ASSETS			
Trade Receivables	581.0	502.9	NA
Short term loans and advances	3,592.3	-	NA
Other current assets	4,206.2	-	NA
Cash and Bank Balances	5,193.4	2,956.3	NA
Total Current Assets	**13,572.9**	**3,459.2**	NA
Note			
Assets and Liabilities are included in Consolidated Balance Sheet as above;			

(B) Statement of Profit and Loss

Total Revenue

Particulars	For the year ended March 31, 2013 (refer note below)	For the year ended March 31, 2012 (refer note below)	For the year ended March 31, 2011 (refer note below)
Revenue from Operations (net)	10,429.7	5,735.4	NA
Other Income	181.7	81.5	NA
	10,611.4	**5,816.9**	NA
Total Expenses			
Operating Expenses	2,843.8	2,280.6	NA
Employee Benefits Expense	200.2	153.7	NA
Other Expenses	702.2	142.7	NA
Depreciation and Amortization Expense	3,344.1	1,471.0	NA
Finance Costs	7,212.0	1,953.6	NA
Total Expenses	**14,302.3**	**6,001.6**	NA
Loss Before Tax	**(3,690.9)**	**(184.7)**	NA
Current Tax	62.2	23.6	NA
Deferred Tax (Credit) / Charge	(410.4)	(55.4)	NA
Loss for the period	**(3,342.7)**	**(152.9)**	NA

Note :
Result of financial year 2011-12 represent period from June 1, 2011 to March 31, 2012 and result of financial year 2012-13 represent period from April 1, 2012 to March 30, 2013.

(C) Cash Flow

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2012
Cash flow from Operating activities	(4,764.4)	(4,338.1)	NA
Cash flow from Investing activities	(1,136.7)	(96,071.6)	NA

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2012
Cash flow from Financing activities	7,841.9	1,00,927.5	NA
Net Cash Inflow / (Outflow)	**1,940.8**	**517.8**	**NA**

42 During the year, the Company has applied to Ministry of Commerce, SEZ Division for re-notification of 1,840 hectares of land which was earlier de-notified by the authorities for the technical reasons.

43 The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the annexure to the Consolidated Financial Statements.

44 Previous year figures

Previous year's figures have been regrouped where necessary to conform to this year's classification. Further, Consolidated Balance Sheet as at March 31, 2013 is not comparable with Consolidated Balance Sheet as at March 31, 2012 as balance sheet as at March 31, 2013 does not include assets and liabilities of Abbot Point entities which have been divested by the Company.

DECLARATION

We hereby declare and certify that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We certify that this Prospectus contains all information specified under Schedule XVIII of the SEBI Regulations and such other information as is material and appropriate to enable the investors to make a well informed decision as to investment in the proposed Issue and further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Name	Signature
Mr. Gautam S. Adani	
Mr. Rajesh S. Adani	
Mr. Rajeeva Ranjan Sinha	
Dr. Malay Mahadevia	
Mr. Arun Duggal	
Mr. Daniel Trevelyn Joseph	
Prof. Ganesan Raghuram	
Mr. Sanjay S. Lalbhai	
Mr. Gopal Krishna Pillai	

Date : June 5, 2013

Place : Ahmedabad

Mr. B. Ravi

Chief Financial Officer

<table>
<tr><td colspan="4">Registered Office of the Company</td></tr>
<tr><td colspan="4">Adani Ports and Special Economic Zone Limited
Adani House
Near Mithakhali Six Roads
Navrangpura
Ahmedabad 380 009</td></tr>
<tr><td colspan="4">Auditor to the Company</td></tr>
<tr><td colspan="4">S. R. Batliboi and Associates LLP
2nd Floor, Shivalik Ishann
Near CN Vidhyalaya, Ambawadi
Ahmedabad 380 015</td></tr>
<tr><td colspan="4">Global Coordinators and Book Running Lead Managers</td></tr>
<tr><td colspan="2">DSP Merrill Lynch Limited
Mafatlal Centre
8th Floor
Nariman Point
Mumbai 400 021</td><td colspan="2">Morgan Stanley India Company Private Limited
18F/19F, Tower 2
One Indiabulls Centre
841, Senapati Bapat Marg
Mumbai 400 013</td></tr>
<tr><td colspan="4">Book Running Lead Managers</td></tr>
<tr><td colspan="2">Standard Chartered Securities (India) Limited
1st Floor, Standard Chartered Tower
201B/1, Western Express Highway, Goregaon (East)
Mumbai – 400 063</td><td colspan="2">IDFC Capital Limited
Naman Chambers, C 32
G Block, Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051</td></tr>
<tr><td colspan="2">SBI Capital Markets Limited
202, Maker Tower ‘E’
Cuffe Parade
Mumbai 400 005</td><td colspan="2">Axis Capital Limited
Address: 1st floor, Axis House. C-2 Wadia International Centre, P.B. Marg, Worli
Mumbai- 400 025</td></tr>
<tr><td colspan="2">Citigroup Global Markets India Private Limited
Bakhtawar, 12th floor
Nariman Point
Mumbai 400 021</td><td colspan="2">Deutsche Equities India Private Limited
DB House
Hazarimal Somani Marg, Fort
Mumbai 400 001</td></tr>
<tr><td colspan="2">Macquarie Capital (India) Private Limited
92, Level 9, 2 North Avenue, Maker Maxity
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051</td><td colspan="2">Goldman Sachs (India) Securities Private Limited
951-A Rational House
Appasaheb Marathe Marg
Prabhadevi
Mumbai - 400 025</td></tr>
<tr><td colspan="4"></td></tr>
<tr><td colspan="4">Syndicate Members</td></tr>
<tr><td>Macquarie Capital Securities (India) Private Limited
92, Level 9, 2 North Avenue
Maker Maxity
Bandra Kurla Complex
Bandra East
Mumbai 400 051</td><td colspan="2">SBICAP Securities Limited
Mafatlal Chambers, 2nd Floor
C Wing, N M Joshi Marg Lower Parel
Mumbai 400 013</td><td>IDFC Securities Limited
Naman Chambers, C 32
G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051</td></tr>
<tr><td>Registrar to the Issue</td><td colspan="3">Public Issue Account Banks</td></tr>
<tr><td>Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound</td><td colspan="2">Bank of America N.A.
P. O. Box 11506, Express Towers</td><td>Standard Chartered Bank
Crescenzo Floor 3A</td></tr>
</table>

<table>
<tr><td>LBS Marg, Bhandup (West)
Mumbai 400 078</td><td>Nariman Point
Mumbai 400 021</td><td>Plot no. C-38 & 39
G-Block, Bandra Kurla
Complex, Bandra West
Mumbai 400 051</td></tr>
<tr><td colspan="3">Domestic Legal Counsel to the Company
Amarchand & Mangaldas & Suresh A. Shroff & Co.
Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013</td></tr>
</table>

<table>
<tr><td>International Legal Counsel to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers</td><td>Domestic Legal Counsel to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers</td></tr>
<tr><td>Jones Day
3 Church Street
#14-02 Samsung Hub
Singapore 049 483</td><td>Khaitan & Co.
One Indiabulls Centre, 13th Floor, Tower 1
841 Senapati Bapat Marg
Mumbai 400 013</td></tr>
</table>