

## Joint Media Release: Adani Ports misleads shareholders in statement that fails to disclose Myanmar military ties *NSE and BSE must take regulatory action*

1 April 2021

In response to the March 30 [Port of Complicity: Adani Ports in Myanmar](#) report into Adani Ports' business with the Myanmar military, the company has issued [a factually misleading statement](#) that omitted its links to military-controlled conglomerate Myanmar Economic Corporation (**MEC**). Adani Ports writes that its container port investment was 'facilitated by the Myanmar Investment Commission'. In fact, the Myanmar Investment Commission regulates investment and Adani Ports' port deal is a result of its direct business with MEC, the landowner, who leased the land under a build-operate-transfer deal in exchange for payments of up to US\$52 million. Adani Ports' direct business with MEC exposes shareholders to major international law, corruption and reputational risks.

Our report, *Port of Complicity* provides compelling evidence detailing Adani Ports' ties to the Myanmar military and its repeated failure to respond to accusations of complicity in international law violations through its business in Myanmar. Adani Ports has failed to truthfully disclose those risks and has ignored the substance of *Port of Complicity*.

Report authors the Australian Centre for International Justice and Justice For Myanmar call on the National Stock Exchange of India (**NSE**) and BSE to take regulatory action against Adani Ports, by requiring the company to respond to *Port of Complicity* in full and to disclose to shareholders its business links to the Myanmar military and the associated risks, including the implications of [US sanctions against Adani Ports' business partner, MEC](#). Regulatory action would follow a precedent set by the Singapore Stock Exchange (**SGX**), which [initiated regulatory action](#) against Emerging Towns and Cities Singapore (**ETC**) for land lease payments to the Myanmar army.

Pressure is building on Adani Ports, with [major bondholder and global fixed income giant, PIMCO, banning future investment in Adani Ports](#) recently over links to Adani's controversial Carmichael coal project in Queensland. Additionally, the internationally renowned Dow Jones Sustainability Index [is reviewing Adani Ports' inclusion](#) after [campaigners raised concerns](#) over its links with the Myanmar military and Australia's Carmichael coal project.

### **Yadanar Maung, spokesperson for Justice For Myanmar says:**

"Adani Ports is complicit in the commission of atrocity crimes in Myanmar. Not only has the Myanmar military killed over 530 people protesting the military junta since the February 1 coup, they are conducting airstrikes against innocent villagers in ethnic areas that constitute war crimes and crimes against humanity. Adani Ports has shown a repeated failure to take responsibility and to be truthful, so it is time the BSE and NSE take action against Adani Ports. The Singapore Stock Exchange (SGX) has taken regulatory action against Singapore listed company ETC for a similar lease deal with the Myanmar military and we urge the BSE and NSE to take lessons from the SGX and act urgently. Action is critical now that the Myanmar military is violating international human rights and humanitarian law, by using most lethal weapons against civilians."

**Ahsan Haque from the Burmese Rohingya Community in Australia says:**

“It doesn’t inspire confidence in me, that the Adani Group claims to uphold human rights while it is still in business with military conglomerate, MEC. Adani Ports didn’t think about the human rights of the Rohingya when it went into business with MEC, a company led by General Min Aung Hlaing, who ordered genocide against my people, or when it rolled out the red carpet to him even while the whole world was beginning to act against the generals for the military’s crimes. MEC financed genocide against my people; no claims about respecting human rights are going to change that fact. Adani Ports has no choice but to end its business with the military, and because it still denies its business with MEC, we call on investors to act and divest from Adani Ports.”

**Rawan Arraf, Executive Director at the Australian Centre for International Justice said:**

“Adani Ports thought it could continue to fly under the radar and hoped any scrutiny over its business with the Myanmar military’s MEC would disappear. This new statement from the Adani Group, once again omits its links to the MEC. The statement included elaborate declarations about respecting human rights that would otherwise be welcome, where it not for the stark reality that it is now deliberately omitting its links to MEC, its business partner. Adani Ports continued to build its port in Yangon, even while peaceful demonstrators were being deliberately and ruthlessly killed under orders of MEC leader, Senior General Min Aung Hlaing. The situation in Myanmar is urgent and the NSE, BSE and Adani Ports’ investors must take action.”

**Relevant facts:**

- Adani Ports is in direct business with the MEC, a [United States’ sanctioned entity](#).
- On 23 May 2019, Adani Ports entered into a ‘build,operate,transfer’ (**BOT**) agreement with MEC.
- Adani Ports’ Myanmar subsidiary, the Adani Yangon International Terminal Company Limited, is constructing a container port in Yangon on MEC’s military owned land.
- Documents from the Yangon Region Investment Commission show Adani Ports is purportedly paying land lease fees of up to US\$52 million to MEC, its business partner.
- As is widely and publicly known, and is now acknowledged by [US](#) and [UK](#) sanctions, revenue from the military’s owned and controlled businesses help contribute to the military’s ability to commit atrocities in Myanmar.
- In [August 2018](#), the UN Human Rights Council with the release of the Fact-Finding Mission’s report, issued a public warning to foreign corporations not to do business with Myanmar military’s owned and controlled businesses. Some 10 months later, in May 2019, Adani Ports entered into an agreement with MEC, despite this public warning to foreign businesses.
- In April 2019, the UN Human Rights Council issued another warning, and passed a resolution reminding foreign corporations, to respect international human rights and the UN Guiding Principles on Business and Human Rights in respect of Myanmar.

- On July 27 2019, Adani Ports hosted Myanmar's Commander-in-Chief and MEC leader, Senior General Min Aung Hlaing at Mundra Ports, [10 days after the US barred his entry into the US](#) citing his role in the military's campaign of ethnic cleansing against the Rohingya. The atrocity crimes of the military, led by Senior General Min Aung Hlaing, are being investigated at the ICJ and ICC in The Hague.
- In [September 2019](#), after being listed in the UN Human Rights Council's Fact-Finding Mission Report, Adani Ports remained silent about this public listing, even while other corporations listed in the FFM's report, commenced review of their business operations, and ultimately disengaged from the military owned businesses in Myanmar.
- In [February 2021](#), Adani Ports stated that it categorically denied engaging with the military leadership. This was contradicted by photographic and video evidence.

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