

SCIENCE MUSEUM GROUP

SMG PARTNERSHIP PANEL				
Title of paper:	Funder Update: Adani Green Energy			
Author:	[REDACTED]			
Responsible Executive:	[REDACTED]			
Date:	2 nd December 2024			
To the panel for:	Consultation	Briefing	Report	Decision

On 20 November 2024, two investigations relating to Adani Green Energy (AGE) were brought to public notice:

- The US Department of Justice has brought a five-count criminal indictment against eight senior executives connected with AGE. Gautam Adani (Founder and Chair of the Adani Group), Sagar Adani (Executive Director of AGE), and Vneet Jaain (MD and CEO of AGE) have been charged on three counts: securities fraud conspiracy, wire fraud conspiracy and securities fraud. The other defendants are charged with conspiracy to violate the Foreign Corrupt Practices Act and conspiracy to obstruct justice. Prosecutors allege that about US\$265 million in bribes were promised to Indian government officials to secure solar energy contracts and that this was hidden from US investors in order to obtain financing valued at more than \$3 billion. Prosecutors said that Adani and his executives frequently discussed their alleged corrupt efforts on an electronic messaging app and extensively documented them. (US Attorney's Office 20/11/24; The Irish Examiner 20/11/2024; BBC, 21/11/2024)
- In a parallel civil action, the US Securities and Exchange Commission (SEC) brought charges against Gautam and Sagar Adani. The SEC alleges that the Adanis induced US investors to buy AGE bonds through an offering process that misrepresented AGE's anti-bribery compliance programme, whilst at the same time orchestrating a scheme to bribe Indian government officials. (US SEC 20/22/24, Reuters, 21/11/2024). The SEC issued a summons to Gautam and Sagar Adani, thereby starting legal proceedings in the civil case. (Economic Times, 23/11/24).

On 21 November, AGE denied the allegations made by the US Department of Justice and the SEC in a statement, calling them 'baseless'. It said it would seek 'all possible legal recourse' to defend itself (Adani Group press release, 21/11/2024). Also that day,

Indian opposition parties demanded a probe into the allegations of wrongdoing, claiming the organisation has been protected by Prime Minister Narendra Modi's government, charges which both Modi and Adani deny. (BBC, 21/11/2024; Reuters, 21/11/2024)

On 23 November, the Adani Group CFO, Jugeshinder Singh, stated that the bribery allegations only related to one contract of AGE, which is roughly 10% of the overall business of AGE. (Hindu Business Line, 23/11/2024)

On 27 November, AGE issued clarifying statements to the Indian Stock Exchange.

- In relation to the criminal case, they confirmed Gautam Adani, Sagar Adani, and Vneet Jaain have been charged by the US Department of Justice with alleged securities fraud conspiracy, alleged wire fraud conspiracy and alleged securities fraud. The company also stated that news articles claiming that Gautam and Sagar Adani and Vneet Jain had been charged with violations of the US Foreign Corrupt Practices Act were incorrect. (AGE corporate filings, 27/11/2024)
- The company also confirmed that Gautam and Sagar Adani have, according to the SEC, allegedly (i) violated certain sections of the Securities Acts of 1933 and 1934, and (ii) aided and abetted AGE's violation of these Acts. (AGE corporate filing, 27/11/2024)

Sources

- <https://www.justice.gov/usao-edny/pr/billionaire-chairman-conglomerate-and-seven-other-senior-business-executives-indicted>
- <https://www.irishexaminer.com/world/arid-41521058.html>
- <https://www.bbc.co.uk/news/articles/c78dkgm9e7ro>
- <https://www.sec.gov/newsroom/press-releases/2024-181>
- <https://www.reuters.com/world/india/indian-opposition-calls-adani-probe-modis-bjp-questions-timing-us-indictment-2024-11-21/>
- <https://economictimes.indiatimes.com/news/company/corporate-trends/adani-bribery-case-us-sec-summons-gautam-adani-nephew-sagar-in-bribery-case/articleshow/115596055.cms>
- <https://www.adani.com/en/Newsroom/Media-Release/media-statement-21-11-2024>
- <https://www.thehindubusinessline.com/companies/us-indictment-relates-to-only-one-contract-of-adani-green-energy-adani-group-cfo/article68901051.ece>
- <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Announcement/Investor-Meet/Intimation-under-Regulation-30---27112024.pdf>
- <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Corporate-Announcement/Investor-Meet/Clarification-on-Media-Articles---27112024.pdf>