

**STRICLTY CONFIDENTIAL**

Ref: Inv. Bk/M&A/GD/24-25/079

January 29<sup>th</sup>, 2025

**The Board of Directors**

**Adani Enterprises Limited**

12<sup>th</sup> Floor, East Wing,  
Adani House, Shantigram,  
SG Highway, Ahmedabad,  
Gujarat 382 421.

Dear Members of the Board,

**Subject:** Fairness Opinion on the Share Swap Ratio for the proposed Amalgamation of Adani Emerging Business Private Limited with Adani Enterprises Limited and Proposed Amalgamation of Adani Tradecom Limited with Adani New Industries Limited.

This is with reference to our appointment vide letter dated June 18, 2024 ("**Appointment Letter**") wherein Adani Enterprises Limited (hereinafter referred to as "**AEL**" or the "**Amalgamated Company**") had engaged IDBI Capital Markets & Securities Limited ("**IDBI Capital**") to provide Fairness Opinion to the Board of Directors of AEL on the Share Swap Ratio determined by Roshan Nilesh Vaishnav (the "**Valuer**") appointed by AEL for the proposed Amalgamation of Adani Emerging Business Private Limited (hereinafter referred to as "**AEBPL**" or the "**Amalgamating Company**") with AEL by issuing equity shares of AEL and amalgamation of Adani Tradecom Limited (hereinafter referred to as "**ATL**" or the "**Transferor Company**") in Adani New Industries Limited (hereinafter referred to as "**ANIL**" or the "**Transferee Company**") (hereinafter referred to as the "**Transaction**").

The Report issued by the Valuer (the "**Old Valuation Report**") dated August 1<sup>st</sup>, 2024 to AEL was adopted by the Board of Directors in their meeting dated August 1<sup>st</sup>, 2024 and submitted to the National Stock Exchange (the "**NSE**") on August 16<sup>th</sup>, 2024. The NSE had raised certain queries through their letters dated August 21<sup>st</sup>, 2024, September 03<sup>rd</sup>, 2024 and

October 10<sup>th</sup>, 2024, on matters contained in the Old Valuation Report. The Valuer had provided replies to AEL. Pursuant to discussion with the NSE, the Valuer submitted fresh report on October 29<sup>th</sup>, 2024 (the “**Valuation Report**”), incorporating details and / or clarifications as requested / made during the course of AEL’s integration with the NSE. On 28<sup>th</sup> January 2025, AEL requested IDBI Capital to issue a fresh Fairness Opinion report on the Valuation Report. With this, a fresh Fairness Opinion is issued hereunder. This supersedes the Fairness Opinion issued by IDBI Capital dated August 1<sup>st</sup>, 2024 (Ref. No. Inv. Bk/M&A/GD/24-25/035).

## **1. Company Background and Scope of Engagement:**

Amalgamated Company was incorporated on 2 March 1993, as Adani Exports Limited, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to Adani Enterprises Limited on 10 August 2006. The Corporate Identification Number of the Amalgamated Company is L51100GJ1993PLC019067. The registered office of the Amalgamated Company is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India. The equity shares of the Amalgamated Company are listed on BSE and NSE stock exchanges (together call as the “**Stock Exchanges**”).

The Amalgamated Company is in the business of integrated resources management, mining services and other trading activities. The Amalgamated Company operates as an incubator, establishing new businesses in various areas like energy ecosystem, data center, airports, roads, copper, digital space, food FMCG and others.

The Amalgamating Company was incorporated on 30 December 2021, as a Private Limited company, with the Registrar of Companies, under the provisions of the Act. The Corporate Identification Number of the Amalgamating Company is U51909GJ2021PTC128325. The registered office of the Amalgamating Company 2 is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.

The Amalgamating Company is a subsidiary of Adani Tradeline Private Limited. Adani Tradeline Private Limited holds 99% of the paid-up equity share capital of the Amalgamating Company. The Amalgamating Company holds the balance 49% of the paid-up equity share capital of Mundra Solar PV Limited (hereafter referred to as “**MSPVL**”). MSPVL is engaged in the business of manufacturing of solar cells and modules.

MSPVL further holds 25% equity in Mundra Solar Technopark Private Limited (hereafter referred to as “**MSTPL**”). MSTPL is in business of development of technology park at Mundra, Gujarat.

The Amalgamating Company is investment company holding 49% equity shares of MSPVL.



Adani Green Technology Limited (hereinafter referred to as the “**Amalgamating Company 1**” or “**AGTL**”) was incorporated on 17 March 2016, in the name of Sami Solar (Gujarat) Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Act (as defined hereinafter). Its name was, thereafter, changed to (i) Adani Green Technology Private Limited on 21 April 2017; and (ii) Adani Green Technology Limited on 26 April 2017, pursuant to its conversion into a public limited company. The Corporate Identification Number of the Amalgamating Company 1 is U29100GJ2016PLC086498. The registered office of the Amalgamating Company 1 is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.

Amalgamating Company 1 is a wholly owned subsidiary of Adani Tradecom Limited (hereinafter referred to as the “**Transferor Company**”). The Transferor Company is a wholly owned subsidiary of Amalgamated Company. Thus, the Amalgamating Company 1 is a step down subsidiary of the Amalgamated Company. Further, the Amalgamating Company 1 holds 51% of the paid-up equity share capital of MSPVL.

The Transferor Company and Adani New Industries Limited (hereinafter referred to as the “**Transferee Company**”) are the wholly owned subsidiaries of the Amalgamated Company. The Amalgamating Company 1 is a step down subsidiary of the Amalgamated Company.

The Transferor Company is a wholly owned subsidiary of the Amalgamated Company. Further, the Amalgamating Company 1 is a wholly owned subsidiary of the Transferor Company. The Transferor Company holds 74% of the paid-up equity share capital of Mundra Solar Energy Limited (hereinafter referred to as “**MSEL**”). The Transferee Company is a wholly owned subsidiary of the Amalgamated Company.

“**Entities**” collectively means Amalgamated Company, Amalgamating Company, Amalgamating Company 1, Transferor Company and Transferee Company.

For the purpose of proposed Amalgamation of Amalgamating Company with Amalgamated Company and amalgamation of the Transferor Company with the Transferee Company, the Amalgamated Company has appointed the Valuer to determine the Share Swap Ratio (as defined below) and has in terms of the Appointment Letter requested IDBI Capital to examine the Valuation Report issued by the Valuer and other related information provided by the Amalgamated Company and issue our independent opinion as to the fairness of the Share Swap Ratio (“**Fairness Opinion**”) as per the requirements of the relevant SEBI circulars (“**SEBI Circular**”). This fairness opinion is being provided solely to the Board of Directors of Adani Enterprises Limited and strictly within this context and is not intended to represent the valuation at which such a transaction is carried out, and does not address AEL (or any other party's) underlying business decision to proceed with or effect any commercial decisions relating to the proposed Scheme of Amalgamation.

As per the Valuation Report dated October 29<sup>th</sup>, 2024, the Valuer have recommended the Share Swap Ratio of 11 (Eleven only) equity shares of Adani Enterprises Limited of Rs 1/- each fully paid up for every 553 (Five Hundred and Fifty-Three only) equity shares of Adani Emerging Business Private Limited of Rs 10/- each fully paid up ("**Share Swap Ratio 1**").

As the entire equity share capital of both the Transferor Company and Transferee Company is held by the Amalgamated Company, the economic interest of both the Transferor Company and Transferee Company is entirely vested in the same entity, Amalgamated Company. As per the Valuation Report dated October 29<sup>th</sup>, 2024, the Valuer have recommended the Share Swap Ratio of 1 (One only) equity shares of Adani New Industries Limited of Rs 10/- each fully paid up for every 10 (Ten only) equity shares of Adani Tradecom Limited of Rs 1/- each fully paid up ("**Share Swap Ratio 2**").

All terms not specifically defined in this Fairness Opinion Report shall carry the same meaning as in the Proposed Scheme.

For the avoidance of doubt, this Fairness Opinion is not to be construed as financial advice in relation to the sale of, or subscription for, any shares in Adani Enterprises Limited to any person.

## 2. Proposed Scheme

### Rationale of the Scheme

The Transferee Company was incorporated as vehicle to incubate, develop and build the largest integrated platform for production of green hydrogen through an end-to-end supply value chain. The Transferee Company is structured to serve as a company for generation of green hydrogen and related downstream products, along with backward integration of renewable energy component (solar and wind generation) manufacturing. This ecosystem has three business streams – (a) manufacturing of supply chain products (solar and wind); (b) green hydrogen generation; and (c) downstream products.

It is the objective of Amalgamated Company to consolidate overall hydrogen ecosystem as mentioned above under one entity i.e. The Transferee Company, which will diligently work for development and production of various renewable energy components and green hydrogen.



The Scheme will result in, inter alia, the following benefits:

- a) consolidation of renewable components and green hydrogen production business, productive utilization of combined resources, operational and administrative efficiencies, economics of scale, reduction in overheads and other expenses, reduction in the multiplicity of legal and regulatory compliances, and consequential creation of greater value for shareholders and all other stakeholders;
- b) simplification of corporate structure and reducing the multiplicity of legal and regulatory compliances;
- c) availability of expanded business pre-qualifications, increased business capacity to enable to build larger and more complex projects and provide better access to the funds for growth opportunities; and
- d) benefit from the complimentary skills of the combined management team under single umbrella.

#### **Parts of the Proposed Scheme**

*The Scheme is divided into the following parts:*

**Part I** deals with the definitions, interpretation, date of taking effect and share capital;

**Part II** deals with the amalgamation of the Amalgamating Company and Adani Green Technology Limited, respectively, into and with the Amalgamated Company in accordance with the provisions of Sections 230 – 232 of the Act.

**Part III** deals with the amalgamation of the Adani Tradecom Limited into and with ANIL in accordance with the provisions of Sections 230 – 232 of the Act.; and

**Part IV** deals with the general terms and conditions that would be applicable to the Scheme.

#### **3. Source of Information:**

In arriving at the opinion set forth below, we have relied on the following:

- a) Valuation Report dated October 29<sup>th</sup>, 2024 prepared by Roshan Nilesh Vaishnav;
- b) Draft Composite Scheme of Amalgamation;
- c) The Presentation prepared on the amalgamation;
- d) The Presentation on the business and Financial Projections of MSTPL;
- e) Historical Audited financial statements as on March 31, 2023 and March 31, 2024 for Entities;
- f) Historical Audited financial statements as on March 31, 2023, March 31, 2024 and June 30, 2024 MSPVL and MSTPL.
- g) Representations from the management of Adani Enterprises Limited;
- h) Additional information provided through email and various discussion on phone and Video Conferencing.

Information including but not limited to those mentioned hereinabove.

#### 4. Scope Limitations and Disclaimers:

- This Fairness Opinion is being provided solely to and from the perspective of Board of Directors of Adani Enterprises Limited and only in connection with the Proposed Scheme.
- This Fairness Opinion is confidential and is provided pursuant to and subject to the terms of our appointment and terms of business.
- It is being made available for information purposes only and on a confidential basis.
- This Fairness Opinion is for the exclusive use of Board of Directors of Adani Enterprises Limited and it may be disclosed to such persons and authorities as may be required under Law.
- This Fairness Opinion must not be copied, reproduced, distributed or passed, in whole or in part, to any other person at any time without our prior written consent.

Each recipient acknowledges that some or all of the information contained in the Fairness Opinion is or may be inside information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each recipient undertakes not to use any information contained in the opinion for any unlawful purpose.

This Fairness Opinion does not constitute an offer or invitation or a solicitation of any offer or invitation for the sale or purchase of securities or of any of the assets, business or undertaking of Adani Enterprises Limited. In addition, it is not intended to form the basis of or act as an inducement to enter into any contract or investment activity, and should not be considered as a recommendation by us, Adani Enterprises Limited or any other person in relation to Adani Enterprises Limited.

The information used for this opinion, which does not purport to be comprehensive, has been provided to us by Adani Enterprises Limited and its advisors and/or obtained from publicly available sources. We have assumed the accuracy of the information so received and this has not been verified by us. No representation or warranty, express or implied, is or will be given by us or our respective directors, officers, employees or advisers or any other person as to the accuracy or completeness of this opinion and, so far as permitted by law, no responsibility or liability is accepted for the accuracy or sufficiency thereof, or for any errors, omissions or misstatements, negligent or otherwise, relating thereto.



In particular, but without limitation, (subject as aforesaid) no representation or warranty, express or implied, is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts and nothing in this opinion is or should be relied on as a promise or representation as to the future. Accordingly, (subject as aforesaid) neither us, nor any of our respective directors, officers, employees or advisers, nor any other person, shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this opinion or any other written or oral communication with the recipient or its advisors in connection with its evaluation of Entities and (save in the case of fraudulent misrepresentation or wilful non-disclosure) any such liability is expressly disclaimed.

The receipt of this opinion by any person is not to be taken as constituting the giving of investment opinion by us to any such person, nor to constitute such person our client.

For avoidance of any doubts, it is clarified that fees payable to IDBI Capital by Adani Enterprises Limited is not in any way contingent upon nature of opinion provided to Adani Enterprises Limited.

## **5. Conclusion:**

In our opinion, in the given circumstances, based on all relevant factors, information and subject to the scope limitations & disclaimers on the date hereof, and to the best of our knowledge and belief, we are of the opinion that:

- a) the Share Swap Ratio 1 as recommended by the Valuer, is fair and reasonable;
- b) the Share Swap Ratio 2 as recommended by the Valuer, is fair and reasonable.

## **6. Distribution of the Fairness Opinion**

The Fairness Opinion is addressed only to the Board of Directors of Adani Enterprises Limited. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to other third party without IDBI Capital's prior written consent. However, Adani Enterprises Limited may provide a copy of the Fairness Opinion if required / called upon by any regulatory authorities of India. The Fairness Opinion should be read in totality & not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than to whom it is addressed or for any purpose than the purpose stated hereinabove, then, we will not be liable for any consequences thereof & shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement documents given to third parties. In no circumstances however, will IDBI Capital or its

management, directors, officers, employees, agents, advisors, representatives and controlling persons of IDBI Capital accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours Faithfully,

For and on behalf of

IDBI Capital Markets & Securities Limited

  


Authorised Signatory