REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADANI ENTERPRISES LIMITED AT ITS MEETING HELD ON 1ST AUGUST, 2024, EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST ADANI GREEN TECHNOLOGY LIMITED AND ADANI EMERGING BUSINESS PRIVATE LIMITED AND ADANI ENTERPRISES LIMITED AND ADANI TRADECOM LIMITED AND ADANI NEW INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1. Background

1.1 The Board of Directors ("**Board**") of Adani Enterprises Limited ("**Company**" or "**AEL**" or "**Amalgamated Company**") at its meeting held on 1st August, 2024, approved Composite Scheme of Arrangement amongst Adani Green Technology Limited ("**Amalgamating Company 1**") and Adani Emerging Business Private Limited ("**Amalgamating Company 2**") and Company and Adani Tradecom Limited ("**Transferor Company**") and Adani New Industries Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Composite Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and rules made thereunder which provides for:

(a) amalgamation of the Amalgamating Company 1 and Amalgamating Company 2, respectively, with the Amalgamated Company, with effect from the Appointed Date, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act

(b) amalgamation of the Transferor Company with the Transferee Company, with effect from the Appointed Date, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act; and

(c) various other matters consequential or otherwise integrally connected therewith

(capitalised terms as defined in the Composite Scheme)

Adani Enterprises Limited
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com

and for which Consideration shall be paid as under:

a) For the amalgamation of the Amalgamating Company 1 into Amalgamated Company, all the equity shares issued by the Amalgamating Company 1 and held by the Transferor Company and/or its nominees shall stand cancelled and extinguished and in lieu thereof, there shall be no allotment of equity shares in the Amalgamated Company as the Transferor Company is a wholly owned subsidiary of the Amalgamated Company.

b) For the amalgamation of the Amalgamating Company 2 into Amalgamated Company, the Amalgamated Company shall, without any further application, act or deed, issue and allot to the equity shareholder(s) of the Amalgamating Company 2 whose names are recorded in the register of members as a member of the Amalgamating Company 2 on the Amalgamated Record Date 11 (Eleven) Amalgamated Company Shares, credited as fully paid-up, for every 553 (Five Hundred Fifty Three) equity shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up held by such member in the Amalgamating Company 2. ("**Amalgamated Share Exchange Ratio**") (The Amalgamated Company Shares to be issued by the Amalgamated Company to the equity shareholders of Amalgamating Company 2 shall be hereinafter referred to as "**Amalgamated New Equity Shares**").

c) For the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Composite Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot to the equity shareholder(s) of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Transferee Record Date 1 (One) Transferee Company Shares, credited as fully paid-up, for every 10 (Ten) equity shares of the face value of Re. 1/- (Rupee One only) each fully paid-up held by such member in the Transferor Company ("**Transferee Share Exchange Ratio**") (The Transferee Company Shares to be issued by the Transferee Company to the equity shareholders of

Transferor Company shall be hereinafter referred to as "**Transferee New Equity Shares**").

1.2 In terms of the Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 issued by the Securities and Exchange Board of India as amended from time to time ("**SEBI Circular**"), and as per Section 232(2)(c) of the Act, and any other applicable provisions of any other law for the time being in force (including any statutory modification(s), amendments thereto, or re-enactment thereof, for the time being in force), a report from the Board of the Company explaining the effect of the Composite Scheme on each class of shareholders (promoters and non - promoter shareholders), key managerial personnel ("**KMPs**"), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share exchange ratio, specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and/or creditors if ordered by the jurisdictional National Company Law Tribunal.

1.3 Further, pursuant to the requirements of the SEBI Circular, the Board is required to also comment on impact of the Composite Scheme on the holder of Non-Convertible Debentures ("**NCDs**") / Non-Convertible Preference Shares ("**NCPS**"), safeguards for the protection of the holders of NCDs / NCPS and exit offer to the dissenting shareholders of NCDs / NCPS, if any.

Accordingly, this report of the Board is prepared to comply with the aforesaid requirements.

2. Documents placed before the Board:

While deliberating on the Composite Scheme, the Board, inter-alia, considered and took on record the following documents:

(a) A draft of the proposed Composite Scheme.

Adani Enterprises Limited
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com

Registered Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421

(b) Valuation report dated 1st August, 2024 prepared by Roshan Nilesh Vaishnav ("**Valuation Report**"), registered valuer appointed by the Company, who has recommended an exchange ratio of:

- 11 (Eleven) Amalgamated Company Shares, credited as fully paid-up, for every 553 (Five Hundred Fifty Three) equity shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up held by such member in the Amalgamating Company 2; and

- 1 (One) Transferee Company Shares, credited as fully paid-up, for every 1 (One) equity shares of the face value of Re. 1/- (Rupee One only) each fully paid-up held by such member in the Transferor Company.

(c) Fairness opinion dated 1st August, 2024 on the Valuation Report, issued by IDBI Capital Markets & Securities Limited, a SEBI registered merchant banker, appointed by the Company ("**Fairness Opinion**") proving their opinion on the fairness of the recommendations made in the Valuation Report.

(d) Draft Auditor's certificate to be issued by Shah Dhandharia & Co. LLP (Firm Registration No. 118707W/W100724), the statutory auditors of the Company, certifying that the accounting treatment contained in the draft Composite Scheme is in compliance, inter alia, with all the applicable accounting standards specified by the Central Government under Section 133 of the Act and other generally accepted accounting principles.

(e) Audit Committee's approval dated 1st August, 2024, recommending the Composite Scheme;

(f) Other presentations, reports, documents and information pertaining to the draft Composite Scheme made available to/ circulated to the Board

The Composite Scheme, amongst others, contemplates the following arrangements:

Adani Enterprises Limited
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com

Registered Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421

(a) amalgamation of the Amalgamating Company 1 and Amalgamating Company 2, respectively, with the Amalgamated Company, with effect from the Appointed Date, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act;

(b) amalgamation of the Transferor Company with the Transferee Company, with effect from the Appointed Date, pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act; and

(c) various other matters consequential or otherwise integrally connected therewith.

3. Rationale of the Composite Scheme:

1. 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. Transferee Company is structured to serve as parent 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.

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

3. The Composite 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

Adani Enterprises Limited
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com

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) 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;

c) benefit from the complimentary skills of the combined management team under single umbrella; and

d) simplification of corporate structure and reducing the multiplicity of legal and regulatory compliances;

4. Valuation of Share Exchange / Entitlement Ratio

a. Roshan Nilesh Vaishnav had carried out Valuation Report in respect of issuance of Amalgamated New Equity Shares by Amalgamated Company to the equity shareholders of Amalgamated Company 2 and Transferee New Equity Shares by Transferee Company to the equity shareholders of Transferor Company.

b. Based on the Valuation Report, the Board of Directors approved share exchange ratio, as under:

- 11 (Eleven) Amalgamated Company Shares, credited as fully paid-up, for every 553 (Five Hundred Fifty Three) equity shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up held by such member in the Amalgamating Company 2; and
- 1 (One) Transferee Company Shares, credited as fully paid-up, for every 1 (One) equity shares of the face value of Re. 1/- (Rupee One only) each fully paid-up held by such member in the Transferor Company.

c. No special valuation difficulties were reported.

Adani Enterprises Limited
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com

5. Effect of the Composite Scheme on equity shareholders (promoter and non-promoter shareholders), Key Managerial Personnel, debenture holders, creditors, employees and Directors of the Company:

The effect of the proposed Scheme on the stakeholders of the Amalgamated Company would be as follows:

a) Shareholders (promoter and non-promoter)

Upon Part II of the Scheme becoming effective, the equity shareholders of the Amalgamating Company 2, shall become the equity shareholders of the Amalgamated Company in the manner as stipulated in clause 2.5 of the Scheme. Further, under the Scheme, the resultant authorized share capital of the Amalgamating Companies, shall stand transferred to and be amalgamated/combined with the authorized share capital of the Amalgamated Company in the manner as stipulated in clause 2.4 of the Scheme. Thus, under Part II of the Scheme, an arrangement is sought to be entered into between the Amalgamated Company and its equity shareholders.

b) Creditors

Part II of the Scheme does not contemplate any arrangement with the creditors of the Amalgamated Company. No compromise is offered under Part II of the Scheme to any of the creditors of the Amalgamated Company. The liability towards the creditors of the Amalgamated Company is neither being reduced nor being extinguished. The creditors of the Amalgamated Company shall continue to be the creditors of the Amalgamated Company. The interest of the creditors of the Amalgamated Company would in no way be affected by Part II of the Scheme.

Part II of the Scheme does not contemplate any arrangement with the holders of NCDs (*as defined in the Scheme*) of the Amalgamated Company. No rights of the holders of NCDs of the Amalgamated Company are being affected pursuant to Part II of the Scheme. The holders of the NCDs in the Amalgamated Company shall continue to hold the NCDs in the Amalgamated Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. The liability of the Amalgamated Company towards the holders of NCDs of the Amalgamated Company, is

neither being reduced nor being extinguished under the Scheme. The sole debenture trustee for the different series of the NCDs shall continue to remain the debenture trustee. Further, the sole debenture trustee for the different series of the NCDs does not have any material interest in the Scheme except to the extent of the equity shares held by them in the Amalgamated Company, if any.

As on date, the Amalgamated Company has no outstanding public deposits and therefore, the effect of Part II of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

c) Employees, Directors and Key Managerial Personnel

Under Part II of the Scheme, no rights of the staff and employees of the Amalgamated Company are being affected. The services of the staff and employees of the Amalgamated Company shall continue on the same terms and conditions on which they were engaged by the Amalgamated Company.

None of the directors and key managerial personnel (*as defined under the Companies Act, 2013, and the rules framed thereunder*) of the Amalgamated Company and their respective relatives (*as defined under the Companies Act, 2013, and the rules framed thereunder*) have any material interest in the Scheme, except to the extent that the said directors, key managerial personnel and their respective relatives may be holding shares in the Amalgamated Company and/or to the extent that the said directors, key managerial personnel and their respective relatives are the partners, directors, members of the companies, firms, bodies corporate, trustee and/or beneficiaries of trust that hold shares in the Amalgamated Company, if any. Three of the directors, namely, Mr. Gautam S. Adani, Mr. Rajesh S. Adani and Mr. Pranav V. Adani, together with their relatives, are holding more than two per cent. of the paid-up equity share capital of the Amalgamated Company. Except the aforesaid, none of the directors, key managerial personnel of the Amalgamated Company or their relatives are holding more than two per cent. of the paid-up equity share capital of the Amalgamated Company.

adani

6. Conclusion

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees of the Company and there shall be no prejudice caused to them in any manner by the Scheme.

By order of the Board
For **Adani Enterprises Limited**

Gautam S. Adani
Chairman
DIN: 00006273

Date: 01/08/2024
Place: AHMEDABAD

Adani Enterprises Limited
Adani Corporate House,
Shantigram, Nr. Vaishno Devi Circle
S. G. Highway, Khodiyar,
Ahmedabad - 382421
Gujarat, India
CIN: L51100GJ1993PLC019067

Tel +91 79 2656 5555
Fax +91 79 2555 5500
investor.ael@adani.com
www.adanienterprises.com