REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADANI NEW INDUSTRIES 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 New Industries Limited ("**Company**" or "**ANIL**" or "**Transferee 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 Businesses Private Limited ("**Amalgamating Company 2**") and Adani Enterprises Limited ("**Amalgamated Company**") and 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)

and for which Consideration shall be paid as under:

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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 This report as per the provisions of Section 232 of the Companies Act, 2013, 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). This report explains 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. This report is required to be adopted by the Board. This report, once adopted, 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.

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.

(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 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.

(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 Amal Datt and Associates LLP (Firm Registration No. 100294W/W10020), 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) 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:

(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 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 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.

c. No special valuation difficulties were reported.

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 Transferee Company would be as follows:

a) Shareholders (promoter)

Upon Part III of the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in clause 3.5 of the Scheme. Further, under the Scheme, the resultant authorized share capital of the Transferor Company, shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company in the manner as stipulated in clause 3.4 of the Scheme. Thus, under Part III of the Scheme, an arrangement is sought to be entered into between the Transferee Company and its shareholders.

b) Creditors

Under Part III of the Scheme, there is no arrangement proposed with the creditors of the Transferee Company. No compromise is offered under Part III of the Scheme to any of the creditors of the Transferee Company. The liabilities of the creditors of the Transferee Company, under Part III of the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.

Part III of the Scheme does not contemplate any arrangement with the holder(s) of compulsorily convertible debentures of the Transferee Company. No rights of the holder(s) of compulsorily convertible debentures of the Transferee Company are being affected pursuant to Part III of the Scheme. The holder(s) of compulsorily convertible debentures of the Transferee Company shall continue to hold the compulsorily convertible debentures in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. The liability of the Transferee Company towards the holders of compulsorily convertible debentures of the Transferee Company, is neither being reduced nor being extinguished under Part III the Scheme. There are no debenture trustee(s) in respect of the compulsorily convertible debentures issued by the Transferee Company. Therefore, the effect of Part III of the Scheme on any such debenture trustee(s) does not arise.

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

c) Employees, Directors and Key Managerial Personnel

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

None of the directors and key managerial personnel (*as defined under the Companies Act, 2013, and the rules framed thereunder*) of the Transferee 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. None of the directors, key managerial personnel of the Transferee Company or their relatives are holding more than two per cent. of the paid-up equity share capital of the Amalgamated Company.

6. Conclusion

While deliberating the Composite 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 Composite 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 Composite Scheme.

By order of the Board
For Adani New Industries Limited

MILIND DIGAMBAR KULKARNI

Digitally signed by MILIND DIGAMBAR KULKARNI
Date: 2025.10.13 18:16:21 +05'30'

Director

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