COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

BRAHMI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

AND

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

AND

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

AND

SARGUJA RAIL CORRIDOR PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(*UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013*)

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

I. PREAMBLE

This composite scheme of arrangement ("**Scheme**"), *inter alia*, provides for:

(a) amalgamation of Brahmi (*as defined hereinafter*) with APSEZ (*as defined hereinafter*), with effect from the Appointed Date 1 (*as defined hereinafter*), pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act (*as defined hereinafter*);

(b) amalgamation of Adani Tracks (*as defined hereinafter*) with Sarguja (*as defined hereinafter*), with effect from the Appointed Date 2 (*as defined hereinafter*), pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act; and

(c) transfer of the Divestment Business Undertaking (*as defined hereinafter*) as a going concern on a Slump Sale (*as defined hereinafter*) basis, with effect from the Appointed Date 2, by APSEZ to Sarguja for a lump sum consideration under Sections 230 – 232 and/or other applicable provisions of the Act and in accordance with Section 2(42C) of the IT Act (*as defined hereinafter*).

II. INTRODUCTION

(i) Brahmi was incorporated on 7 November 2019 as Brahmi Build Estate Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Act. Its name was changed to Brahmi Tracks Management Services Private Limited on 2 March 2021. The Corporate Identification Number of Brahmi is U35100GJ2019PTC110704 . The registered office of Brahmi is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat - 382421, India. Brahmi has the object to carry on the business of development, establishment, construction, repairing, operations, maintenance leasing, consultancy and management and/or other services of any type in connection with setting up railway tracks, railway sidings and management of railway projects. Brahmi is the wholly owned subsidiary of Adani Rail Infra Private Limited and that Brahmi is the holding company of Sarguja. Brahmi holds the entire paid-up share capital of Sarguja.

(ii) APSEZ was incorporated on 26 May 1998 as Gujarat Adani Port Limited, a public limited company, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 and now deemed to be incorporated under the Act. Its name was changed to (a) Mundra Port and Special Economic Zone Limited on 7 July 2006; and (b) Adani Ports and Special Economic Zone Limited on 6 January 2012. The Corporate Identification Number of APSEZ is L63090GJ1998PLC034182. The registered office of APSEZ is currently situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India. APSEZ is India's largest multi-port operator and developer with presence in various parts of India. It is a developer of multi product Special Economic Zone at Mundra, Gujarat. APSEZ's business constitutes the Mundra Rail Business (*as defined hereinafter*) and the Other Business (*as defined hereinafter*). The equity shares of APSEZ are listed on the

Stock Exchanges (*as defined hereinafter*). The secured non-convertible debentures issued by APSEZ from time to time are listed on the Wholesale Debt Market segment of BSE Limited. Further, the commercial papers issued by APSEZ from time to time are also listed on BSE Limited. The unsecured senior notes issued by APSEZ from time to time are listed on Singapore Exchange Securities Trading Limited. Some of the unsecured senior notes issued by APSEZ are also listed on India International Exchange (IFSC) Limited.

(iii) Adani Tracks was incorporated on 31 July 2019 as Adani Tracks Management Services Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Act. The Corporate Identification Number of Adani Tracks is U45202GJ2019PTC109348. The registered office of Adani Tracks is currently situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India. Adani Tracks has been incorporated with an object to carry on the business of development, establishment, construction, repairing, operations, maintenance leasing, consultancy and management and/or other services of any type in connection with setting up railway tracks, railway sidings and management of railway projects. The entire paid-up share capital of Adani Tracks is held by APSEZ. Thus, Adani Tracks is a wholly owned subsidiary of APSEZ.

(iv) Sarguja was incorporated on 5 May 2010 as Sarguja Rail Corridor Private Limited, a private limited company, with the Registrar of Companies, National Capital Territory of Delhi and Haryana, under the provisions of the Companies Act, 1956 and now deemed to be incorporated under the Act. Its registered office was shifted from the National Capital Territory of Delhi to the State of Gujarat on 19 August 2020. The Corporate Identification Number of Sarguja is U60200GJ2010PTC115649. The registered office of Sarguja is currently situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India. Sarguja has, *inter alia*, developed, operates and maintains 70 kms of a private railway siding from Parsa East & Kanta Basan coal blocks to the nearest Indian railway line i.e. Surajpur Road railway station, located in the northern central part of Hasdeo Arand Coalfield in Sarguja district of Chhattisgarh. Presently, Sarguja is a wholly owned subsidiary of Brahmi.

III. RATIONALE FOR THE SCHEME

(a) Over the years, there has been growth in the logistic sector. The Government of India has also come out with various public private participation schemes to efficiently meet the increasing demand in the logistics sector. With Dedicated Freight Corridor implementation, the rail share is expected to increase meaningfully. Thus, there is a significant opportunity in developing the rail assets considering the growth demand and infrastructure build requirement.

(b) It is the objective of APSEZ to (i) consolidate the rail assets under one entity which will diligently work for the development, maintenance and operation of existing and new railway lines across the country; (ii) tap private partnership opportunity for developing the first mile – last mile connectivity and increasing the network

capacity for rail transport; and (iii) create center of excellence to bring best practices, operational efficiency, technology integration and common skill set.

(c) The Scheme will result in, *inter alia*, the following benefits:

(i) consolidation of the rail 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;

(ii) track footprint of Sarguja will supplement to APSEZ's strategy of providing end to end logistics for hinterland to hinterland cargo movement;

(iii) availability of expanded business pre-qualifications, increased net worth to enable to bid for larger and more complex rail infrastructure projects and provide better access to the funds for growth opportunities; and

(iv) benefit from the complimentary skills of the combined management team, which in turn would enhance the overall corporate capability, provide focused strategic leadership and facilitate better supervision of the business.

IV. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

(i) **Part I** deals with the definitions, interpretation, date of taking effect and share capital of Brahmi, APSEZ, Adani Tracks and Sarguja;

(ii) **Part II** deals with the amalgamation of Brahmi into and with APSEZ in accordance with the provisions of Sections 230 – 232 of the Act;

(iii) **Part III** deals with the amalgamation of Adani Tracks into and with Sarguja in accordance with the provisions of Section 230 – 232 of the Act;

(iv) **Part IV** deals with the transfer of the Divestment Business Undertaking from APSEZ and its vesting in Sarguja as a going concern on a Slump Sale basis for lump sum consideration; and

(v) **Part V** deals with the general terms and conditions that would be applicable to the Scheme.

PART I

DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme unless the meaning or context otherwise requires (i) terms defined in the recitals and the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the Recitals and the introductory paragraphs above) shall have the following meanings:

1.1. "**Act**" means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;

1.2. "**Adani Tracks**" means Adani Tracks Management Services Private Limited, a private limited company, incorporated under the provisions of the Act and having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India and, not withstanding anything to the contrary in this Scheme shall include:

i. any and all of its assets, whether movable or immovable (if any), tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings and rights appurtenant to the immovable property, if any, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

ii. any and all of its investments (including shares whether in dematerialized or physical form), scrips, stocks, mutual funds, bonds including government guaranteed bonds, treasury bills, debentures, debenture stock, units, and other securities, if any, including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, premiums, receivables, including dividends declared or interest accrued thereon, reserves, surplus, provisions, funds and benefits of all agreements;

iii. any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, allotments, approvals including approvals granted by the Government of India, Ministry of Railways, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections,

all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

iv. any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

v. all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which Adani Tracks is a party, and other assurances in favour of Adani Tracks or powers or authorizations granted by or to it;

vi. all legal proceedings, suits, claims, disputes, causes of action, litigations, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, by or against Adani Tracks;

vii. all insurance policies;

viii. any and all of its staff and employees, who are on its payrolls, including those employed at its offices, employees/personnel engaged on contract basis and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by Adani Tracks, including liabilities of Adani Tracks, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, or otherwise, in terms of its license, at its offices or otherwise, and any other employees/personnel and interns/trainees hired by Adani Tracks as on the Effective Date;

ix. rights of any claim not made by Adani Tracks in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by Adani Tracks and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under applicable law;

x. any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund, if any;

xi. all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by Adani Tracks, directly or indirectly;

xii. all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former suppliers including service providers, customer credit information, customer/supplier pricing information, list of present and former agents and brokers and all other books and records, whether in physical or electronic form;

xiii. amounts claimed by Adani Tracks whether or not so recorded in the books of account of Adani Tracks from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

xiv. all registrations, trademarks, trade names, computer programs, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by Adani Tracks in the business, activities and operations carried on by Adani Tracks; and

xv. all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Adani Tracks and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Adani Tracks;

1.3. "**Applicable Law**" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority;

1.4. "**Appointed Date 1**" means 1 April 2021;

1.5. "**Appointed Date 2**" means 2 April 2021;

1.6. "**APSEZ**" means Adani Ports and Special Economic Zone Limited, a public limited company, incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India;

1.7. "**APSEZ Shares**" means the fully paid-up equity shares of APSEZ, each having a face value of Rs. 2/- (Rupees Two Only) and one (1) vote per equity share;

1.8. "**Board of Directors**" or "**Board**" in relation to the Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;

1.9. "**Brahmi**" means Brahmi Tracks Management Services Private Limited, a private limited company, incorporated under the provisions of the Act and having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad, Gujarat - 382421, India and, not withstanding anything to the contrary in this Scheme shall include:

i. any and all of its assets, whether movable or immovable (if any), tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings and rights appurtenant to the immovable property, if any, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

ii. any and all of its investments (including shares whether in dematerialized or physical form), scrips, stocks, mutual funds, bonds including government guaranteed bonds, treasury bills, debentures, debenture stock, units, and other securities, if any, including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, premiums, receivables, including dividends declared or interest accrued thereon, reserves, surplus, provisions, funds, benefits of all agreements, debentures, debenture stock or units;

iii. any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, allotments, approvals including approvals granted by the Government of India, Ministry of Railways, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid

acceptances, tenders, certificates, tenancies, sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

iv. any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

v. all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which Brahmi is a party, and other assurances in favour of Brahmi or powers or authorizations granted by or to it;

vi. all legal proceedings, suits, claims, disputes, causes of action, litigations, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, by or against Brahmi;

vii. all insurance policies;

viii. any and all of its staff and employees, who are on its payrolls, including those employed at its offices, employees/personnel engaged on contract basis and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by Brahmi, including liabilities of Brahmi, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, or otherwise, in terms of its license, at its offices or otherwise, and any other employees/personnel and interns/trainees hired by Brahmi as on the Effective Date;

ix. rights of any claim not made by Brahmi in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by Brahmi and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added

tax, custom duties and good and service tax or any other or like benefits under applicable law;

x. any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund, if any;

xi. all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by Brahmi, directly or indirectly;

xii. all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former suppliers including service providers, customer credit information, customer/supplier pricing information, list of present and former agents and brokers and all other books and records, whether in physical or electronic form;

xiii. amounts claimed by Brahmi whether or not so recorded in the books of account of Brahmi from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

xiv. all registrations, trademarks, trade names, computer programs, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by Brahmi in the business, activities and operations carried on by Brahmi; and

xv. all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Brahmi and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Brahmi;

1.10. "**Companies**" means collectively, Brahmi, APSEZ, Adani Tracks and Sarguja;

1.11. "**Competent Authority**" means the National Company Law Tribunal, Ahmedabad Bench, which has the jurisdiction in relation to the Companies;

1.12. "**Divestment Business Undertaking**" means the business, undertaking, activities, operations and properties, of whatsoever nature and kind and wheresoever situated, in each case, forming part of or necessary or advisory for the conduct of, or the activities or

operations of, the Mundra Rail Business of APSEZ, as a going concern, and includes without limitation:

(i) all immovable properties and rights thereto with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way/use, tenancies or otherwise) including right to use the special economic zone land of APSEZ in relation to Mundra Rail Business, boundary wall, and culverts, bridges, civil works, foundations for civil works, buildings, warehouses, offices, trees, together with all plant and machinery embedded etc., which immovable properties form part of the Mundra Rail Business whether or not recorded in the books of accounts of APSEZ and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;

(ii) all assets, as are movable in nature forming part of the Mundra Rail Business, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including plant and machinery, pipeline, capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, railway siding, inventories, stock in trade, stores and spares, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, provisions, funds, benefits of all agreements, the benefits of any bank guarantees, performance guarantees and indirect tax related assets/credits, including but not limited to goods and service tax input credits, service tax input credits, central value added tax credits, value added/ sales tax/ entry tax credits or set-offs;

(iii) all permits, licenses, permissions, right of way, approvals including the approvals granted by the Government of India, Ministry of Railways, authorizations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, indirect tax deferrals, and exemptions and other benefits (in each case including the benefit of any applications made for the same), if any, liberties and advantages, approvals including approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on the Mundra Rail Business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the Mundra Rail Business;

(iv) all insurance policies pertaining to the Mundra Rail Business save and except any insurance policies generally taken for the entire business of APSEZ;

(v) all the debts, loans, duties, liabilities, obligations, of any nature whatsoever exclusively arising out of or pertaining to, in any manner, the Mundra Rail Business or the operation thereof;

(vi) all contracts, agreements including agreement for construction of railway line with Ministry of Railways; and agreement to operate rail transport with Ministry of Railways, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, power purchase agreements, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder, in relation to the Mundra Rail Business;

(vii) all legal proceedings, suits, claims, disputes, causes of action, litigations, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, by or against APSEZ in relation to or pertaining exclusively to the Mundra Rail Business (or a part thereof) or arising from the operations thereof;

(viii) the Divestment Employees;

(ix) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, goodwill, licenses, trade names, service marks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Mundra Rail Business;

(x) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by APSEZ pertaining to or in connection with or relating to APSEZ in respect of the Mundra Rail Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by APSEZ and pertaining to the Mundra Rail Business; and

(xi) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement,

commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Mundra Rail Business.

1.13. "**Divestment Contracts**" has the meaning given to it in Clause 4.1 of Part IV of the Scheme;

1.14. "**Divestment Employees**" shall mean all the employees of APSEZ employed in the Mundra Rail Business as on the Effective Date;

1.15. "**Divestment Litigation**" has the meaning given to it in Clause 5.1 of Part IV of the Scheme;

1.16. "**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the RoC after the last of the approvals or events specified under Clause 6.1 of Part V of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. References in this Scheme to "upon this Scheme becoming effective" or "coming into effect of this Scheme" or the "Scheme becoming effective" or "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date;

1.17. "**Encumbrance**" means (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee, commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly.

1.18. "**Governmental Authority**" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;

1.19. "**IT Act**" means the Income Tax Act, 1961, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;

1.20. "**Listing Regulations**" means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such Regulations;

1.21. "**Mundra Rail Business**" means the rail line of ~ 74 kms from Mundra port to Adipur railway station, built under the non-governmental railway framework, and includes the platforms, railway operational building, railway crossings, railway bridges and culverts, railway signalling and telecommunications, etc. along the said rail line;

1.22. "**New Equity Shares 1**" has the meaning given to it in Clause 5.1 of Part II of the Scheme;

1.23. "**New Equity Shares 2**" has the meaning given to it in Clause 5.1 of Part III of the Scheme;

1.24. "**Other Business**" means any business of APSEZ other than the Divestment Business Undertaking;

1.25. "**Record Date 1**" means the date to be fixed by the Board of Directors of APSEZ after mutual agreement on the same between APSEZ and Brahmi, for the purpose of determining the shareholders of Brahmi to whom the New Equity Shares 1 will be allotted pursuant to this Scheme;

1.26. "**Record Date 2**" means the date to be fixed by the Board of Directors of Sarguja after mutual agreement on the same between Sarguja and Adani Tracks, for the purpose of determining the shareholders of Adani Tracks to whom the New Equity Shares 2 will be allotted pursuant to this Scheme;

1.27. "**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, Gujarat, having jurisdiction over the Companies;

1.28. "**Sarguja**" means Sarguja Rail Corridor Private Limited, a private limited company, incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India;

1.29. "**Sarguja Shares**" means the fully paid-up equity shares of Sarguja, each having a face value of Rs. 10/- (Rupees Ten Only) and one (1) vote per equity share;

1.30. "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this composite scheme of arrangement pursuant to Sections 230 – 232 and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority and other relevant Governmental Authorities, as may be required under the Act and under all other Applicable Laws;

1.31. "**SEBI**" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.32. "**SEBI Circular**" means Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020;

1.33. "**Share Swap Ratio 1**" has the meaning given to it in Clause 5.1 of Part II of the Scheme;

1.34. "**Share Swap Ratio 2**" has the meaning given to it in Clause 5.1 of Part III of the Scheme;

1.35. "**Slump Sale**" means sale of an undertaking on a going concern basis, for a lump sum consideration without values being assigned to the individual assets and liabilities, as defined under Section 2(42C) of the IT Act;

1.36. "**Stock Exchanges**" means the BSE Limited and the National Stock Exchange of India Limited; and

1.37. "**Tax**" means all applicable forms of taxation, duties, levies imposed, whether direct or indirect, whether central, state or local, including without limitation corporate income tax, service tax, withholding tax, dividend distribution tax, goods and services tax, central sales tax, entry tax, octroi, stamp duty, value added tax, customs and excise duties, capital tax and other legal transaction taxes, land taxes, duties and any other type of taxes or duties payable by virtue of any Applicable Law ("**Direct and Indirect Tax**"); together with any interest, premium, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction.

2. INTERPRETATION

2.1. Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Competent Authority in this Scheme, the reference would include, if appropriate, reference to the Competent Authority or such other forum or authority, as may be vested with any of the powers of the Competent Authority under the Act and/or rules made thereunder.

2.2. In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;

(iii) references to one gender includes all genders;

(iv) words in the singular shall include the plural and *vice versa*;

(v) any references in this Scheme to "upon this Scheme becoming effective" or

"coming into effect of this Scheme" or the "Scheme becoming effective" or "Scheme becomes effective" or "effectiveness of this Scheme" or likewise shall be construed to be a reference to the Effective Date;

(vi) words "include" and "including" are to be construed without limitation;

(vii) terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;

(viii) A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;

(ix) Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;

(x) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and

(xi) references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

3. DATE OF TAKING EFFECT

3.1. Part II of the Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or any other Governmental Authority shall be effective from the Appointed Date 1 but shall be operative from the Effective Date.

3.2. Part III and Part IV of the Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or any other Governmental Authority shall be effective from the Appointed Date 2 but shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1. The share capital of the Companies as on 3 March 2021 is as set out below:

(i) Share capital of Brahmi is as under:

Particulars	Amount (in Rupees)
Authorized Capital	
50,00,00,000 Equity Shares of Rs. 2/- each	100,00,00,000
Total	100,00,00,000
Issued, subscribed and Paid up Share Capital	
50,00,00,000 Equity Shares of Rs. 2/- each	100,00,00,000
Total	100,00,00,000

(ii) Share capital of APSEZ is as under:

Particulars	Amount (in Rupees)
Authorized Capital	
497,50,00,000 Equity Shares of Rs. 2/- each	995,00,00,000
50,00,000 Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	5,00,00,000
Total	1000,00,00,000
Issued, subscribed and Paid up Share Capital	
203,17,51,761 Equity Shares of Rs. 2/- each	406,35,03,522
25,01,824 Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	2,50,18,240
Total	408,85,21,762

(iii) Share capital of Adani Tracks is as under:

Particulars	Amount (in Rupees)
Authorized Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, subscribed and Paid up Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000

(iv) Share capital of Sarguja is as under:

Particulars	Amount (in Rupees)
Authorized Capital	
20,50,00,000 Equity Shares of Rs. 10/- each	205,00,00,000
Total	205,00,00,000
Issued, subscribed and Paid up Share Capital	
20,00,00,000 Equity Shares of Rs. 10/- each	200,00,00,000
Total	200,00,00,000

4.2. It is hereby clarified that between the date of filing of the Scheme with the Competent Authority and the Effective Date, the respective Companies may issue further shares and

make consequent changes to their respective issued, subscribed and paid-up share capital and the same will not affect the share swap ratio referred to in Clause 5.1 of Part II or Clause 5.1 of Part III below.

PART II

AMALGAMATION OF BRAHMI INTO AND WITH APSEZ

1. TRANSFER AND VESTING OF BRAHMI INTO AND WITH APSEZ

1.1. With effect from the Appointed Date 1 and upon this Scheme becoming effective, Brahmi along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of Brahmi shall stand transferred to and vested in or shall be deemed to have been transferred to and vested in APSEZ, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 – 232 of the Act, the IT Act and Applicable Law, if any, in accordance with the provisions contained herein.

1.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date 1:

(a) all assets of Brahmi, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, if any, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in APSEZ, wherever located and shall become the property and an integral part of APSEZ. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of Brahmi, including investments in shares and any other securities, treasury bills, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of APSEZ, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments made by Brahmi and all the rights, title and interest of Brahmi in any leasehold properties, if any, shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in APSEZ;

(c) all immovable properties of Brahmi, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of

Brahmi, if any, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in APSEZ, without any further act or deed done or being required to be done by Brahmi and/or APSEZ. APSEZ shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling APSEZ to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of APSEZ by the Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of Brahmi which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to APSEZ. Provided that if any assets of Brahmi have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of APSEZ. The secured creditors of APSEZ and/or other holders of security over the properties of APSEZ, if any, shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of Brahmi and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of APSEZ. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;

(f) all estate, assets, rights, title, claims, interest, investments and properties of Brahmi as on the Appointed Date 1, whether or not included in the books of Brahmi, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by Brahmi on or after the Appointed Date 1 but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of APSEZ;

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes and other instruments to which Brahmi is a party, or to the benefit of which, Brahmi may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of APSEZ and may be enforced as fully and effectually as if, instead of

Brahmi, APSEZ had been a party or beneficiary or obligor thereto. If APSEZ enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, Brahmi will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by Brahmi (and not by any of its successors), shall be fulfilled by APSEZ as if it is the duly constituted attorney of Brahmi;

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority, court or tribunal or other proceedings of whatsoever nature relating to Brahmi, whether by or against Brahmi, whether pending on the Appointed Date 1 or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of Brahmi or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against APSEZ in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against Brahmi, as if this Scheme had not been implemented;

(i) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of Brahmi shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of APSEZ, and APSEZ shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by Brahmi after the Appointed Date 1 and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of APSEZ and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in APSEZ and shall become the debt, duties, undertakings, liabilities and obligations of APSEZ which shall meet, discharge and satisfy the same;

(j) all debentures, bonds, notes or other securities of Brahmi, if any, whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of APSEZ and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against APSEZ as if it were Brahmi. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(k) APSEZ shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of Brahmi to the extent necessary until the transfer of the rights and obligations of Brahmi to APSEZ under the Scheme is formally accepted and completed by the parties

concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of Brahmi after the Effective Date, shall be accepted by the bankers of APSEZ and credited to the accounts of APSEZ, if presented by APSEZ. Similarly, the banker of APSEZ shall honour all cheques issued by Brahmi for payment after the Effective Date;

(l) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which Brahmi is a party to or to the benefit of which Brahmi may be eligible, shall remain in full force and effect against or in favour of APSEZ and may be enforced as fully and effectually as if, instead of Brahmi, APSEZ had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of Brahmi shall be deemed to be the track record of APSEZ for all commercial and regulatory purposes;

(m) all the staff and employees of Brahmi, if any, who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of APSEZ, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by Brahmi as on the Effective Date. APSEZ further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with Brahmi, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of Brahmi, APSEZ shall stand substituted for Brahmi for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by Brahmi, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Brahmi for such purpose shall be treated as having been continuous;

(n) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of Brahmi, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Brahmi in relation to such schemes or funds shall become those of APSEZ. Upon the Scheme becoming effective, APSEZ shall stand substituted for Brahmi for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by Brahmi for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of APSEZ. It is clarified that the services of all employees of Brahmi transferred to APSEZ will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of APSEZ, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate

trusts or funds within APSEZ for the erstwhile fund(s) of Brahmi; or (ii) merge the pre-existing fund of Brahmi with other similar funds of APSEZ;

(o) APSEZ agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the employees with Brahmi, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;

(p) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in APSEZ;

(q) all registrations, goodwill and licenses, appertaining to Brahmi, if any, shall transferred to and vested in APSEZ;

(r) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to Brahmi, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of APSEZ, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to Brahmi, shall pursuant to this Scheme becoming effective, be available to APSEZ;

(s) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions and certificates of every kind and description whatsoever in relation to Brahmi, or to the benefit of which Brahmi may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of APSEZ and may be enforced as fully and effectually as if, instead of Brahmi, APSEZ had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of APSEZ pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, APSEZ shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

(t) benefits of any and all corporate approvals as may have already been taken by Brahmi, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc.,

of the Act, read with the rules and regulations made thereunder, shall stand transferred to APSEZ and the said corporate approvals and compliances shall be deemed to have been taken/complied with by APSEZ; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of APSEZ, shall be added to the limits, if any, under the like resolutions passed by APSEZ;

(u) all bank accounts operated or entitled to be operated by Brahmi shall be deemed to have transferred and shall stand transferred to APSEZ and names of Brahmi shall be substituted by the name of APSEZ in the bank's records;

(v) all the property, assets and liabilities of Brahmi shall be transferred to APSEZ as appearing in the books of account of Brahmi at the close of business of the day immediately preceding the Appointed Date 1;

(w) all the benefits under the various incentive schemes and policies that Brahmi is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by Brahmi and all rights or benefits that have accrued or which may accrue to Brahmi, whether on, before or after the Appointed Date 1, shall upon this Scheme becoming effective and with effect from the Appointed Date 1 be transferred to and vest in APSEZ and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by APSEZ and these shall relate back to the Appointed Date 1 as if APSEZ was originally entitled to all benefits under such incentive schemes and or policies;

(x) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date 1 by Brahmi, deemed to have been transferred to APSEZ by virtue of this Scheme, have been discharged by Brahmi after the Appointed Date 1 and prior to the Effective Date, such discharge shall be deemed to have been for and on account of APSEZ;

(y) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, if any, to which Brahmi is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against APSEZ and may be enforced fully and effectually as if, instead of Brahmi, APSEZ had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of Brahmi in any properties including leasehold/ licensed properties of Brahmi including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in APSEZ automatically without requirement of any further act or deed. APSEZ shall continue to pay rent or lease or license fee as provided for under such agreements, and APSEZ shall continue to comply with the terms, conditions and covenants

thereunder;

(z) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Brahmi and APSEZ shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of APSEZ; and

(aa) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date 1, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of Brahmi shall stand transferred to APSEZ, and APSEZ shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to APSEZ.

1.3. Brahmi and/or APSEZ as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by Brahmi. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of APSEZ pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, APSEZ shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.4. APSEZ shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Brahmi and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.5. Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of Brahmi into APSEZ by virtue of Part II of the Scheme itself, APSEZ may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which Brahmi has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of Brahmi. APSEZ will, if necessary, also be a party to the above.

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

2.1. Brahmi and APSEZ have agreed that during the period between the approval of the Scheme by the respective Boards of Brahmi and APSEZ and up to the Effective Date,

the business of Brahmi and APSEZ shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

2.2. With effect from the Appointed Date 1 and up to and including the Effective Date:

(a) Brahmi undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to Brahmi, for and on account of and in trust for APSEZ;

(b) Brahmi hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;

(c) all profits and income accruing to Brahmi, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date 1 based on the accounts of Brahmi shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of APSEZ;

(d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date 1, whether or not provided in the books of Brahmi which arise or accrue to Brahmi on or after the Appointed Date 1, shall be deemed to be of APSEZ;

(e) all assets and properties comprised in Brahmi as on the date immediately preceding the Appointed Date 1, whether or not included in the books of Brahmi and all assets and properties relating thereto, which are acquired by Brahmi, on or after the Appointed Date 1, shall be deemed to be the assets and properties of APSEZ; and

(f) any of the rights, powers, authorities, privileges exercised by Brahmi shall be deemed to have been exercised by Brahmi for and on behalf of, and in trust for APSEZ. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Brahmi shall be deemed to have been undertaken for and on behalf of APSEZ.

2.3. With effect from the Effective Date, APSEZ shall carry on and shall be authorised to carry on the businesses of Brahmi.

2.4. For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, APSEZ shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of Brahmi, in accordance with the provisions of Sections 230 – 232 of the Act. APSEZ is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.5. APSEZ shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authorities and all other agencies, departments and authorities concerned as are necessary under Applicable Law for such consents, approvals and sanctions which APSEZ may require to carry on the business of Brahmi.

2.6. Upon this Scheme becoming effective, APSEZ, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of Brahmi with effect from the Appointed Date 1, in order to give effect to the foregoing provisions.

3. DISSOLUTION OF BRAHMI

3.1. Upon this Scheme becoming effective, Brahmi shall stand dissolved without being wound up, without any further act, instrument or deed.

4. CHANGES IN SHARE CAPITAL

4.1. As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of Brahmi shall stand transferred to and be amalgamated/combined with the authorized share capital of APSEZ. The fees or stamp duty, if any, paid by Brahmi on its authorized share capital shall be deemed to have been so paid by APSEZ on the combined authorized share capital, and APSEZ shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of APSEZ will automatically stand increased to that effect by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act.

Clause V. of the memorandum of association of APSEZ shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs. 1,100,00,00,000/- (Rupees One Thousand One Hundred Crores Only) divided into 547,50,00,000 (Five Hundred Forty Seven Crores and Fifty Lacs only) Equity Shares of Rs. 2/- (Rupees Two only) each and 50,00,000 (Fifty Lacs only) Non- Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each with such rights, privileges and conditions attached thereto as may be determined by the Company from time to time in accordance with the Articles of Association of the Company. The Company has and shall always have the power to divide, sub-divide or consolidate the shares for time being of the Company into several classes and to attach thereto preferential, qualified or special rights, privileges or conditions as may be determined by the Company or in accordance with Articles of Association of the Company and to fix, vary, modify or abrogate any such rights, privileges or conditions attached to the shares in such manner as may from time to time being provided in the regulations of the company."

4.2. The approval of this Scheme by shareholders of APSEZ under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the Competent Authority, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

5. PAYMENT OF CONSIDERATION

5.1. Upon coming into effect of this Scheme and in consideration of the amalgamation of Brahmi in APSEZ, APSEZ shall, without any further application, act or deed, issue and allot to the equity shareholders of Brahmi whose names are recorded in the register of members as a member of Brahmi on the Record Date 1, 100 (One Hundred) APSEZ Shares, credited as fully paid-up, for every 708 (Seven Hundred and Eight) equity shares of the face value of Rs. 2/- (Rupees Two) each fully paid-up held by such member in Brahmi ("**Share Swap Ratio 1**"). APSEZ Shares to be issued by APSEZ to the shareholders of Brahmi in accordance with this Clause 5.1 of Part II shall be hereinafter referred to as "**New Equity Shares 1**".

6. ISSUANCE MECHANICS

6.1. The New Equity Shares 1 of APSEZ allotted and issued in terms of Clause 5.1 of Part II above, shall be listed and/or admitted to trading on the Stock Exchanges. The New Equity Shares 1 of APSEZ shall, however, be listed subject to APSEZ obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares 1 of APSEZ. APSEZ shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

6.2. The New Equity Shares 1 of APSEZ to be allotted and issued to the equity shareholders of Brahmi as provided in Clause 5.1 of Part II above shall be subject to the provisions of the memorandum and articles of association of APSEZ and shall rank *pari passu* in all respects with the then existing equity shares of APSEZ after the Effective Date including in respect of dividend, if any, that may be declared by APSEZ on or after the Effective Date.

6.3. APSEZ shall complete all formalities, as may be required, for allotment of the New Equity Shares 1 to the equity shareholders of Brahmi as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares 1 by APSEZ to the equity shareholders of Brahmi as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of APSEZ or its equity shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statues and regulations as may be applicable were duly complied with.

6.4. In the event that the aggregate number of the New Equity Shares to be issued by APSEZ to the equity shareholders of Brahmi results in a fraction of equity shares, the Board of APSEZ shall round-off such fraction to the next whole integer, and thereupon shall issue and allot the New Equity Shares to the equity shareholders of Brahmi. Further, fractional entitlements of individual equity shareholders, based on the Share Swap Ratio 1 prescribed in Clause 5.1 of Part II above shall also be rounded-off to the next whole integer by the Board of APSEZ.

6.5. In the event that Brahmi and/or APSEZ restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the

Share Swap Ratio 1, shall be adjusted accordingly to take into account the effect of any such corporate actions.

6.6. APSEZ shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the Stock Exchanges, for the issue and allotment by APSEZ of the New Equity Shares 1 to the equity shareholders of Brahmi pursuant to the Scheme.

6.7. The New Equity Shares 1 issued to the equity shareholders of Brahmi by APSEZ shall be issued in dematerialised form by APSEZ, provided that the details of the depository accounts of the equity shareholders of Brahmi are made available to APSEZ by Brahmi at least two (2) working days prior to the Effective Date.

6.8. The New Equity Shares 1 allotted pursuant to the Scheme shall remain frozen in the depository system until listing/trading permission is given by the Stock Exchanges.

6.9. There shall be no change in the shareholding pattern or control of APSEZ between the Record Date 1 and the date of listing of equity shares of APSEZ which may affect the status of the Stock Exchanges approval.

6.10. The New Equity Shares 1 to be issued by APSEZ pursuant to Clause 5.1 of Part II above in respect of such equity shares of Brahmi as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

6.11. Upon this Scheme becoming effective and upon the New Equity Shares 1 of APSEZ being allotted and issued by it to the equity shareholders of Brahmi whose names appear on the register of members as a member of Brahmi on the Record Date 1 or whose names appear as the beneficial owners of the equity shares of Brahmi in the records of the depositories/register of members, as the case may be, as on the Record Date 1, the equity shares of Brahmi, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date 1.

7. ACCOUNTING TREATMENT IN THE BOOKS OF APSEZ

Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, APSEZ shall account for the amalgamation of Brahmi in its books as per the applicable accounting principles prescribed under the applicable Indian Accounting Standards ("Ind AS"), *inter alia*, including but not limited to the following:

7.1 All the assets and liabilities of Brahmi transferred to and vested in APSEZ shall be recorded at their respective fair values in accordance with the requirements of Ind AS 103.

7.2 The difference between fair value of the New Equity Shares 1 issued and fair values of net assets acquired, if any, being excess or deficit arising pursuant to the Scheme, shall be accounted as goodwill/ capital reserves in the books of APSEZ in compliance with generally accepted principles under Ind AS.

7.3 The face value of the New Equity Shares 1 issued by APSEZ to the equity shareholders of Brahmi pursuant to Clause 5.1 of Part II above, shall be credited to the equity share

capital and any amount over and above face value will be credited to share premium account of APSEZ.

8. COMPLIANCE WITH LAWS

8.1. Part II of this Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the merger of Brahmi with APSEZ.

8.2. The amalgamation of Brahmi with APSEZ in accordance with Part II of this Scheme will be in compliance with the provisions of Section 2(1B) of the IT Act, such that:

(a) all the properties of Brahmi, immediately before the amalgamation, shall become the property of APSEZ, by virtue of this amalgamation;

(b) all the liabilities of Brahmi, immediately before the amalgamation, shall become the liabilities of APSEZ, by virtue of this amalgamation; and

(c) shareholders holding not less than three-fourths in value of the shares in Brahmi will become shareholders of APSEZ by virtue of the amalgamation.

8.3. Part II of this Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the IT Act. If any terms or provisions of Part II of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail. Part II of the Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of Brahmi and APSEZ, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

8.4. Upon this Scheme becoming effective, APSEZ is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the IT Act, etc., and for matters incidental thereto, if required to give effect to the provisions of Part II of this Scheme. The order of the Competent Authority sanctioning the Scheme shall be deemed to be an order of the Competent Authority permitting APSEZ to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by APSEZ.

9. CONSEQUENTIAL MATTERS RELATING TO TAX

9.1. All tax assessment proceedings/appeals of whatsoever nature by or against Brahmi pending and/or arising at the Appointed Date 1 and relating to Brahmi shall be continued and/or enforced until the Effective Date by Brahmi. In the event of Brahmi failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by

APSEZ, at the cost of APSEZ. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against APSEZ in the same manner and to the same extent as would or might have been continued and enforced by or against Brahmi.

9.2. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Brahmi with APSEZ or anything contained in Part II of the Scheme.

9.3. Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with Brahmi, including any taxes paid and taxes deducted at source and deposited by APSEZ on inter se transactions during the period between the Appointed Date 1 and the Effective Date shall be treated as advance tax paid by APSEZ and shall be available to APSEZ for set-off against its liability under the IT Act and any excess tax so paid shall be eligible for refund together with interest.

10. SAVING OF CONCLUDED TRANSACTIONS

10.1. The transfer of assets, properties and liabilities and the continuance of proceedings by or against Brahmi under Clause 1.2 of Part II of the Scheme above shall not affect any transaction or proceedings already concluded by Brahmi on and after the Appointed Date 1 until the Effective Date, to the end and intent that APSEZ accept and adopt all acts, deeds and things done and executed by Brahmi in respect thereto as done and executed on behalf of APSEZ.

PART III

AMALGAMATION OF ADANI TRACKS INTO AND WITH SARGUJA

1. TRANSFER AND VESTING OF ADANI TRACKS INTO AND WITH SARGUJA

1.1. With effect from the Appointed Date 2 and upon this Scheme becoming effective, Adani Tracks along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of Adani Tracks shall stand transferred to and vested in or shall be deemed to have been transferred to and vested in Sarguja, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 – 232 of the Act, the IT Act and Applicable Law, if any, in accordance with the provisions contained herein.

1.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date 2:

(a) all assets of Adani Tracks, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, if any, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in Sarguja, wherever located and shall become the property and an integral part of

Sarguja. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of Adani Tracks, including investments in shares and any other securities, treasury bills, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of Sarguja, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments made by Adani Tracks and all the rights, title and interest of Adani Tracks in any leasehold properties, if any, shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in Sarguja;

(c) all immovable properties of Adani Tracks, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Adani Tracks, if any, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in Sarguja, without any further act or deed done or being required to be done by Adani Tracks and/or Sarguja. Sarguja shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling Sarguja to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of Sarguja by the Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of Adani Tracks which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to Sarguja. Provided that if any assets of Adani Tracks have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of Sarguja. The secured creditors of Sarguja and/or other holders of security over the properties of Sarguja, if any, shall not be entitled to any additional security over the properties,

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

assets, rights, benefits and interests of Adani Tracks and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of Sarguja. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;

(f) all estate, assets, rights, title, claims, interest, investments and properties of Adani Tracks as on the Appointed Date 2, whether or not included in the books of Adani Tracks, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by Adani Tracks on or after the Appointed Date 2 but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of Sarguja;

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes and other instruments to which Adani Tracks is a party, or to the benefit of which, Adani Tracks may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of Sarguja and may be enforced as fully and effectually as if, instead of Adani Tracks, Sarguja had been a party or beneficiary or obligor thereto. If Sarguja enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, Adani Tracks will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by Adani Tracks (and not by any of its successors), shall be fulfilled by Sarguja as if it is the duly constituted attorney of Adani Tracks;

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority, court or tribunal or other proceedings of whatsoever nature relating to Adani Tracks, whether by or against Adani Tracks, whether pending on the Appointed Date 2 or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of Adani Tracks or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against Sarguja in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against Adani Tracks, as if this Scheme had not been implemented;

(i) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of Adani Tracks shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of Sarguja, and Sarguja shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by Adani Tracks after the

Appointed Date 2 and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of Sarguja and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in Sarguja and shall become the debt, duties, undertakings, liabilities and obligations of Sarguja which shall meet, discharge and satisfy the same;

(j) all debentures, bonds, notes or other securities of Adani Tracks, if any, whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of Sarguja and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against Sarguja as if it were Adani Tracks. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(k) Sarguja shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of Adani Tracks to the extent necessary until the transfer of the rights and obligations of Adani Tracks to Sarguja under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of Adani Tracks after the Effective Date, shall be accepted by the bankers of Sarguja and credited to the accounts of Sarguja, if presented by Sarguja. Similarly, the banker of Sarguja shall honour all cheques issued by Adani Tracks for payment after the Effective Date;

(l) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which Adani Tracks is a party to or to the benefit of which Adani Tracks may be eligible, shall remain in full force and effect against or in favour of Sarguja and may be enforced as fully and effectually as if, instead of Adani Tracks, Sarguja had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of Adani Tracks shall be deemed to be the track record of Sarguja for all commercial and regulatory purposes;

(m) all the staff and employees of Adani Tracks, if any, who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of Sarguja, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by Adani Tracks as on the Effective Date. Sarguja further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with Adani Tracks, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of Adani Tracks, Sarguja shall stand substituted for Adani Tracks for all purposes whatsoever, upon this Scheme becoming effective,

including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by Adani Tracks, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Adani Tracks for such purpose shall be treated as having been continuous;

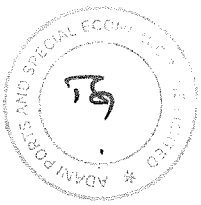
(n) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of Adani Tracks, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Adani Tracks in relation to such schemes or funds shall become those of Sarguja. Upon the Scheme becoming effective, Sarguja shall stand substituted for Adani Tracks for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by Adani Tracks for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of Sarguja. It is clarified that the services of all employees of Adani Tracks transferred to Sarguja will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of Sarguja, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within Sarguja for the erstwhile fund(s) of Adani Tracks; or (ii) merge the pre-existing fund of Adani Tracks with other similar funds of Sarguja;

(o) Sarguja agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the employees with Adani Tracks, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;

(p) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in Sarguja;

(q) all registrations, goodwill and licenses, appertaining to Adani Tracks, if any, shall transferred to and vested in Sarguja;

(r) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to Adani Tracks, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of Sarguja, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been



available to Adani Tracks, shall pursuant to this Scheme becoming effective, be available to Sarguja;

(s) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions and certificates of every kind and description whatsoever in relation to Adani Tracks, or to the benefit of which Adani Tracks may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of Sarguja and may be enforced as fully and effectually as if, instead of Adani Tracks, Sarguja had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of Sarguja pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, Sarguja shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

(t) benefits of any and all corporate approvals as may have already been taken by Adani Tracks, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to Sarguja and the said corporate approvals and compliances shall be deemed to have been taken/complied with by Sarguja; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Sarguja, shall be added to the limits, if any, under the like resolutions passed by Sarguja;

(u) all bank accounts operated or entitled to be operated by Adani Tracks shall be deemed to have transferred and shall stand transferred to Sarguja and names of Adani Tracks shall be substituted by the name of Sarguja in the bank's records;

(v) all the property, assets and liabilities of Adani Tracks shall be transferred to Sarguja at the values appearing in the books of account of Adani Tracks at the close of business of the day immediately preceding the Appointed Date 2;

(w) all the benefits under the various incentive schemes and policies that Adani Tracks is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by Adani Tracks and all rights or benefits that have accrued or which may accrue to Adani Tracks, whether on, before or after the Appointed Date 2, shall upon this Scheme becoming effective and with effect from the Appointed Date 2 be transferred to and vest in Sarguja and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by Sarguja and these shall relate back to the

Appointed Date 2 as if Sarguja was originally entitled to all benefits under such incentive schemes and or policies;

(x) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date 2 by Adani Tracks, deemed to have been transferred to Sarguja by virtue of this Scheme, have been discharged by Adani Tracks after the Appointed Date 2 and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Sarguja;

(y) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, if any, to which Adani Tracks is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against Sarguja and may be enforced fully and effectually as if, instead of Adani Tracks, Sarguja had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of Adani Tracks in any properties including leasehold/ licensed properties of Adani Tracks including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in Sarguja automatically without requirement of any further act or deed. Sarguja shall continue to pay rent or lease or license fee as provided for under such agreements, and Sarguja shall continue to comply with the terms, conditions and covenants thereunder;

(z) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Adani Tracks and Sarguja shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of Sarguja; and

(aa) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of Adani Tracks shall stand transferred to Sarguja, and Sarguja shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Sarguja.

1.3. Adani Tracks and/or Sarguja as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by Adani Tracks. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of

this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of Sarguja pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, Sarguja shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.4. Sarguja shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Adani Tracks and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.5. Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of Adani Tracks into Sarguja by virtue of Part III of the Scheme itself, Sarguja may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which Adani Tracks has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of Adani Tracks. Sarguja will, if necessary, also be a party to the above.

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

2.1. Adani Tracks and Sarguja have agreed that during the period between the approval of the Scheme by the respective Boards of Adani Tracks and Sarguja and up to the Effective Date, the business of Adani Tracks and Sarguja shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

2.2. With effect from the Appointed Date 2 and up to and including the Effective Date:

(a) Adani Tracks undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to Adani Tracks, for and on account of and in trust for Sarguja;

(b) Adani Tracks hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;

(c) all profits and income accruing to Adani Tracks, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date 2 based on the accounts of Adani Tracks shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of Sarguja;

(d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date 2, whether or not provided in the books of Adani Tracks which arise or accrue to Adani Tracks on or after the Appointed Date 2, shall be deemed

to be of Sarguja;

(e) all assets and properties comprised in Adani Tracks as on the date immediately preceding the Appointed Date 2, whether or not included in the books of Adani Tracks and all assets and properties relating thereto, which are acquired by Adani Tracks, on or after the Appointed Date 2, shall be deemed to be the assets and properties of Sarguja; and

(f) any of the rights, powers, authorities, privileges exercised by Adani Tracks shall be deemed to have been exercised by Adani Tracks for and on behalf of, and in trust for Sarguja. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Adani Tracks shall be deemed to have been undertaken for and on behalf of Sarguja.

2.3. With effect from the Effective Date, Sarguja shall carry on and shall be authorised to carry on the businesses of Adani Tracks.

2.4. For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, Sarguja shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of Adani Tracks, in accordance with the provisions of Sections 230 – 232 of the Act. Sarguja is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.5. Sarguja shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authorities and all other agencies, departments and authorities concerned as are necessary under Applicable Law for such consents, approvals and sanctions which Sarguja may require to carry on the business of Adani Tracks.

2.6. Upon this Scheme becoming effective, Sarguja, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of Adani Tracks with effect from the Appointed Date 2, in order to give effect to the foregoing provisions.

3. DISSOLUTION OF ADANI TRACKS

3.1. Upon this Scheme becoming effective, Adani Tracks shall stand dissolved without being wound up, without any further act, instrument or deed.

4. CHANGES IN SHARE CAPITAL

4.1. As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of Adani Tracks shall stand transferred to and be amalgamated/combined with the authorized share capital of Sarguja. The fees or stamp duty, if any, paid by Adani Tracks on its authorized share capital shall be deemed to have been so paid by Sarguja on the combined authorized share capital, and Sarguja shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of Sarguja will automatically stand increased to that effect

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act.

Clause V. of the memorandum of association of Sarguja shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs. 205,05,00,000/- (Rupees Two Hundred Five Crores and Five Lacs Only) divided into 20,50,50,000 (Twenty Crores Fifty Lacs and Fifty Thousand Only) Equity Shares of Rs. 10/- (Rupees Ten only) each."

4.2. The approval of this Scheme by shareholders of Sarguja under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the Competent Authority, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

5. PAYMENT OF CONSIDERATION

5.1. Upon coming into effect of this Scheme and in consideration of the amalgamation of Adani Tracks in Sarguja, Sarguja shall, without any further application, act or deed, issue and allot to the equity shareholders of Adani Tracks whose names are recorded in the register of members as a member of Adani Tracks on the Record Date 2, 100 (One Hundred) Sarguja Shares, credited as fully paid-up, for every 2,522 (Two Thousand Five Hundred and Twenty Two) equity shares of the face value of Rs. 10/- (Rupees Ten) each fully paid-up held by such member in Adani Tracks ("**Share Swap Ratio 2**"). Sarguja Shares to be issued by Sarguja to the equity shareholders of Adani Tracks in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares 2**".

6. ISSUANCE MECHANICS

6.1. The New Equity Shares 2 of Sarguja to be allotted and issued to the equity shareholders of Adani Tracks as provided in Clause 5.1 of Part III above shall be subject to the provisions of the memorandum and articles of association of Sarguja and shall rank *pari passu* in all respects with the then existing equity shares of Sarguja after the Effective Date including in respect of dividend, if any, that may be declared by Sarguja on or after the Effective Date.

6.2. Sarguja shall complete all formalities, as may be required, for allotment of the New Equity Shares 2 to the equity shareholders of Adani Tracks as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares 2 by Sarguja to the equity shareholders of Adani Tracks as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of Sarguja or its equity shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statues and regulations as may be applicable were duly complied with.

6.3. In the event that the aggregate number of the New Equity Shares to be issued by Sarguja to the equity shareholders of Adani Tracks results in a fraction of equity shares, the Board of Sarguja shall round-off such fraction to the next whole integer, and thereupon shall issue and allot the New Equity Shares to the equity shareholders of Adani Tracks. Further, fractional entitlements of individual equity shareholders, based on the Share Swap Ratio 2 prescribed in Clause 5.1 of Part III above shall also be rounded-off to the next whole integer by the Board of Sarguja.

6.4. In the event that Adani Tracks and/or Sarguja restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Swap Ratio 2, shall be adjusted accordingly to take into account the effect of any such corporate actions.

6.5. The New Equity Shares 2 issued to the members of Adani Tracks by Sarguja shall be issued in dematerialised form by Sarguja, provided that the details of the depository accounts of the equity shareholders of Adani Tracks are made available to Sarguja by Adani Tracks at least two (2) working days prior to the Effective Date. In the event that such details are not available with Sarguja or for such equity shareholder of Adani Tracks which hold the shares of Adani Tracks in physical form, it shall issue the New Equity Shares 2 to the equity shareholders of Adani Tracks in physical form.

6.6. Upon this Scheme becoming effective and upon the New Equity Shares 2 of Sarguja being allotted and issued by it to the equity shareholders of Adani Tracks whose names appear on the register of members as a member of Adani Tracks on the Record Date 2 or whose names appear as the beneficial owners of the equity shares of Adani Tracks in the records of the depositories/register of members, as the case may be, as on the Record Date 2, the equity shares of Adani Tracks, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date 2. Wherever applicable, Sarguja may, instead of requiring the surrender of the share certificates of Adani Tracks, directly issue and dispatch the new share certificates of Sarguja in lieu thereof.

7. ACCOUNTING TREATMENT IN THE BOOKS OF SARGUJA

Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, Sarguja shall account for the amalgamation of Adani Tracks in its books as per the applicable accounting principles prescribed under the applicable Indian Accounting Standards ("Ind AS"), *inter alia*, including but not limited to the following:

7.1 All the assets and liabilities of Adani Tracks transferred to and vested in Sarguja shall be recorded at their respective carrying values in accordance with the requirements of Ind AS 103.

7.2 The face value of the New Equity Shares 2 issued by Sarguja to the equity shareholders of Adani Tracks pursuant to Clause 5.1 of Part III above, shall be credited to the equity share capital of Sarguja and difference over and above the issue price and face value will be credited to share premium account.

8. COMPLIANCE WITH LAWS

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

8.1. Part III of this Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the merger of Adani Tracks with Sarguja.

8.2. The amalgamation of Adani Tracks with Sarguja in accordance with Part III of this Scheme will be in compliance with the provisions of Section 2(1B) of the IT Act, such that:

(a) all the properties of Adani Tracks, immediately before the amalgamation, shall become the property of Sarguja, by virtue of this amalgamation;

(b) all the liabilities of Adani Tracks, immediately before the amalgamation, shall become the liabilities of Sarguja, by virtue of this amalgamation; and

(c) shareholders holding not less than three-fourths in value of the shares in Adani Tracks will become shareholders of Sarguja by virtue of the amalgamation.

8.3. Part III of this Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the IT Act. If any terms or provisions of Part III of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail. Part III of the Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of Adani Tracks and Sarguja, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

8.4. Upon this Scheme becoming effective, Sarguja is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the IT Act, etc., and for matters incidental thereto, if required to give effect to the provisions of Part III of this Scheme. The order of the Competent Authority sanctioning the Scheme shall be deemed to be an order of the Competent Authority permitting Sarguja to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by Sarguja.

9. CONSEQUENTIAL MATTERS RELATING TO TAX

9.1. All tax assessment proceedings/appeals of whatsoever nature by or against Adani Tracks pending and/or arising at the Appointed Date 2 and relating to Adani Tracks shall be continued and/or enforced until the Effective Date by Adani Tracks. In the event of Adani Tracks failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by Sarguja, at the cost of Sarguja. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against Sarguja in the same manner and to the same extent as would or might have been continued and enforced by or against Adani Tracks.

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

9.2. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Adani Tracks with Sarguja or anything contained in Part III of the Scheme.

9.3. Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with Adani Tracks, including any taxes paid and taxes deducted at source and deposited by Sarguja on inter se transactions during the period between the Appointed Date 2 and the Effective Date shall be treated as advance tax paid by Sarguja and shall be available to Sarguja for set-off against its liability under the IT Act and any excess tax so paid shall be eligible for refund together with interest.

10. SAVING OF CONCLUDED TRANSACTIONS

10.1. The transfer of assets, properties and liabilities and the continuance of proceedings by or against Adani Tracks under Clause 1.2 of Part III of the Scheme above shall not affect any transaction or proceedings already concluded by Adani Tracks on and after the Appointed Date 2 until the Effective Date, to the end and intent that Sarguja accept and adopt all acts, deeds and things done and executed by Adani Tracks in respect thereto as done and executed on behalf of Sarguja.

PART IV

TRANSFER AND VESTING OF THE DIVESTMENT BUSINESS UNDERTAKING OF APSEZ IN SARGUJA

1. TRANSFER AND VESTING OF DIVESTMENT BUSINESS UNDERTAKING

1.1. Upon the Scheme becoming effective and with effect from the Appointed Date 2, the Divestment Business Undertaking of APSEZ in its entirety shall, pursuant to Sections 230 to 232 read with other relevant provisions of the Act and Section 2(42C) of the IT Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/ or be deemed to be and stand transferred to and vested in Sarguja as a 'going concern' on a Slump Sale basis, in accordance with Section 2(42C) of the Income Tax Act, 1961 (as amended) for a lump sum consideration as set out hereinafter, subject to the provisions of this Scheme.

1.2. Upon the Scheme becoming effective and with effect from the Appointed Date 2, Sarguja shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business Undertaking of APSEZ into Sarguja.

2. TRANSFER OF ASSETS

2.1. Without prejudice to the generality of Clause 1 of Part IV (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme coming into effect and with effect from the Appointed Date 2, all the assets of the Divestment Business Undertaking of APSEZ shall, in accordance with the provisions of this Clause 2 in relation to the mode

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

of transfer and vesting and pursuant to Sections 230-232 and/or other applicable provisions of the Act, stand transferred to and vested in Sarguja as a going concern and without any further act or deed in the following manner, unless specifically otherwise provided under the Scheme:

2.1.1. In relation to the assets of the Divestment Business Undertaking, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, including cash and bank balances, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to Sarguja, and shall become the assets of Sarguja and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act and shall upon such transfer become the property of Sarguja. It is clarified that the assets of Other Business of APSEZ shall continue to remain the assets, properties, benefits, rights, title, interests, etc., of APSEZ and shall not be transferred to Sarguja as part of the Divestment Business Undertaking.

2.1.2. Without prejudice to the generality of Clause 2.1.1 of Part IV above, and in respect of the such movable assets other than those dealt with in Clause 2.1.1 of Part IV above, including but not limited to sundry debts, actionable claims, earnest monies receivables, bills, credits, loans, advances and deposits with any Governmental Authorities or any other bodies or any other person, if any, forming part of the Divestment Business Undertaking, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall stand transferred to and vested in Sarguja without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act and all other applicable provisions of the Applicable Law, and that appropriate entries should be passed in its books to record the aforesaid change. Sarguja may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits stand transferred to and vested in Sarguja and be paid or made good or held on account of Sarguja as the person entitled thereto.

2.1.3. The immovable assets belonging to or pertaining to the Divestment Business Undertaking of APSEZ (including land together with the buildings and structures standing thereon), whether freehold or leasehold or licenced for use including the right to use the special economic zone land of APSEZ in relation to the Divestment Business Undertaking, with rights, title, interests, authorities, and all documents of title, rights and easements in relation thereto including any right to use, will stand transferred to and be vested in Sarguja, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act. With effect from the Appointed Date 2, Sarguja shall be entitled to exercise all rights and privileges and be liable to fulfil all obligations, in relation to or applicable to such immovable properties. Furthermore, Sarguja shall, on and from the Effective Date, file applications with the Governmental Authorities for implementation of the transfer of the immovable properties belonging to the Divestment Business

Undertaking to Sarguja; and APSEZ agrees to undertake all steps requested by Sarguja, to provide assistance to Sarguja in relation to the aforesaid actions.

2.1.4. Without prejudice to the generality of Clause 2.1 of Part IV above, the intellectual property rights used in relation to Divestment Business Undertaking will stand transferred to and be vested in Sarguja, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.

2.1.5. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon coming into effect of this Scheme and with effect from the Appointed Date 2, all permits, licenses, permissions, right of way, approvals including approvals granted by the Government of India, Ministry of Railways, clearances, consents, benefits, tax incentives/ concessions, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, tenders, bid acceptances, concessions, issued to or granted to or executed in favour of APSEZ, and the rights and benefits under the same, in so far as they form part of the Divestment Business Undertaking, and all intellectual property and rights thereto of APSEZ, forming part of the Divestment Business Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by APSEZ, forming part of the Divestment Business Undertaking, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Applicable Law, be transferred to and vested in or deemed to have transferred to or vested in Sarguja and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the name of Sarguja on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Divestment Business Undertaking in Sarguja and continuation of operations forming part of the Divestment Business Undertaking in Sarguja without hindrance, and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against Sarguja, as the case may be, and may be enforced as fully and effectually as if, instead of APSEZ, Sarguja had been a party or beneficiary or obligee thereto.

3. TRANSFER OF LIABILITIES

3.1. Without prejudice to the generality of Clause 1 of Part IV of the Scheme (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date 2, all the debts, loans, duties, liabilities and obligations of any nature whatsoever which arise out of the activities or operations of the Divestment Business Undertaking, whether or not provided for in the books of APSEZ, shall without any further act, instrument or deed be and stand transferred to and vested in Sarguja in the following manner, unless specifically otherwise provided under the Scheme:

3.1.1. Upon the Scheme becoming effective and with effect from the Appointed Date 2, all the debts, loans, duties, liabilities and obligations arising out of the activities or operations of the Divestment Business Undertaking shall, whether

or not provided for in the books of APSEZ, to the extent they are outstanding on the Effective Date, without any further act or deed become the debts, loans, duties, liabilities and obligations of Sarguja and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against Sarguja, as if it has incurred such liabilities, debts, duties, obligations, on the same terms and conditions as were applicable to APSEZ and Sarguja shall undertake to meet, discharge and satisfy the same to the exclusion of APSEZ such that APSEZ shall in no event be responsible or liable in relation to any such liabilities arising out of the activities or operations of the Divestment Business Undertaking, except as agreed otherwise with Sarguja in writing.

3.1.2. Where any of the debts, loans, duties, liabilities and obligations arising out of the activities or operations of the Divestment Business Undertaking have been partially or fully discharged by APSEZ on or after the Appointed Date 2 and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Sarguja. All the liabilities and obligations incurred by APSEZ for the activities or operations of the Divestment Business Undertaking on or after the Appointed Date 2 and prior to the Effective Date shall be deemed to have been incurred for and on behalf of Sarguja and to the extent any such liabilities are outstanding on the Effective Date, they shall also without any further act, instrument or deed be and stand transferred to Sarguja and shall become the liabilities and obligations of Sarguja.

3.1.3. With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the debts, loans, duties, liabilities and obligations arising out of the activities or operations of the Divestment Business Undertaking, except as agreed otherwise with Sarguja in writing, and APSEZ shall not have any obligations in respect of the debts, loans, duties, liabilities and obligations arising out of the activities or operations of the Divestment Business Undertaking.

3.1.4. The transfer and vesting of the assets comprised in the Divestment Business Undertaking to and in Sarguja upon the coming into effect of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

3.1.5. In so far as the existing Encumbrances in respect of the liabilities arising out of the activities or operations of the Divestment Business Undertaking are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Divestment Business Undertaking which have been Encumbered in respect to the said liabilities and are transferred to Sarguja pursuant to this Scheme and such Encumbrances shall not relate or attach to any other assets of Sarguja. Provided that if any of the assets comprised in the Divestment Business Undertaking which are being transferred to Sarguja pursuant to this Scheme have not been Encumbered in respect of the liabilities arising out of the activities or operations of the Divestment Business Undertaking, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The Scheme shall not operate to enlarge the Encumbrances,

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

nor shall Sarguja be obliged to create any further or additional security after the Scheme has become effective or otherwise. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

3.1.6. In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the liabilities arising out of the activities or operations of the Divestment Business Undertaking shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

3.1.7. In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Other Business are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with APSEZ, only on the assets relating to the Other Business and the assets of the Divestment Business Undertaking shall stand released therefrom.

3.1.8. If any Encumbrance of APSEZ for the operations of the Divestment Business Undertaking exists as on the Appointed Date 2, but has been partially or fully released thereafter by APSEZ on or after the Appointed Date 2 but prior to the Effective Date, such release shall be deemed to be for and on account of Sarguja upon the coming into effect of the Scheme and all Encumbrances incurred by APSEZ for the operations of the Divestment Business Undertaking on or after the Appointed Date 2 and prior to the Effective Date shall be deemed to have been incurred for and on behalf of Sarguja, and such Encumbrances shall not attach to any property of APSEZ.

3.1.9. The provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions. It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the liabilities arising out of the activities or operations of the Divestment Business Undertaking are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

3.1.10. Upon the coming into effect of this Scheme, the borrowing limits of Sarguja in terms of Section 180(1)(c) of the Act shall be deemed increased without any further act, instrument or deed to the equivalent of the aggregate borrowings forming part of the liabilities arising out of the activities or operations of the Divestment Business Undertaking, if any, transferred by APSEZ to Sarguja pursuant to the Scheme. Such limits shall be incremental to the existing borrowing limits of Sarguja.

3.1.11. The interests of all the unsecured creditors of APSEZ in connection with the Divestment Business Undertaking and Sarguja, including its unsecured creditors, remain unaffected by this Scheme as the assets of Sarguja upon the

effectiveness of the Scheme will be more than its liabilities and as such sufficient to discharge such liabilities.

3.1.12. Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Parties shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional RoC to give formal effect to the provisions of this Clause.

4. TRANSFER OF CONTRACTS

4.1. Without prejudice to the generality of Clause 1 of Part IV (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date 2, all the contracts, agreements including agreement for construction of railway line with Ministry of Railways and agreement to operate rail transport with the Ministry of Railways, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, power purchase agreements, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder in relation to the Divestment Business Undertaking ("**Divestment Contracts**") shall stand transferred to and vested in Sarguja in the following manner, unless otherwise specifically provided under the Scheme:

4.1.1. Upon the Scheme becoming effective and with effect from the Appointed Date 2 and subject to the other provisions contained in this Scheme, all Divestment Contracts entered into, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of Sarguja and may be enforced as fully and effectively as if Sarguja instead of APSEZ, had been a party thereto. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.

4.1.2. Without prejudice to what is stated in Clause 4.1.1 of Part IV above, upon the Scheme becoming effective and with effect from the Appointed Date 2, Sarguja shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which APSEZ will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

4.1.3. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Divestment Business Undertaking occurs by virtue of this Scheme itself, Sarguja may, at any time after the coming into effect of the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

with any party to any contract or arrangement to which APSEZ is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme.

4.1.4. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all consents, approvals including approvals granted by the Government of India, Ministry of Railways, permissions, license, clearance, permit, notice, authorization, waiver, grant, concession, agreement, certificate, exemption, order, registration, decree, authentication, qualification, designation, declaration, filing, pre-qualifications, authorities, powers of attorney given by, issued to or executed in favour of APSEZ in relation to the Divestment Business Undertaking, including by any Governmental Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, stand transferred to Sarguja as if the same were originally given by, issued to or executed in favour of Sarguja, and Sarguja shall be bound by the terms thereof, the obligations and duties thereunder (unless, in the case of powers of attorney and/or authority(ies) given by APSEZ, the same are revoked by Sarguja or APSEZ subsequent to the Effective Date), and the rights and benefits under the same shall be available to Sarguja. Sarguja shall make necessary applications/ file relevant forms to any Governmental Authority as may be necessary in this behalf.

5. DIVESTMENT LITIGATION

5.1. Without prejudice to the generality of Clause 1 of Part IV (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date 2, all legal proceedings, suits, claims, disputes, causes of action, litigations, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, by or against APSEZ in relation to or pertaining exclusively to the Divestment Business Undertaking (or a part thereof) or arising from the operations thereof ("**Divestment Litigations**") shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, and shall stand transferred to and shall be continued, prosecuted and enforced by or against Sarguja in the following manner:

5.1.1. Upon the Scheme becoming effective and with effect from the Appointed Date 2 and subject to the other provisions contained in this Scheme, except as agreed otherwise with APSEZ in writing, Sarguja shall assume, and shall agree to pay, perform and discharge when due, all liabilities and obligations of APSEZ, related to or arising out of in any manner, the Divestment Litigations and such Divestment Litigation may be continued, prosecuted and enforced by or against Sarguja, as the case may be. For avoidance of any doubt, it is clarified that, except as agreed otherwise with APSEZ in writing, APSEZ shall not be liable to pay any amounts arising out of such Divestment Litigation including interest, penalties, damages, costs etc. and the same shall be paid only by Sarguja unless otherwise mutually agreed to in writing between them.

5.1.2. Both APSEZ and Sarguja shall, as soon as reasonably possible after the Effective Date, enter into and/or execute all such required documents and/or file the applications and petitions, with the relevant Governmental Authorities and pursue the relevant matters with such relevant Governmental Authorities in a manner such that APSEZ is no more a party to the Divestment Litigations and is replaced by Sarguja for all purposes.

6. DIVESTMENT EMPLOYEES

6.1. Without prejudice to the generality of Clause 1 of Part IV (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date 2, the Divestment Employees shall be deemed to have become the employees of Sarguja in the following manner:

6.1.1. The Divestment Employees as on the Effective Date shall become employees of Sarguja without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business Undertaking of APSEZ immediately prior to the transfer of the Divestment Business Undertaking and in accordance with the Applicable Laws and the terms of their employment and in accordance with Section 25FF of the Industrial Disputes Act, 1947. Services of the Divestment Employees shall be taken into account from the date of their respective appointment with APSEZ for the purposes of all retirement benefits and all other entitlement for which they may be eligible. Sarguja further agrees that for the purpose of payment of any other form of separation compensation, if any, such past services with APSEZ shall also be taken into account.

6.1.2. The services of the Divestment Employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointment with APSEZ.

6.1.3. Sarguja shall make all the necessary contributions for such Divestment Employees, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Sarguja will also file relevant intimations in respect of the Divestment Business Undertaking with the statutory authorities concerned who shall take the same on record and substitute the name of Sarguja for APSEZ.

6.1.4. Effective from the Appointed Date 2, in so far as the accumulated balances, if any, standing to the credit of the Divestment Employees in the existing provident fund, gratuity fund or superannuation fund of which they are members shall be transferred to such provident fund, gratuity fund or superannuation fund as is nominated by Sarguja and /or such new provident fund, gratuity fund and superannuation fund which shall be established and caused to be recognized by the appropriate Governmental Authorities, by Sarguja or to the government provident fund. Such transfer shall be made within such time as is mutually agreed between APSEZ and Sarguja in writing and as per Applicable Law. Both APSEZ and Sarguja hereby further agree that the amount to be transferred in

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

respect of the gratuity liability, shall be determined based on terms mutually agreed to between them in writing.

6.1.5. Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, in relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the Divestment Employees, Sarguja, subject to Applicable Law, shall stand substituted for APSEZ, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Divestment Employees.

6.1.6. In so far as the existing benefits or funds created by APSEZ for the employees of the Other Business are concerned, the same shall continue and APSEZ shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and Sarguja shall have no liability in respect thereof.

7. TAXATION

7.1. Upon effectiveness of Part IV of the Scheme, all Taxes paid or payable by APSEZ in respect of the operations and/or the profits of the Divestment Business Undertaking on and from the Appointed Date 2, shall be on account of Sarguja. Upon effectiveness of the Scheme, the payment of any Tax, whether by way of deduction at source (including foreign tax credit), advance tax, self-assessment tax, minimum alternate tax, or otherwise howsoever, by APSEZ in respect of the activities or operations of the Divestment Business Undertaking on and from the Appointed Date 2, shall be deemed to have been paid by Sarguja, and shall in all proceedings, be dealt with accordingly.

7.2. Any liabilities on account of income-tax in relation to APSEZ in relation to the Divestment Business Undertaking and pertaining to the period prior to the Appointed Date 2, including all or any liability/ refunds/ credits/claims pertaining to the period before the Appointed Date 2 shall be treated as liability/refunds/credits/claims of APSEZ.

7.3. Upon the Scheme coming into effect and with effect from the Appointed Date 2, Sarguja shall be permitted to revise its income-tax returns, tax deducted at source returns and tax collected at source returns and other direct and indirect tax returns and claim refunds/credits pertaining to the Divestment Business Undertaking pursuant to the provisions of the Scheme and in accordance with Applicable Laws.

7.4. Upon the Scheme coming into effect and with effect from the Appointed Date 2, APSEZ shall be permitted to revise its income-tax returns, tax deducted at source (TDS) returns, tax collected at source (TCS) returns and other direct and indirect tax returns, and claim refunds/credits pertaining to the Other Business pursuant to the provisions of the Scheme and in accordance with the Applicable Laws.

8. BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF BUSINESS FOR SARGUJA

With effect from the Appointed Date 2 and up to and including the Effective Date:

8.1. APSEZ shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Divestment Business Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Divestment Business Undertaking for and on account of, and in trust for, Sarguja;

8.2. all profits and income accruing or arising to APSEZ from the Divestment Business Undertaking and any cost, charges, losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to any profits or income) relating to the Divestment Business Undertaking shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of Sarguja;

8.3. any of the rights, powers, authorities, privileges, attached, related or pertaining to the Divestment Business Undertaking exercised by APSEZ shall be deemed to have been exercised by APSEZ for and on behalf of, and in trust for and as an agent of Sarguja. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Divestment Business Undertaking that have been undertaken or discharged by APSEZ shall be deemed to have been undertaken for and on behalf of and as an agent for Sarguja;

8.4. APSEZ undertakes that it will preserve and carry on the business of the Divestment Business Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Divestment Business Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Divestment Business Undertaking or any part thereof save and except in each case:

(a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Competent Authority; or

(b) if the same is expressly permitted by this Scheme; or

(c) if the prior written consent of the Board of Sarguja has been obtained.

9. CONSIDERATION BY SARGUJA

9.1. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Divestment Business Undertaking of APSEZ in Sarguja by way of Slump Sale basis, as a going concern, in accordance with the terms of this Scheme and pursuant to the provisions of Sections 231-232 and other relevant provisions of the Act, Sarguja shall pay a lump sum consideration of Rs. 188.65 crores (Rupees One Hundred Eighty Eight Crores and Sixty Five Lacs only) to APSEZ.

9.2. The aforesaid consideration shall be discharged by Sarguja to APSEZ as a lump sum consideration for the sale and transfer of the Divestment Business Undertaking on a going concern basis on a slump sale basis in accordance with Section 2(42C) of the IT Act with no independent values being assigned to the individual assets and liabilities of the Divestment Business Undertaking. It is clarified that, pursuant to Section 2(42C) of the IT Act, in the event APSEZ and Sarguja are required to carry out a determination of the

value of an asset or liability for the sole purpose for payment of stamp duty, registration fees or other similar taxes or fees shall not be regarded as assignment of values to individual assets or liabilities.

10. ACCOUNTING TREATMENT IN THE BOOKS OF APSEZ

Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, APSEZ shall account for the Divestment Business Undertaking in its books as per the applicable accounting principles prescribed under the applicable Indian Accounting Standards ("**Ind AS**"), *inter alia*, including but not limited to the following:

10.1 APSEZ shall account for the transfer and vesting of the Divestment Business Undertaking by de-recognizing the carrying values of the assets and liabilities of the Divestment Business Undertaking, which will cease to be the assets and liabilities of APSEZ, in accordance with applicable accounting standards.

10.2 APSEZ shall recognize difference between the lump sum consideration as mentioned in Clause 9.1 of Part IV above and the book value of the Divestment Business Undertaking into other equity in accordance with applicable Ind AS.

11. ACCOUNTING TREATMENT IN THE BOOKS OF SARGUJA

11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, Sarguja shall account for the transfer and vesting of the Divestment Business Undertaking by recording the assets and liabilities of the Divestment Business Undertaking taken over by it under the Scheme at their carrying values as appearing in the books of APSEZ in accordance with applicable accounting standards i.e. Ind AS 103.

12. CONCLUDED TRANSACTIONS AND VALIDITY OF EXISTING RESOLUTIONS

12.1. Nothing in the Scheme shall affect any transaction or proceeding already concluded by APSEZ in respect of the Divestment Business Undertaking, to the end and intent that Sarguja shall accept and adopt all acts, deeds and things done and executed by APSEZ in regard to the Divestment Business Undertaking as if it is done and executed by Sarguja itself.

12.2. Upon the coming into effect of the Scheme, the resolutions, if any, of APSEZ relating to the Divestment Business Undertaking, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Sarguja, unless revoked by Sarguja subsequent to the Effective Date.

13. CHANGE IN NAME OF SARGUJA

13.1 Upon the Scheme becoming effective, the name of Sarguja without any further act, instrument or deed, shall stand changed to "ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED" and Clause I of the Memorandum of Association of the Sarguja and its Articles of Association shall stand accordingly modified, changed and amended with effect from the Effective Date. The Registrar of Companies will record such change and issue a fresh certificate of incorporation with the new name. Approval

of the Scheme shall be deemed to be the approval for change of name in compliance with the provisions of Section 13 and Section 14 of the Act. Sarguja, upon the Scheme becoming effective, shall file requisite form with the Registrar of Companies for obtaining the new certificate of change of name of Sarguja.

14. OTHER BUSINESS

14.1. The Other Business and all the assets, rights, title, interest, properties, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by APSEZ.

14.2. All legal, taxation or other proceedings (whether civil or criminal including before any Governmental Authority) by or against APSEZ under any Applicable Laws whether pending on the Appointed Date 2 or which may be instituted at any time thereafter, and in each case relating to the liability, obligation or duties of APSEZ in respect of the Other Business shall be continued and enforced, after the Effective Date, by or against APSEZ only.

14.3. Up to and including and beyond the Effective Date:

(a) APSEZ shall carry on and shall be deemed to have been carrying on all business and activities relating to the Other Business for and on its own behalf;

(b) all profits accruing to APSEZ or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Other Business shall, for all purposes, be treated as the profits or losses, as the case may be, of APSEZ; and

(c) all assets and properties acquired by APSEZ in relation to the Other Business shall belong to and continue to remain vested with APSEZ.

PART V

GENERAL TERMS AND CONDITIONS

1. SEQUENCE OF EVENTS

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order set out below:

1.1. filing of certified copies of the order(s) of the Competent Authority with the RoC by each of Brahmi and APSEZ pursuant to which amalgamation of Brahmi into and with APSEZ in accordance with Part II of this Scheme shall become effective;

1.2. transfer of the authorised share capital of Brahmi to APSEZ and consequential increase in the authorised share capital of APSEZ in accordance with Part II of this Scheme;

1.3. issue and allotment of fully paid-up equity shares of APSEZ to the shareholders of Brahmi in accordance with Part II of this Scheme;

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

1.4. dissolution of Brahmi without winding up;

1.5. filing of certified copies of the order(s) of the Competent Authority with the RoC by each of Adani Tracks and Sarguja pursuant to which amalgamation of Adani Tracks into and with Sarguja in accordance with Part III of this Scheme shall become effective;

1.6. transfer of the authorised share capital of Adani Tracks to Sarguja and consequential increase in the authorised share capital of Sarguja in accordance with Part III of this Scheme;

1.7. issue and allotment of fully paid-up equity shares of Sarguja to the shareholders of Adani Tracks in accordance with Part III of this Scheme;

1.8. dissolution of Adani Tracks without winding up;

1.9. filing of certified copies of the order(s) of the Competent Authority with the RoC by each of APSEZ and Sarguja pursuant to which transfer and vesting of the Divestment Business Undertaking of APSEZ in Sarguja by way of Slump Sale on a going concern basis in accordance with Part IV of this Scheme shall become effective;

1.10. payment of lump sum consideration by Sarguja to APSEZ in accordance with Part IV of this Scheme; and

1.11. filing the requisite form with the Registrar of Companies for obtaining the new certificate of change of name of Sarguja.

2. DIVIDENDS

2.1. The Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.

2.2. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the respective Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Companies.

3. INTERPRETATION

3.1. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Law at a later date, whether as a result of any amendment of Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications

as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority if necessary, vest with the Board of Directors of the respective Companies, which power shall be exercised reasonably in the best interests of the Companies and their respective shareholders.

4. APPLICATION TO THE COMPETENT AUTHORITY

4.1 The Companies shall, with all reasonable dispatch, make all necessary applications and petitions to the Competent Authority for sanctioning this Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, and obtaining such other approvals, as required under Applicable Law.

4.2 The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals, which the respective Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the relevant Companies.

5. MODIFICATION OR AMENDMENTS TO THE SCHEME

5.1. Subject to Clause 5.4 of Part V, the Companies may mutually, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors, may authorize, may make and/or consent to (i) any modifications / amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii) to any conditions or limitations that the Competent Authority or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/ amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Companies shall be necessary for giving effect to the provisions of this Clause.

5.2. The Companies, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize (including any committee or sub-committee thereof), shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith.

5.3. For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the respective Board of Directors of the Companies may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all the Companies, in the same manner as if the same were specifically incorporated in this Scheme.

5.4. Notwithstanding anything stated in Clauses 5.1, 5.2, and 5.3 of Part V hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Competent Authority before which the Companies have filed the petition for sanctioning the Scheme.

6. CONDITIONALITY TO EFFECTIVENESS OF THE SCHEME

6.1. The Scheme is conditional and subject to:

6.1.1. receipt of approval of the Scheme by the Stock Exchanges and SEBI, pursuant to the Listing Regulations and the SEBI Circular;

6.1.2. the Scheme being approved by the requisite majority of each classes of the members and/or creditors (where applicable) of the respective Companies in accordance with the Act or dispensation having being received from the Competent Authority in relation to obtaining such approval from the members and/or creditors or any Applicable Law permitting the respective Companies not to convene the meetings of its members and/or its creditors;

6.1.3. the Scheme being approved by the public shareholders of APSEZ through e-voting pursuant to and in accordance with, the SEBI Circular. The Scheme shall be acted upon only if the number of votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it in terms of the SEBI Circular;

6.1.4. the approval of the Scheme by the Competent Authority in terms of Sections 230-232 of the Act;

6.1.5. receipt of approval by Sarguja as special economic zone co-developer status from the Board of Approval, Ministry of Commerce and Industry, Department of Commerce (SEZ Section), Government of India in relation to Part IV of the Scheme;

6.1.6. receipt of approval by Sarguja from Chhattisgarh State Power Generation Company Limited in relation to Part II of the Scheme; and

6.1.7. receipt of approval by APSEZ from Ministry of Railways, Government of India, in relation to Part IV of the Scheme.

7. SEVERABILITY

7.1. If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Companies, then in such case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such part.

7.2. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

8. SHAREHOLDERS' APPROVAL

8.1. It is hereby clarified that if pursuant to this Scheme any action is to be taken by any of the Companies which requires the consent or approval of shareholders, then for such purposes, the consent or approval of the shareholders to the Scheme shall be deemed to be sufficient, and no further resolution of the shareholders would be required to be separately passed.

9. NO CAUSE OF ACTION

9.1. No third party claiming to have acted or changed its position in anticipation of this Scheme taking effect, shall get any cause of action against the respective Companies or their respective directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

10. EFFECT OF NON-RECEIPT OF APPROVALS

10.1. In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied, or for any other reason, this Scheme cannot be implemented, then the respective Board of Directors of the Companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and the Companies shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

11. COSTS, CHARGES AND EXPENSES

11.1. All legal, accounting, professional and advisory fees and all costs, charges, transfer premiums, stamp duty in relation to or in connection with or incidental to Part II of the Scheme or the implementation thereof shall be borne and paid by APSEZ;

11.2. All legal, accounting, professional and advisory fees and all costs, charges, transfer premiums, stamp duty in relation to or in connection with or incidental to Part III of the Scheme or the implementation thereof shall be borne and paid by Sarguja; and

11.3. All legal, accounting, professional and advisory fees and all costs, charges, transfer premiums, stamp duty in relation to or in connection with or incidental to Part IV of the Scheme or the implementation thereof shall be borne and paid by Sarguja.

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED