LLOYDS® ENTERPRISES

REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF LLOYDS ENTERPRISE LIMITED ('THE COMPANY') RECOMMENDING THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN LLOYDS REALTY DEVELOPERS LIMITED ("LRDL" OR "TRANSFEROR COMPANY 1"), INDRAJIT PROPERTIES PRIVATE LIMITED ("IPPL" OR "TRANSFEROR COMPANY 2"), LLOYDS ENTERPRISES LIMITED ("LEL" OR "TRANSFEREE COMPANY" OR "DEMERGED COMPANY" OR "COMPANY") AND LLOYDS REALTY LIMITED ("LRL" OR "RESULTING COMPANY"), AND THEIR RESPECTIVE SHAREHOLDERS ("PROPOSED SCHEME") DATED DECEMBER 22, 2025

Members Present:

Name	Designation	Mode of Attendance (Physical/Video Conferencing)
Mr. J.P Dange	Chairman	Physical
Mr. Vikram Shah	Member	Physical
Mr. Sandeep Aole	Member	Physical
Ms. Mohinder Anand	Member	Physical
Mr. Satish Kumar Gupta	Member	Physical

1. **Background**

Meeting of the Committee of Independent Directors of the Company was held on December 22, 2025 to consider and recommend the Proposed Scheme of Arrangement between Lloyds Realty Developers Limited ("LRDL" or "Transferor Company 1"), Indrajit Properties Private Limited ("IPPL" or "Transferor Company 2"), Lloyds Enterprises Limited ("LEL" or "Transferee Company" or "Demerged Company" or "Company") and Lloyds Realty Limited ("LRL" or "Resulting Company"), and their respective shareholders under section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") ("Proposed Scheme").

The equity shares of LEL are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Transferee Company will file the Proposed Scheme along with necessary information/ documents with both the Stock Exchanges mentioned. NSE will be the designated Stock exchange for the Proposed Scheme.

This report of the Committee of Independent Directors ("ID Committee") is made in order to comply with the requirements of SEBI Master Circular ref. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and other circulars, if any, issued by SEBI, applicable to scheme of mergers and amendments thereto ("SEBI Circulars"), where the ID committee after taking into consideration the draft of the Proposed Scheme is required *inter-alia* to confirm that the Proposed Scheme is not detrimental to the shareholders of the listed entity.

The following documents were placed before the ID Committee:

a) Draft of the Proposed Scheme;

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(CIN) L27100MH1986PLC041252

b) Valuation Report dated 22nd December, 2025 prepared by Bansi S. Mehta Valuers LLP, registered valuer, IBBI Registration No IBBI/RV-E/06/2022/172 ("Valuers");

c) Fairness Opinion dated 22nd December, 2025 with regard to the above-mentioned Valuation Report issued by Sundae Capital Advisors Private Limited, an independent SEBI Registered (Category I) Merchant Banker IBBI No. IBBI/RV-E/03/2021/136;

d) Statutory Auditor's Certificate confirming the compliance of the accounting treatment as specified in Para (A)(5) of Part I of SEBI Master Circular.

The objects/ rationale of the Proposed Scheme are as under:

Lloyds Enterprises Limited is presently engaged in the business of trading in iron and steel and also carries on real estate activities through its subsidiaries, in addition to holding strategic investments in other group companies. In order to have focused management on each business activity and value unlocking, it is proposed to re-organize / restructure the entities involved in the Scheme such that the Real Estate Business is carried through a separate independent listed entity, which is directly owned by the shareholders of Lloyds Enterprises Limited.

1. The Real Estate Business requires long-term capital, project-specific financing and a different risk appetite as compared to the trading business. Housing both businesses under a single entity may not optimally serve the interests of investors, lenders and other stakeholders of either business. The segregation of the Real Estate Business into a separate entity would enable focused management attention, strategic clarity and operational independence for each business, allowing each to pursue its own growth objectives without being constrained by the requirements of the other.
2. The demerger would facilitate a business-specific capital structure, enable targeted fund-raising and enhance the ability of the real estate business to attract investors, strategic partners and lenders who are specifically interested in real estate development.
3. The proposed listing of LRL would unlock shareholder value by providing direct exposure to the Real Estate Business, whose intrinsic value is currently embedded within LEL, and would also provide enhanced liquidity to the shareholders.
4. The demerger would enable the shareholders of LEL to hold direct shareholding in both the trading business and the real estate business, thereby offering them flexibility to independently evaluate, hold or monetize their investment in each business.
5. The consolidation would result in operational synergies, elimination of inter-company transactions, simplification of the corporate structure, improved utilization of resources and reduction in compliance and administrative costs.
6. The proposed structure would result in leaner, more transparent and focused corporate entities, aligned with industry best practices and governance expectations of listed companies.

2. The Board does hereby take on record the Appointed Date for the amalgamation of Transferor Company 1 and Transferor Company 2 into the Transferee Company and for the demerger of Real Estate Business Undertaking of the Demerged Company into Resulting Company shall be 1st day of April 2026, and that the Effective Date for both the amalgamation and the demerger shall be the last of the dates on which the certified copies of the order(s) of the Hon'ble NCLT are filed with the Registrar of Companies, Maharashtra at Mumbai, respectively.

3. The Independent Directors reviewed the Valuation Report and noted the recommendations made therein. The Valuation report states the Share Exchange Ratio to be:

   For equity shareholders of Transferor Company 1
   43 (Forty-Three) fully paid-up equity shares of INR 1/- each of Transferee Company for every 350 (Three Hundred and Fifty) fully paid-up equity shares of INR 1/- of Transferor Company 1.

   For equity shareholders of Transferor Company 2
   No issue or allotment of any additional or new equity shares shall be made to the equity shareholders of Transferor Company 2, since upon the amalgamation of Transferor Company 1 into the Transferee Company becoming effective, Transferor Company 2 shall become a wholly-owned subsidiary of the Transferee Company.

   For equity shareholders of Demerged Company
   1(One) fully paid-up equity shares of INR 1/- each of the Resulting Company for every 2 (Two) fully paid-up equity shares of INR 1/- each of Demerged Company.

4. Further, the Fairness Opinion confirms that the Share Exchange Ratio in the Valuation Report is fair to the shareholders of the Company.

5. Further, Todarwal & Todarwal LLP, Chartered Accountants, Statutory Auditors of the Company have certified and confirmed that the accounting treatment as specified in the Scheme is in accordance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013.

6. **Impact of the Scheme on shareholders**

   The Transferee Company shall issue 8,18,36,887 (Eight Crores Eighteen Lakhs Thirty Six Thousand Eight Hundred and Eighty Seven) equity shares to the shareholders of the Transferor Company 1 based on the Share Exchange Ratio as mentioned above. The Resulting Company shall issue 80,41,94,416 (Eighty Crores Forty One Lakhs Ninety Four Thousand Four Hundred and Sixteen) equity shares to the shareholders of the Demerged Company based on the Share Exchange Ratio as mentioned above.

The ID Committee is of the opinion that the Scheme is not detrimental to the interests of the shareholders of Lloyds Enterprise Limited.

7. **Recommendation of the Committee of Independent Directors**

In light of the aforesaid, the ID Committee, after due deliberation and after taking into consideration the impact of the Scheme on the shareholders of the Company, recommends the draft Proposed Scheme to the Board of Directors of the Company for approval.

For and on behalf of the Committee of Independent Directors
of Lloyds Enterprises Limited

Lloyds Enterprises Limited

Jagannath P. Dange
Chairman, Committee of Independent Directors
DIN: 01569430

Place: Mumbai
Date: December 22, 2025