

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VEDANTA LIMITED AT ITS MEETING HELD ON JULY 30, 2026, AT 02:30 PM AT MUMBAI EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY" OR "VEDL") AND VEDANTA PROPERTY PLATFORMS LIMITED ("RESULTING COMPANY" OR "VPPL") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE DEMERGED COMPANY

Background

1. Based on the recommendations of the Committee of Independent Directors and Audit & Risk Management Committee, the Board of Directors of Vedanta Limited ("**Board**") at its meeting held on July 30, 2026 approved the Scheme between Vedanta Limited ("**Demerged Company**" or "**VEDL**") and Vedanta Property Platforms Limited ("**Resulting Company**" or "**VPPL**") and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Act**").
2. All words used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. The Scheme, *inter-alia*, provides for:
 - 3.1 demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company, and corresponding issuance of equity shares of the Resulting Company to the shareholders of the Demerged Company; and
 - 3.2 reduction and cancellation of the paid-up share capital of Resulting Company held by the Demerged Company (and its nominee shareholders), pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Act, SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("**SEBI Circular**") and to the extent applicable, the SEBI Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025 ("**SEBI Debt Circular**").
4. The Scheme also provides for various other matters consequent and incidental thereto.
5. The Resulting Company is a company incorporated under the Act and is presently a wholly owned subsidiary of the Demerged Company. However, upon the issuance of equity shares by the Resulting Company pursuant to the Potential Transactions and / or the Concurrent Scheme, the share capital of the Resulting Company would vary, as a result of which, the Resulting Company would cease to be a wholly owned subsidiary of the Demerged Company. The equity shares of the Resulting Company are presently not listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (BSE and NSE are collectively referred to as the "**Stock Exchanges**").
6. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
 - (a) Share Entitlement Ratio Report dated July 30, 2026, from M/s. GAA Advisory LLP, registered valuer, ("**SER Report**") for the issuance of shares by the Resulting Company to the shareholders of the Demerged Company pursuant to the Scheme, recommending the proposed fair share entitlement ratio;



REGISTERED OFFICE: Vedanta Limited, 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East) Mumbai - 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530
Email: comp.sect@vedanta.co.in | Website: www.vedantalimited.com

- (b) Fairness Opinion dated July 30, 2026, from M/s. Fortress Capital Management Services Private Limited, an independent SEBI registered category I merchant banker, on the SER Report ("**Fairness Opinion**"), confirming that the recommended share entitlement ratio in the draft SER Report as being fair to the shareholders;
- (c) Statutory Auditor's Certificates from M/s. M S K A & Associates LLP, Chartered Accountants dated July 30, 2026, certifying that the accounting treatment contained in the draft Scheme as it relates to the Demerged Company is in compliance with applicable accounting standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Circular;
- (d) The Statutory Auditor's Certificate from M/s. M S K A & Associates LLP, Chartered Accountants, dated July 30, 2026, obtained pursuant to Paragraph (A)(6) of Part I under Annex - XII-A of Chapter XII of the SEBI Debt Circular;
- (e) Report dated July 30, 2026 of the Audit & Risk Management Committee of the Demerged Company in terms of the requirements under the SEBI Circular;
- (f) Report dated July 30, 2026 by the Committee of Independent Directors of the Demerged Company in terms of the requirements under the SEBI Circular;
- (g) Detailed note on the proposal of the Scheme along with the drafts of the investor presentation and the press release; and
- (h) Various other document(s)/ certificate(s)/ declaration(s)/ report(s)/ undertaking(s)/ submission(s)/ confirmation(s) including the relevant financial statements of the Demerged Company and the Resulting Company, which are incidental to the draft Scheme or any other incidental matter thereto.

7. PURPOSE OF THE REPORT

As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of the Scheme on each class of shareholders, key managerial personnel ("**KMP**"), promoters and non-promoter shareholders laying out in particular the share entitlement ratio, is required to be circulated to the shareholders along with the notice convening the meeting. Further, pursuant to the requirements of the SEBI Debt Circular, the Board is also required to comment on impact of the scheme on the holders of non-convertible debentures ("**NCDs**") of the Demerged Company, the safeguards for the protection of the holders of NCDs, and exit offer to the dissenting holders of NCDs, if any, as the Listed Debt Securities of VEDL are listed on the BSE. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act and the SEBI Debt Circular.

8. SHARE ENTITLEMENT RATIO

- 8.1 For the purpose of arriving at the recommended share entitlement ratio, the SER Report was obtained from M/s. GAA Advisory LLP ("**Valuer**"). The SER Report recommends that the share entitlement ratio - *"1 fully paid-up equity share of Vedanta Property Platforms Limited of face value INR 1/- (Indian Rupee One) each, for every 20 fully paid-up equity shares of Vedanta Limited of face value INR 1/- (Indian Rupee One) each, held as on the Record Date"*, to be fair and reasonable, considering that the proposed demerger will not have any impact on the economic and beneficial interest of the equity shareholders



of the Demerged Company and is value neutral. The Valuer appointed to recommend the share entitlement ratio, has not expressed any difficulty while determining the same. The consummation of Potential Transactions and / or Concurrent Scheme, and the issuance of equity shares by the Resulting Company pursuant to such Potential Transactions and / or Concurrent Scheme shall not result in any changes / adjustments to the aforesaid share entitlement ratio.

- 8.2 The aforesaid share entitlement ratio has also been confirmed in the Fairness Opinion referred to in paragraph 6 above. Both the SER Report and the Fairness Opinion have been accepted and taken on record by the Audit & Risk Management Committee, and the Committee of Independent Directors of the Demerged Company.
- 8.3 In case any shareholder's shareholding in the Demerged Company is such that such shareholder becomes entitled to a fraction of the Resulting Company New Equity Share, the Resulting Company shall not issue any fractional Resulting Company New Equity Share ("**Fractional Shares**") to such shareholder but shall consolidate such Fractional Shares and round up the aggregate of such Fractional Shares to the next whole number ("**Consolidated Fractional Shares**"), and issue and allot the Consolidated Fractional Shares directly to a trustee nominated by the Board of Resulting Company in that behalf, who shall sell such Consolidated Fractional Shares in the market at such price or prices and on such time or times as the trustee may in its sole discretion decide and on such sale, shall pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective Fractional Shares sold by the trustee.
- 8.4 On the Effective Date, and prior to the allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company, any equity shares of the Resulting Company held by the Demerged Company (either directly or through its nominee shareholders) shall stand cancelled and the paid-up share capital of the Resulting Company shall stand reduced to such extent, without any consideration.
- 8.5 Post the issuance of the shares of the Resulting Company pursuant to the Scheme, the Resulting Company shall take necessary steps to list all shares of the Resulting Company on the Stock Exchanges in terms of, and in compliance with, the SEBI Circular and other relevant provisions as may be applicable.

9. **VALUATION DIFFICULTIES**

No special valuation difficulties were reported.

10. **EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, DIRECTORS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

10.1 **Equity Shareholders (including Promoter and Non-Promoter)**

The Demerged Company has issued only one class of share capital, i.e., equity shares. All shareholders (including promoter and non-promoter shareholders) of the Demerged Company holding such equity shares will be entitled to the allotment of fully paid-up equity shares in the Resulting Company in the manner set out in the Scheme.



The Scheme will not have an impact on the shareholding pattern of the Demerged Company. Pursuant to the demerger, the beneficial economic interest of the shareholders of the Demerged Company in the business undertaking being transferred would remain the same.

Further, if the allotment of shares of the Resulting Company in accordance with the share entitlement ratio will result in any shareholders of the Demerged Company being issued fractional shares, then the fractional entitlements shall be dealt with in the manner set out in paragraph 8.3 above.

10.2 **Directors and Key Managerial Personnel ("KMP")**

The Scheme is not expected to have any effect on the Directors and KMPs of the Demerged Company. The Resulting Company may employ the concerned KMPs of the Demerged Company engaged solely with the business to be carried out by the Resulting Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

Further, ESOPs, if any, held by the Directors and KMPs of the Demerged Company shall be dealt with in the manner set out in the Scheme.

11. **IMPACT OF THE SCHEME ON THE HOLDERS OF LISTED DEBT SECURITIES OF THE DEMERGED COMPANY**

11.1 The holders of the Listed Debt Securities in the Demerged Company shall continue to hold the Listed Debt Securities in the Demerged Company post the Scheme becoming effective, on the same terms and conditions at which they were issued. The liability of the Demerged Company towards the Listed Debt Securities holders of the Demerged Company, is neither being reduced nor being extinguished under the Scheme. Thus, the rights of the holders of the Listed Debt Securities are in no manner affected by the Scheme.

11.2 ***Safeguards for the protection of holders of Listed Debt Securities:*** The holders of the Listed Debt Securities will continue to hold the Listed Debt Securities, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, etc. The rights of the holders of the Listed Debt Securities are in no manner affected by the Scheme.

11.3 ***Exit offer to the dissenting holders of Listed Debt Securities:*** Since the holders of the Listed Debt Securities shall continue to hold their respective Listed Debt Securities even post the Scheme becoming effective, on the same terms and conditions at which they were issued, the holders of the Listed Debt Securities are not affected by the Scheme. Further, the liability of the Demerged Company towards the holders of the Listed Debt Securities, is neither being reduced nor being extinguished under the Scheme. Therefore, the Scheme does not envisage any exit offer to the dissenting holders of the Listed Debt Securities.

12. **BENEFITS OF THE SCHEME**

12.1 The Board notes the following rationale and benefits of the Scheme:

- (a) The Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources.
- (b) Over the years, through various acquisitions the Demerged Company has accumulated a



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substantial real estate portfolio comprising of non-core, and strategically located lands, built-up assets and investments in other real estate owning entities across multiple geographies, including investments in a web / GIS based focused information technology platform for tracking its real estate portfolio. The Demerged Company is dealing with these properties based on the available opportunities (like leasing, development, etc). The real estate business is currently embedded within the operating business and the real estate portfolio has been historically subject to limited focused utilisation, resulting in sub-optimal visibility of the real estate business segment and value realization. To enable focused management, improved transparency, and a more productive deployment of such real estate, the Demerged Company has initiated steps to contribute and consolidate its real estate undertaking as part of this Scheme. Besides the Demerged Company, certain other Vedanta group companies hold real estate assets, and the need for separate and focused approach to real estate portfolio management is equally applicable to such Vedanta group companies. The contribution and consolidation of real estate business from across the Vedanta group companies would significantly enhance the ability of the Resulting Company to carry on the Real Estate Business in a more effective and efficient manner. In furtherance of its objective to evolve into Vedanta group's flagship company engaged in the Real Estate Business and holding a diverse portfolio of real estate assets, the Resulting Company may:

- (i) concurrently with the Scheme, explore and, if considered appropriate, implement additional schemes of arrangement with other Vedanta Group companies to acquire their real estate undertaking ("**Concurrent Scheme**"). The shares to be issued by the Resulting Company as consideration in any such Concurrent Scheme shall be determined based on the fair value of the real estate undertaking contributed thereunder relative to the fair value of the Demerged Undertaking transferred to the Resulting Company pursuant to this Scheme, and such issuances shall not result in any changes / adjustments to the aforesaid share entitlement ratio; and
- (ii) subject to commercial discussions and receipt of requisite approvals, also evaluate the potential acquisition of ownership rights, leasehold rights, development rights, usage rights, possessory rights, management rights, monetization rights, or any other similar right or entitlement in relation to the Identified Assets of Meenakshi Energy Limited and Incab Industries Limited, both Vedanta group companies. Such acquisition shall be undertaken at fair value and in proximity to the demerger of the Demerged Undertaking pursuant to the Scheme, and in accordance with Clause 15(c) of the Scheme. The consideration for such acquisition will be settled by way of issuance of equity shares of the Resulting Company and such issuances shall not result in any changes / adjustments to the aforesaid share entitlement ratio ("**Potential Transactions**").

It is, however, clarified that the references to the Concurrent Scheme and the Potential Transactions contained herein are merely indicative of the intent and strategic objectives of the Resulting Company to hold a diversified portfolio of real estate assets, and would in no manner be construed as constituting any definitive arrangement or agreement between the Resulting Company and any other person, or as conferring any present or future right upon any person to subscribe for, acquire or be allotted any equity shares of the Resulting Company. It is further clarified that the Scheme is not dependent upon potential acquisition of real estate assets and /or businesses belonging to other Vedanta group companies as mentioned above.



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- (c) To unlock the inherent value of the Real Estate Business, enable focused development, exploit the growth potential of the Real Estate Business and attract a distinct set of investors and strategic partners aligned with real estate and infrastructure development, it is proposed to consolidate the Real Estate Business of the Demerged Company under an independent, dedicated entity. Accordingly, the management of the Demerged Company is considering a carve out of the Real Estate Business of the Demerged Company into a separate focussed entity, thereby creating a pure-play real estate platform and unlocking value.
- (d) The following benefits may accrue on demerger of the Demerged Undertaking:
 - (i) creation of an independent global scale company focusing on Real Estate Business and exploring new opportunities and taking advantage of the growth potential specific to the real estate sector.
 - (ii) establishment of a centralized and integrated real estate platform that will function as a unified hub for all real estate development and infrastructure-related activities. This platform will facilitate leasing operations, township development, industrial development, and comprehensive infrastructure support services (including but not limited to education, sports, and animal welfare infrastructure), and enhance coordination, efficiency, and scalability across various intra-group projects. It will also be responsible for the optimal identification, pooling, and deployment of unutilised real estate related resources, ensuring that the real estate requirements of all Vedanta group entities are met in a timely and seamless manner through a structured internal allocation mechanism. In parallel, the Resulting Company may undertake the development and operation of special economic zones, industrial estates, and a wide spectrum of infrastructure facilities including transport systems, utilities, logistics, commercial and residential complexes, sports and social infrastructure, thereby enabling integrated industrial and urban ecosystem development to support both domestic and international trade and long-term group expansion.
 - (iii) consolidation of the Real Estate Business will enable it and the remaining businesses to operate independently, develop specialised capabilities aligned to their respective sectors, and benefit from greater management focus. This separation will facilitate a more focused operational strategy and allow each business to efficiently explore new growth opportunities including channelising resources and attracting right talent and providing enhanced growth opportunities to the existing talent in line with a strategic focus on business segments under separate entities.
 - (iv) the carve out and consolidation will enable the Resulting Company to establish a dedicated management and governance structure, leading to improved operational efficiency, capital structure, funding strategy, stronger accountability, and more effective decision-making aligned with the objectives of Real Estate Business, along with enhanced transparency through separate financial and operational disclosures, enabling clearer valuation and informed stakeholder decision-making.
 - (v) the Resulting Company can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion



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in the Resulting Company, best suited to their investment strategies and risk profiles specific to the Real Estate Business.

- (vi) enabling focused and sharper capital market access and thereby unlocking the value of the Demerged Undertaking and creating enhanced value for shareholders.

12.2 The Scheme is in the interest of all stakeholders of the Demerged Company and the Resulting Company. Therefore, the Board approves and recommends the proposed segregation of the Real Estate Business of the Demerged Company from the remaining businesses undertaken by the Demerged Company through the proposed Scheme.

On behalf of the Board of Vedanta Limited



Anil Agarwal
Chairman
DIN: 00010883

Place: Mumbai
Date: July 30, 2026

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