



Appendix 2

REPORT ADOPTED BY THE BOARD OF DIRECTORS (“BOARD”) OF ADITYA BIRLA RENEWABLES LIMITED (“COMPANY”), AT ITS MEETING HELD ON DECEMBER 29, 2025 THROUGH AUDIO VIDEO CONFERENCING, DEEMED TO BE HELD AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT A-4, ADITYA BIRLA CENTRE, S.K. AHIRE MARG, WORLI, MUMBAI – 400 030, RECOMMENDING THE PROPOSED COMPOSITE SCHEME OF ARRANGEMENT UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013, AMONGST ESSEL MINING & INDUSTRIES LIMITED (“EMIL”) AND ADITYA BIRLA RENEWABLES LIMITED (“TRANSFEREE COMPANY”) AND ELECTROTHERM RENEWABLES PRIVATE LIMITED (“ERPL”) AND ABREL EPCCO SERVICES LIMITED (“EPCCO SERVICES”) AND ABREL RENEWABLES EPC LIMITED (“RENEWABLES EPC”) AND ABREL EPC LIMITED (“EPC LIMITED”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (“SCHEME” OR “DRAFT SCHEME”)

1. **Background:**

The Company is a public limited company whose NCDs are listed on BSE Limited.

The SEBI Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 issued by SEBI, dated July 11, 2025 (“SEBI Debt Circular”), *inter alia*, requires a Report from the Board of Directors (“Report”) to recommend the Draft Scheme, taking into consideration, *inter alia*, the Valuation Report and ensuring that the Scheme is not detrimental to the holders of NCDs of the listed entity.

Further, the said Report explains the following:

- Impact of the scheme on the holders of NCDs.
- Safeguards for the protection of holders of NCDs.
- Exit offer to the dissenting holders of NCDs, if any

2. **The Scheme:**

The Composite Scheme of Arrangement pursuant to the provisions of Sections 230 to 232 of the Act, amongst Essel Mining & Industries Limited (“EMIL”) and Aditya Birla Renewables Limited (“Transferee Company”) and Electrotherm Renewables Private Limited (“ERPL”) and ABREL EPCCO Services Limited (“EPCCO Services”) and ABREL Renewables EPC Limited (“Renewables EPC”) and ABREL EPC Limited (“EPC Limited”) and their respective shareholders and creditors (“Scheme” or “Draft Scheme”).

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3. **Salient Features of the Draft Scheme:**

Capitalised Terms, unless defined herein, shall have the same meaning as defined in the “Scheme” or “Draft Scheme”.

- (i) The Draft Scheme is divided into following key parts –
- Part I: Deals with a brief overview of the Companies and the definitions of capitalized terms used in the Scheme and their interpretation.
 - Part II: Deals with the share capital of the Companies.
 - Part III: Deals with the Slump Sale of EMIL Renewable Energy Undertaking to the Transferee Company.
 - Part IV: Deals with the ERPL Merger with the Transferee Company.
 - Part V: Deals with the EPC Merger with the Transferee Company.
 - Part VI: Deals with the general terms and conditions applicable to the Scheme.
- (ii) “Appointed Date” means April 1, 2025. The said appointed date shall be applicable for all Parts of the Scheme.
- (iii) The effectiveness of the Draft Scheme is conditional upon and subject to the following:
- the requisite Stock Exchange Approval having been obtained by the Transferee Company in relation to the Scheme;
 - the Scheme being approved by the respective requisite majorities in number and value of such classes of shareholders and/or creditors (where applicable) of the Companies in accordance with the Act or dispensation having been received from the Competent Authority in relation to obtaining such approval from the shareholders and/or creditors or any law permitting the respective Companies not to convene the meetings of their respective shareholders and/or creditors;
 - the Scheme being confirmed/approved by the Competent Authority, either on terms as originally approved by the Companies, or subject to such modifications approved by the Competent Authority, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith; and
 - the requisite consent, approval or permission of the relevant Governmental Authority, if any, including from any contracting party, as may be required under the terms of the relevant contract, in relation to the Scheme, having been obtained by the concerned Companies.

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4. **This Report is being adopted by the Board after considering and taking on record the following necessary documents (“Documents”):**

- (a) Draft Scheme;
- (b) Valuation Report dated December 28, 2025, issued by Bansi S. Mehta Valuers LLP, a Registered Valuer (Securities or Financial Assets) IBBI Registered Valuer No. IBBI/RV–E/06/2022/172, recommending the Share Entitlement Ratios (as defined hereunder) for the Draft Scheme (“Valuation Report”);
- (c) Fairness Opinion dated December 29, 2025, prepared by Fedex Securities Private Limited, an Independent SEBI registered Merchant Banker (Registration Number – INM000010163), confirming that the Share Entitlement Ratios in the Valuation Report are fair to the companies and their respective shareholders (“Fairness Opinion”);
- (d) Draft Auditors’ certificate from KKC & Associates LLP, Chartered Accountants (Firm Registration No.: 105146W/W100621) confirming that the accounting treatment contained in the Draft Scheme in Clause 6 of Part III, Clause 7 of Part IV and Clause 6 of Part V of the Draft Scheme, is in compliance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, as amended read with rules made thereunder and other Generally Accepted Accounting Principles in India. (“Auditors’ Certificate”); and
- (e) The Report of the Audit Committee of the Board of the Transferee Company dated December 29, 2025, recommending the Scheme for approval (“Audit Committee Report”).

5. **Rationale for the Scheme:**

The Scheme is being proposed to create a consolidated renewable energy platform along with ancillary services, under the Transferee Company to simplify the management and operational structures of the Companies and to increase efficiencies by reaping benefits of economies of scale and synergies. Further, the Scheme would result in distinct value creation opportunities for the Transferee Company and EMIL. The Slump Sale, the ERPL Merger and the EPC Merger would be in the best interest of EMIL, ERPL, the EPC Companies and the Transferee Company and their respective shareholders and creditors for the reasons set out below:

(a) **In case of the Slump Sale:**

- (i) The management of EMIL believes that the EMIL Renewable Energy Undertaking (*as defined in the Scheme*) has minimal synergies with its

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commercial mining, Noble Ferro Alloys and Pellets business and accordingly, each of the two business segments require dedicated management focus and business strategies to ensure that the respective businesses are given the right impetus for growth.

- (ii) The Slump Sale will streamline EMIL's business by carving out the renewable energy assets owned / leased by EMIL, resulting in a focused renewable energy platform under the Transferee Company. It will also allow the management of EMIL to focus on its core capabilities in relation to commercial mining of various minerals, where it has expertise and goodwill, thereby enhancing the ability of the Transferee Company and EMIL to independently explore and leverage strategic opportunities for their respective businesses/undertakings, including fund raising prospects, with the aim of maximizing stakeholders value.
 - (iii) The Slump Sale will aid the Transferee Company in its goal of being a leading renewable energy company in India, which would also benefit the stakeholders of EMIL in the form of wealth creation from the potential appreciation in value of its stake in the Transferee Company.
 - (iv) The Slump Sale will strengthen organisational capabilities around operational and financial areas, driving benefits of scale through leveraging resources and enabling streamlining of the renewable energy operations.
- (b) *In case of the ERPL Merger:*
- (i) The management of ERPL and the Transferee Company believe that the financial, managerial and technical resources, personnel, capabilities, skills, and expertise of ERPL pooled with the Transferee Company will lead to increased competitiveness.
 - (ii) Integration of ERPL and Transferee Company under a single entity through the ERPL Merger will result *inter alia* in focused management attention, operational efficiencies, optimization of capital, operational expenditure, and simplification of corporate structure.
 - (iii) The ERPL Merger would bring about synergy of operations and benefit of scale and additionally, the legal and regulatory compliances of both the entities will be unified and streamlined.
 - (iv) The ERPL Merger would also result in overheads reduction and better optimal utilization of various resources by avoiding duplication of administrative functions.

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(c) In case of the EPC Merger:

- (i) As the EPC Companies are wholly owned subsidiaries of the Transferee Company providing services solely to the Transferee Company and its subsidiaries (having business of generation of renewable energy), the management of the Transferee Company believes that merging the EPC Companies within the Transferee Company would result in a simplified corporate structure by streamlining the number of subsidiaries under the Transferee Company, resulting in a more efficient management and administrative structure.
- (ii) The EPC Merger would lead to the integration and consolidation of all the renewable energy engineering, procurement and construction activities of the Transferee Company into one single entity for better utilization of resources and expertise, cost reduction, more effective decision making and better coordination.
- (iii) The EPC Merger would also result in synergy creation by leveraging the complementary strengths of the respective EPC Companies.

6. Impact of the scheme and the Safeguards for the protection on the holders of NCDs:

- (i) The holders of the NCDs in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. The liability of the Transferee Company towards the holders of NCDs of the Transferee Company, is neither being reduced nor being extinguished under the Scheme. Thus, the rights of the holders of the NCDs are in no manner affected by the Scheme and continue to be protected as per the terms and conditions of issue of NCDs.
- (ii) The additional disclosures that are required to be included in the Scheme in terms of SEBI Debt Circular, in relation to the listed NCDs of the Transferee Company on BSE Limited are set out in Schedule 2 of the Scheme as placed before the Board of Directors.

7. Exit offer to the dissenting holders of NCDs, if any:

Since the holders of the NCDs in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued, the holders of the NCDs are not affected by the Scheme. Further, the liability of the Transferee Company towards the NCDs holders of the Transferee Company, 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 NCDs.

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Considering the above, the Board was of the informed opinion that the Draft Scheme is in the best interest of shareholders and is not detrimental to their interest, including interest of the holders of NCDs of the Transferee Company.

For Aditya Birla Renewables Limited



Jayant Dua

Director
DIN: 00629213



Date: December 29, 2025

Place: Mumbai

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