To
The Board of Directors
Anant Raj Limited
Plot No. CP-1, Sector-8 IMT Manesar,
Gurugram – 122051, Haryana, India

Report of the Audit Committee of Anant Raj Limited on the Draft Composite Scheme of Arrangement amongst Anant Raj Limited ("Amalgamated Company"/ "Demerged Company"/ "the Company"), Anant Raj Cloud Private Limited ("Amalgamating Company") and Ashok Cloud Private Limited ("Resultant Company") and their respective shareholders and creditors.

A meeting of the Audit Committee ("Committee") of the Company was held on July 21, 2026, to consider and recommend the draft Composite Scheme of Arrangement amongst Anant Raj Limited ("Amalgamated Company"/ "Demerged Company"/ "ARL"), Anant Raj Cloud Private Limited ("Amalgamating Company"/ "ARCPL") and Ashok Cloud Private Limited ("Resultant Company"/ "ACPL") and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Companies Act, 2013 ("Composite Scheme"/ "Composite Scheme of Arrangement"), in accordance with the SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular"). The report of the Committee is being made in order to comply with the requirements of the aforesaid SEBI Master Circular. The Committee has considered and reviewed the Composite Scheme and drawn out the following major points:

1. BACKGROUND:

1.1. Amalgamated Company / Demerged Company/ ARL

ANANT RAJ LIMITED, is a public limited company incorporated on July 30, 1985, under the provisions of the Companies Act, 1956. The Corporate Identification Number of ARL is L45400HR1985PLC021622 and its registered office is situated at Plot No. CP-1, Sector-8 IMT Manesar, Gurugram – 122051, Haryana, India. ARL is *inter alia* engaged in the business of undertaking real estate and infrastructure development projects, with primary focus on residential townships, commercial complexes, and hospitality projects, including luxury housing, commercial leasing and large-scale infrastructure projects.

1.2. Amalgamating Company / ARCPL

ANANT RAJ CLOUD PRIVATE LIMITED, is a private limited company incorporated on February 18, 2021, under the provisions of the Companies Act, 2013. The Corporate Identification Number of ARCPL is U72200DL2021PTC377196 and its registered office is situated at Plot No. CP-1, Sector-8 IMT Manesar, Gurugram – 122051, Haryana, India. ARCPL is *inter alia* engaged in the business of data center development and cloud services, including operating advanced data centers and providing colocation, managed hosting, disaster recovery and software publishing / consulting.

1.3. Resultant Company/ ACPL

ASHOK CLOUD PRIVATE LIMITED, is a private limited company incorporated on October 11, 2021, under the provisions of the Companies Act, 2013. The Corporate Identification Number of ACPL is U72900DL2021PTC388083 and its registered office is situated at H-65 Connaught Place, Central Delhi, Delhi – 110001, India. ACPL is is *inter alia* engaged in the business of providing data centre and co-location services, sovereign public cloud services and AI ready Cloud Infrastructure, DC & DR services, including cloud migration, data backup solutions and other allied activities.

2. DOCUMENTS PLACED BEFORE THE COMMITTEE

2.1. The following documents were tabled at the meeting and reviewed by the Committee:

- Draft Composite Scheme of Arrangement;
- Share Entitlement Report dated July 20, 2026, issued by M/s. Procurve Valux Private Limited, Registered Valuer Entity - Securities & Financial Assets (Registration No. IBBI/RV-E/02/2025/218);
- Fairness Opinion dated July 20, 2026, issued by Corporate Professionals Capital Private Limited, SEBI Registered Category I Merchant Banker, on the Share Entitlement Report issued by the Registered Valuer (Registration No. INM000011435);
- Undertaking dated July 20, 2026 from Mr. Neeraj Kumar, Company Secretary and Compliance Officer of the Company, on the non-applicability of Para (A) (10) (b) of SEBI Master in relation to the approval of majority public shareholders;
- Certificate of the statutory auditor dated July 20, 2026 certifying the non-applicability of Para (A) (10) (b) of SEBI Master Circular in relation to the approval of majority public shareholders; and
- Other related documents and disclosures in connection with the proposed Composite Scheme.

3. NEED AND RATIONALE OF THE COMPOSITE SCHEME IS AS FOLLOWS:

The Committee noted the rationale and benefit of the Composite Scheme which, inter alia, are stated below:

1. Anant Raj Limited presently operates two distinct business verticals, namely: (i) a real estate business; and (ii) a data centre and cloud computing business ("**Data Centre Business**"). The Data Centre Business is presently conducted through ARL, Ashok Cloud and ARCPL, with various assets, employees, investments and business operations pertaining to the Data Centre Business being housed across all entities.

2. The Data Centre Business has evolved significantly over the years and is well poised to chart its own growth path and operate as a separate listed entity focused on the rapidly growing Data Centre Business whilst continuing to leverage ARL's institutional strengths, strong brand equity and goodwill. Therefore, the Scheme is being proposed with the objective of consolidating the entire Data Centre Business within a single dedicated corporate entity and facilitating the creation of two dedicated listed companies focused on separate business verticals.

3. Accordingly, the Scheme provides for: (i) the amalgamation of ARCPL with and into ARL; and thereafter (ii) the demerger of the Data Centre Business from ARL into Ashok Cloud, resulting in the consolidation of the Data Centre Business in Ashok Cloud and the segregation of the same from ARL's real estate business.

4. The Scheme is expected to result in, inter-alia, the following benefits and advantages for the Parties and their respective stakeholders:

   (i) the segregation of the Data Centre Business into a separately listed company would facilitate independent market recognition and valuation of the Data Centre Business, having regard to its distinct operating profile, growth trajectory, risk-return characteristics and funding requirements;

   (ii) the existing shareholders of ARL shall receive shares in Ashok Cloud pursuant to the demerger, thereby enabling them to directly participate in the future growth and value creation potential of the Data Centre business through a dedicated and focused listed entity, while benefiting from independent market-driven valuation and recognition of the Data Centre Business following the listing of Ashok Cloud pursuant to the Scheme;

   (iii) consolidation of the Data Centre Business, resulting in a simpler ownership structure, streamlined operations and cancellation or rationalization of intra-group arrangements;

   (iv) the separation of the Data Centre Business into a distinct legal entity will enable Ashok Cloud to effectively attract sector specific resources for its growth requirements and pursue strategic investments, partnerships, thereby unlocking greater value for its shareholders;

   (v) the Scheme will enable dedicated management focus and decision-making for each business vertical, allowing the management teams of ARL and Ashok Cloud to pursue business strategies and growth initiatives tailored to their respective operational and market requirements.

The Scheme shall be beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Parties, and is in compliance with Applicable Laws including the Act.

4. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE COMPOSITE SCHEME:

4.1 Consolidation of the infrastructure assets and operational functions of the Data Center Business under a single dedicated entity, enabling focused management and operational efficiency.

4.2 Simplification of the existing group structure through reduction of intra-group arrangements, inter-company transactions and duplicative functions.

4.3 Enhanced operational efficiency, business integration and scalability across the entire Data Center Business value chain.

4.4 Creation of dedicated listed entities with distinct business verticals, enabling independent growth strategies, improved financial transparency and long-term value creation for stakeholders.

4.5 Rationalization of administrative, managerial and operational costs through streamlined management, optimum utilization of resources and elimination of operational redundancies.

5. COST BENEFIT ANALYSIS OF THE COMPOSITE SCHEME:

After evaluation of the proposed draft Composite Scheme, the Committee is of the view that the benefits of the Composite Scheme for the stakeholders of the Company in terms of sharpened focus and other benefits as specified in para 3 above far outweigh the transaction costs for the implementation of the Composite Scheme. Thus, the Committee believes that the Composite Scheme will be beneficial for the all the entities involved.

6. IMPACT OF THE COMPOSITE SCHEME ON THE SHAREHOLDERS:

The Committee noted the following:

6.1 Since the Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company, upon the Composite Scheme being effective, no shares of the Amalgamated

Company shall be issued or allotted in consideration of Part II of the Composite Scheme i.e. the merger of Anant Raj Cloud Private Limited ("ARCPL" or "Amalgamating Company") into Anant Raj Limited ("ARL" or "Amalgamated Company") and the entire issued and paid-up share capital of the Amalgamating Company shall stand automatically cancelled and shall be of no effect from such date.

6.2 Upon the Composite Scheme becoming effective and in consideration of the demerger of the transfer and vesting of the Demerged Undertaking from the Demerged Company to the Resultant Company in terms of the Composite Scheme, the Resultant Company shall, without further application, act or deed, issue and allot the Resultant Company Demerger Shares, credited as fully paid-up, to the Eligible Members in the following manner:

"1 (One) fully paid-up equity share of face value of INR 2/- (Rupees Two) each of the Resultant Company for every 1 (One) fully paid-up equity share of face value of INR 2/- (Rupees Two) each held in the Demerged Company."

Further, the allotment of the Resultant Company Demerger Shares shall not result in the extinguishment or cancellation of the existing shareholding held by ARL in ACPL, and ACPL shall continue to remain a subsidiary of ARL following the Composite Scheme.

6.3 Accordingly, pursuant to the Composite Scheme, the existing shareholding of the shareholders in the Demerged Company shall remain unchanged, while such shareholders shall also receive direct equity shareholding in the Resultant Company in accordance with the aforesaid share entitlement ratio. Consequently, the shareholders shall enjoy dual economic participation - **first**, through their continued investment in the Demerged Company, which shall continue to consolidate the financial performance of the Resulting Company as its holding company, and **second**, through their direct equity ownership in the Resulting Company, enabling them to participate independently in the growth, profitability and value creation of the demerged business. Further, upon listing of the equity shares of the Resultant Company on the Stock Exchange(s), the shareholders shall have the benefit of holding separately tradable securities of both the Demerged Company and the Resultant Company, thereby providing enhanced liquidity, facilitate independent value discovery for each business and greater flexibility to manage their investment while preserving the benefits of the existing holding structure.

6.4 The Resultant Company Demerger Shares issued as consideration by the Resultant Company to the shareholders of the Demerged Company pursuant to the Composite Scheme shall be listed on BSE Limited and National Stock Exchange of India Limited by seeking exemption under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957 and in accordance with the applicable provisions of the SEBI Master Circular, including the proviso to Paragraph A(1)(b) of Part II, as applicable.

6.5 The Audit Committee was of the view that the proposed Composite Scheme would result in creation of two listed companies, forming part of the Anant Raj Group, which will empower the respective businesses to pursue their respective strategies to deliver higher growth, unlock synergies for the businesses and maximum value for the shareholders.

In light of the aforementioned rationale and benefits of the Scheme and other related matters, the Audit Committee is of the informed opinion that the proposed Scheme is in the best interests of and not detrimental to the interests of the shareholders of the Company.

7. Recommendations of the Audit Committee

In view of the above and after due deliberations and considerations, having considered the documents placed, Share Entitlement Report, Fairness Opinion, the Audit Committee hereby recommends the draft Composite Scheme for favorable consideration of the Board of Directors of the Company, Stock Exchanges, and Securities and Exchange Board of India and such other Authorities, as applicable.

By the order of Audit Committee
For Anant Raj Limited

Rajesh Tuteja
Chairman of the Committee
DIN: 08952755

Date: July 21, 2026
Place: New Delhi