DOLLAR
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50 GLORIOUS YEARS

REPORT OF THE INDEPENDENT DIRECTORS OF DOLLAR INDUSTRIES LIMITED ("COMPANY" OR "TRANSFEREE COMPANY") RECOMMENDING THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST THE COMPANIES VIZ; DINDAYAL TEXPRO PRIVATE LIMITED ("DTPL") ("DEMERGED COMPANY"), ADDS PROJECTS PRIVATE LIMITED ("APPL") ("TRANSFEROR COMPANY 1"), AMICABLE PROPERTIES PRIVATE LIMITED ("AMPPL") ("TRANSFEROR COMPANY 2"), BHAWANI YARNS PRIVATE LIMITED ("BYPL") ("TRANSFEROR COMPANY 3"), DOLLAR BRANDS PRIVATE LIMITED ("DBPL") ("TRANSFEROR COMPANY 4"), GOLDMAN TRADING PVT. LTD. ("GTPL") ("TRANSFEROR COMPANY 5"), KPS DISTRIBUTORS PRIVATE LIMITED ("KDPL") ("TRANSFEROR COMPANY 6"), PHPL PROPERTIES PRIVATE LIMITED ("PPPL") ("TRANSFEROR COMPANY 7") & ZEST MERCHANTS PRIVATE LIMITED ("ZMPL") ("TRANSFEROR COMPANY 8") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

This report is considered and approved by the Independent Directors of the Company at the meeting held on September 26, 2025 at the Registered Office of the Company at 32 J.L. Nehru Road, Om Tower, 15th Floor, Kolkata – 700071:

Independent Directors present:

Ms. Vibha Agarwal

Mr. Sandip Kumar Kejriwal

Ms. Divya Newatia

Mr. Srikumar Bandyopadhyay

Ms. Shalini Jain

All the Independent Directors were present.

The Independent Directors of the Company unanimously elected Mr. Sandip Kumar Kejriwal Independent Director, as the Chairman of the meeting.

1. Background

1.1. The proposed composite scheme of arrangement amongst the Company, Dindayal Texpro Private Limited ("DTPL") ("Demerged Company"), ADDS Projects Private Limited ("APPL") ("Transferor Company 1"), Amicable Properties Private Limited ("AMPPL") ("Transferor Company 2"), Bhawani Yarns Private Limited ("BYPL") ("Transferor Company 3"), Dollar Brands Private Limited ("DBPL") ("Transferor Company 4"), Goldman Trading Pvt. Ltd. ("GTPL") ("Transferor Company 5"), KPS Distributors Private Limited ("KDPL") ("Transferor Company 6"), PHPL Properties Private Limited ("PPPL") ("Transferor Company 7") & Zest Merchants Private Limited ("ZMPL") ("Transferor

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

Company 8") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and the relevant provisions of the Securities and Exchange Board of India ("SEBI') Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular") and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been placed before the Independent Directors of the Company at their meeting held on September 26, 2025 for the Independent Directors of the Company to consider and approve the said Scheme.

1.2. As per the requirements under the SEBI Circular, the Independent Directors of the Company are required to adopt a report recommending the Scheme, taking into consideration, inter alia, that the scheme is not detrimental to the interest of the shareholders of the Company.

1.3. This report, in connection with the Scheme, has been accordingly adopted by the Independent Directors of the Company in order to comply with the requirements under the SEBI Circular, after considering, discussing and reviewing, inter-alia, the following:

(a) the draft Scheme of the Company ;

(b) valuation report dated September 26, 2025 issued by KPMG Valuation Services LLP, an independent valuer, in respect of the share exchange ratios set out under the Scheme;

(c) fairness opinion dated September 26, 2025 issued by M/s. V C Corporate Advisors Private Limited, an independent and SEBI registered Category I merchant banker, providing opinion on the fairness of the share exchange ratios proposed in the valuation report; and

(d) draft certificate from the Statutory Auditors of the Company viz. M/s. Singhi & Co.

2. Need and rationale for the Scheme

Rationale of the Scheme (Demerger)

The Scheme proposes for the demerger of the Hosiery Business Undertaking ("Demerged Undertaking") of Dindayal Texpro Private Limited ("Demerged Company") and vesting of the same with Dollar Industries Limited ("Resulting Company"). The merger between Dollar Industries and Dindayal Texpro marks a strategic step toward vertical integration to enhance in-house production capabilities.

(i) This operational association is designed to reduce reliance on external job work, thereby providing Dollar Industries with greater control over its manufacturing processes. Key benefits of this integration include improved quality consistency, streamlined production, and enhanced responsiveness to market demands, the core objective is to consolidate production under a single corporate entity. This will empower Dollar Industries Limited to manage its operations more efficiently and reinforce its market position through a fully integrated supply chain.

(ii) The proposed arrangement will create greater value for shareholders and enable a more focused operational strategy. This will benefit the Demerged Company and the Resulting Company, as well as

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

their respective shareholders, employees, creditors, and all other stakeholders. Ultimately, it will help both entities achieve their objectives more efficiently and economically.

(iii) The demerger will pave way for Dollar Industries to concentrate on its core competencies by streamlining the production process, the company will be better positioned to enhance efficiency, foster innovation within its current product lines, and leverage economies of scale. These strategic advantages will further strengthen its competitive position in the market.

Rationale of the Scheme (Merger)

The Scheme also proposes the merger of ADDS Projects Private Limited ("Transferor Company 1"), Amicable Properties Private Limited ("Transferor Company 2"), Bhawani Yarns Private Limited ("Transferor Company 3"), Dollar Brands Private Limited ("Transferor Company 4"), Goldman Trading Pvt. Ltd. ("Transferor Company 5"), KPS Distributors Private Limited ("Transferor Company 6"), PHPL Properties Private Limited ("Transferor Company 7") and Zest Merchants Private Limited ("Transferor Company 8") (collectively "Transferor Companies")with Dollar Industries Limited ("Transferee Company").

(i) The Transferor Companies, all part of the promoter group of the Transferee Company, are set to merge under a single entity. This strategic move is designed to unify group operations, strengthen brand identity, sharpen business focus, and align long-term objectives.

(ii) This merger will consolidate the "Dollar" brand, currently held Dollar Brands Private Limited (one of Transferor Company), into the listed entity (the Transferee Company). This strategic move will centralize brand ownership, thereby significantly enhancing transparency and instilling greater confidence among shareholders, investors, customers, and other stakeholders.

(iii) One of the transferor Company M/s. Bhawani Yarns Private Limited performs job work for Dollar Industries Limited, this merger will reduce reliance on external job work, thereby providing Dollar Industries with greater control over its manufacturing processes.

(iv) The proposed amalgamation of the Transferor Companies with the Transferee Company will facilitate the consolidation of business operations, thereby ensuring that the financial statements accurately reflect the true net worth of the combined entity.

(v) The proposed merger is expected to improve profitability margins and operating cash flows, leading to an overall increase in earnings.

(vi) By virtue of this merger, Dollar Industries will acquire all the businesses of the transferor Companies it currently uses. This consolidation is expected to reduce costs and provide greater control over its operations.

(vii) The proposed merger will combine value of all the transferor companies which would become greater than the sum of their individual values creating a synergy benefits for the companies.

(viii) The remaining transferor Companies are primarily engaged in the business of holding commercial spaces and letting them on rent to Dollar Industries Limited and its affiliates. The proposed amalgamation is expected to reduce inter-company and related-party transactions, which will subsequently decrease the volume and value of arm's-length priced transactions and strengthen compliance.

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

(ix) The proposed amalgamation is expected to streamline administrative functions by eliminating the need to maintain multiple records. This will lead to improved legal and regulatory compliance.

2.1. The Independent Directors of the Company noted the need and rationale of the Scheme which is set out below:

(a) Synergies in business: The parties are engaged in similar and / or complementary businesses and their proposed amalgamation pursuant to this Scheme will create synergies between their businesses, including by pooling of their financial, managerial, technical, distribution, marketing and other resources. The proposed amalgamation is expected to, inter-alia, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the units.

(b) Optimization of resources: The Transferee Company stands as a leading force in the branded outerwear and innerwear segment, having established a strong presence and reputation in the Indian hosiery market. Over the years, we have evolved into a noteworthy player through continuous innovation, product diversification, and a sharp focus on quality and customer satisfaction. The Company has strategically introduced a wide range of categories under the Dollar brand portfolio, including Dollar Man, Dollar Woman, Dollar Junior, Dollar Always Thermal, and Dollar Protect. These categories are thoughtfully designed to meet the diverse needs of the consumers across all age groups and lifestyle preferences.

Dindayal Texpro Private Limited

The Company is primarily engaged to perform job work for Dollar Industries Ltd and also independently manufactures garments such as Leggings and Kurtis. These products are made either using fabric supplied by Dollar or fabric sourced independently by Dindayal Texpro.

Dollar Brands Private Limited

The Company holds the brand "Dollar." and is primarily engaged in doing the business of branding of trademark and any other business in connection thereof.

Adds Projects Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

Amicable Properties Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

Bhawani Yarns Private Limited

The Company is primarily engaged to perform job work for Dollar Industries Ltd and also independently manufactures garments such as Leggings and Kurtis. These products are made either using fabric supplied by Dollar or fabric sourced independently by Bhawani Yarns.

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

Goldman Trading Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

KPS Distributors Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

PHPL Properties Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

Zest Merchants Private Limited

The Company is primary engaged in renting out commercial real estate spaces held in its name. Its business model involves acquiring or developing commercial properties and then leasing them to other businesses including Dollar Industries Limited and its affiliates on a rental basis.

(c) Utilization of resources :

Dindayal Texpro Private Limited

The expertise of Company's job work for Dollar Industries Ltd and also manufacturing of garments such as Leggings and Kurtis would be utilised by the transferee Company.

Dollar Brands Private Limited

The ownership of the 'Dollar' brand will be vested in Transferee Company and appreciation in brand valuation would accrue to the transferee Company.

Adds Projects Private Limited

The warehouse and land at Tiruppur owned by the Company are rented out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

Amicable Properties Private Limited

The Registered office of the transferee Company is jointly owned the Company and leased out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

Bhawani Yarns Private Limited

The expertise of Company's job work for Dollar Industries Ltd and also manufacturing of garments such as Leggings and Kurtis would be utilised by the transferee Company.

Goldman Trading Private Limited

The warehouse at Ludhiana and office space at Kolkata are owned by the Company and are rented out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

KPS Distributors Private Limited

The warehouse and office space at Tiruppur are owned by the Company and are rented out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

PHPL Properties Private Limited

The Registered office of the transferee Company is jointly owned the Company and leased out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

Zest Merchants Private Limited

The Registered office of the transferee Company is jointly owned the Company and leased out to the transferee Company. The entire asset would be vested in the transferee Company which would enrich the appreciation of the property value in future.

(d) Simplified structure and management efficiency: The proposed Scheme of Arrangement will result in a simplification of the existing corporate structure and eliminate administrative duplications, consequently reducing the administrative costs of maintaining separate companies, while reducing multiple legal and regulatory compliances.

3. Scheme not detrimental to the interest of existing shareholders of the Company

3.1. The Independent Directors of the Company noted that the Scheme will provide an opportunity to improve the economic value of the Company. This is particularly marked in the improved synergies that will arise pursuant to the Scheme.

3.2. Therefore, considering the above and other documents presented, the Independent Directors of the Company are of the view that the Scheme is not detrimental to the shareholders of the Company.

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

4. Recommendation of the Independent Directors of the Company

4.1. The Independent Directors of the Company, after due deliberations and due consideration of all the terms of the Scheme, in particular the fact that the Scheme is not detrimental to the shareholders of the Company, recommends the Scheme for approval of the Board of Directors of the Company.

For and on behalf of the Independent Directors of

Dollar Industries Limited

DOLLAR INDUSTRIES LTD. KOLKATA 700 071

Sandip Kejriwal
Chairman of the Committee

Date: September 26, 2025

Place: Kolkata

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