

**PATANKAR
& ASSOCIATES**
Chartered Accountants

Office No. 19 to 23, 4th floor, 'Gold Wings',
S.No. 118/A, Plot No.543, Sinhgad Road,
Parvati Nagar, Pune - 411030

Telefax: 020 - 24252118 / 020 - 79630645
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To,
The Board of Directors,
Gujarat Fluorochemicals Limited
Survey No 16/3, 26 and 27,
Village Ranjitnagar, Taluka Ghoghamba,
Panchmahal, Gujarat, 389380

Independent Auditor's Certificate on the proposed accounting treatment contained in the Draft Composite Scheme of Arrangement between Inox Leasing and Finance Limited, Inox Holdings and Investments Limited and Gujarat Fluorochemicals Limited and their respective shareholders under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and rules framed thereunder

1. We M/s. Patankar & Associates, Chartered Accountants, the Statutory Auditors of Gujarat Fluorochemicals Limited (the "Company" or "Transferee Company") have been requested by the Company, having its registered office at the above-mentioned address, to certify the proposed accounting treatment specified in clause 19 of Part 3 of the Draft Composite Scheme of Arrangement between Inox Leasing and Finance Limited, Inox Holdings and Investments Limited and the Company and their respective shareholders (herein referred as the "Draft Scheme") under section 230 to 232 read with other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed thereunder, with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Act, read with the rules made thereunder and other Generally Accepted Accounting Principles and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder.

Management's Responsibility

2. The responsibility for the preparation of the Draft Scheme and compliance with relevant laws and regulations, including applicable Indian Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Boards of Directors of the Companies involved in the Draft Scheme. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Pursuant to the requirements of the Act, it is our responsibility to examine and provide reasonable assurance whether the proposed accounting treatment specified in clause 19 of Part 3 of the Draft Scheme, as reproduced in Annexure 1 to the certificate, is in compliance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the rules made thereunder and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

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4. We conducted our examination of the accounting treatment specified in clause 19 of Part 3 of the Draft Scheme as reproduced in Annexure 1 to the certificate in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.

Opinion

6. Based on our examination as above, and according to the information and explanations given to us, we report that the proposed accounting treatment in the books of Transferee Company specified in clause 19 of Part 3 of the Draft Scheme is in compliance with the applicable Indian Accounting Standards prescribed under Section 133 of the Act read with rules thereunder. The specified accounting treatment in clause 19 of Part 3 of the Draft Scheme, duly authenticated on behalf of the Company, is reproduced in **Annexure 1** to this Certificate and is initialled by us only for the purposes of identification.

Restriction on Use

7. This report is addressed to and provided to the Board of Directors of the Company solely for the purpose given in paragraph 1 above and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **Patankar & Associates**
Chartered Accountants
Firm Registration No.: 107628W

S.S. Malani

(Sandesh S Malani)
Partner
Membership No: 110051
UDIN: 24110051BKCUNH1373
Place: Pune
Date: 28/10/2024



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Annexure I

Extract of Part 3 of the Draft Composite Scheme of Arrangement between Inox Leasing and Finance Limited ("Demerged/Transferor Company") and Inox Holdings and Investments Limited ("Resulting Company") and Gujarat Fluorochemicals Limited ("Transferee Company" or "Company"), in terms of the provisions of Section 230 to 232 of the Companies Act, 2013

19. ACCOUNTING TREATMENT

A. In the books of the Transferee Company

On the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as provided in Indian Accounting Standards-103 'Business Combinations' notified under section 133 of the Companies Act, 2013 such that:

- 19.1 All the assets and liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values as appearing in the books of the Transferor Company, as on the Appointed Date. The Transferee Company shall credit to its share capital account in its books of account the aggregate face value of shares issued by it to the shareholders of the Transferor Company, pursuant to this scheme.
- 19.2 The identity of the reserves of the Transferor Company, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, prior to this Scheme becoming effective. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company.
- 19.3 To the extent that there are inter-corporate loans, inter-company payables, receivables (including loans, advances or debentures, deposits, balances etc.) and other obligations or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 19.4 Upon the coming into effect of this Scheme, inter Company investment in the books of Transferor Company and the Transferee Company, representing shares of Transferee Company and/ or the Transferor Company, as the case may be, will stand cancelled and be of no effect on and from the Effective Date.
- 19.5 The surplus/ deficit, if any, arising after taking the effect of Clause 19.1, Clause 19.2, Clause 19.3, Clause 19.4 and subject to Expenses of Amalgamation as referred in Clause 28 below, shall be transferred to "Capital Reserve" in the books of Transferee Company in accordance with the accounting principles.



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19.6 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the capital reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.

19.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its Statutory Auditor, are authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, as per section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder.

For and on behalf of the Board of Directors
Gujarat Fluorochemicals Limited

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Bhavin Desai
Company Secretary

Date: 28/10/2024
Place: Vadodara



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Annexure II B

**PATANKAR
& ASSOCIATES**
Chartered Accountants

Office No. 19 to 23, 4th floor, 'Gold Wings',
S.No. 118/A, Plot No.543, Sinhgad Road,
Parvati Nagar, Pune - 411030
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email : sanjay@patankarassociates.in

To,
The Board of Directors,
Gujarat Fluorochemicals Limited
2nd Floor, ABS Towers, Old Padra Road,
Vadodara 390007.

Independent Auditor's Certificate on the capability of Gujarat Fluorochemicals Limited (the "Company" or "Transferee Company") for payment of interest and repayment of principal amount of listed Non-Convertible Debentures issued under ISIN INE09N307018 and outstanding as on 30th September, 2024.

We, M/s. Patankar & Associates, Chartered Accountants, the independent auditors of the Company, have been requested by the Management of the Company to certify that the Company is capable of payment of interest and repayment of principal of listed Non-Convertible Debentures ("NCDs") issued and outstanding as at 30th September, 2024. The certificate is prepared pursuant to Master Circular SEBI/HO/DDHS/DDHS-PoD1/P/CIR/2024/48 dated 21st May, 2024 issued by SEBI, as amended from time to time ("SEBI Debt Master Circular") in connection with the Draft Composite Scheme of Arrangement between Inox Leasing and Finance Limited, Inox Holdings and Investments Limited and the Company and their respective shareholders (herein referred as the "Draft Scheme"). This certificate is obtained for the purpose of onward submission to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), the Securities and Exchange Board of India ("SEBI"), the National Company Law Tribunal ("NCLT") and such other authorities from whom approval may be required to implement the Draft Scheme.

Details of listed NCDs of the Transferee Company as at 30th September, 2024 as per the unaudited books of accounts are as under:

Debenture name	Value of Debentures outstanding as at 30 September 2024 (Rs. in crores)	Date of Allotment	Date of Repayment	Interest accrued as on 30 September 2024 (Rs. in crores)
Senior, secured, listed, rated, taxable, redeemable, non-convertible debenture (ISIN: INE09N307018)	33.00	21 st March, 2023	Yearly repayment as under: - 20 th March, 2025 Rs. 17.00 crores - 20 th March, 2026 Rs. 16.00 crores	1.49

Management's Responsibility

The management of the Company and the Board of Directors of the Companies involved in the Draft Scheme are also responsible for the preparation of the Draft Scheme and compliance with SEBI Debt Master Circular and relevant laws and regulations thereof. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

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Further, the management of the Company is responsible for complying with the terms and conditions agreed with the debenture holders with respect to payment of interest and repayment of principal of listed NCDs.

Auditor's Responsibility

Pursuant to the requirements of SEBI Debt Master Circular, our responsibility is to examine and provide reasonable assurance whether the Transferee Company is capable of payment of interest and repayment of principal of listed NCDs.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination as above, and according to the information and explanations given to us, we certify that the Transferee Company will be capable of payment of interest and repayment of principal of listed NCDs outstanding as on 30th September, 2024.

Restriction on Use

This certificate has been issued at the request of the Board of Directors of the Company, for the purpose of onward submission to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), the Securities and Exchange Board of India ("SEBI"), the National Company Law Tribunal ("NCLT") and such other authorities from whom approval may be required to implement the Draft Scheme. Our certificate should not to be used for any other purpose or by any person other than the addressees of this certificate. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Patankar & Associates,
Chartered Accountants
Firm Registration No.: 107628W

S.S. Malani

Sandesh S Malani
Partner
Membership No: 110051
Place: Pune
Date: 28/10/2024
UDIN: 24110051BKCUN18506



BSE

