

**COMPOSITE SCHEME OF ARRANGEMENT  
BETWEEN  
INOX LEASING AND FINANCE LIMITED  
(DEMERGED COMPANY/TRANSFEROR COMPANY)  
AND  
INOX HOLDINGS AND INVESTMENTS LIMITED  
(RESULTING COMPANY)  
AND  
GUJARAT FLUOROchemicalS LIMITED (TRANSFeree COMPANY)  
AND  
THEIR RESPECTIVE SHAREHOLDERS  
(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES  
ACT, 2013)**

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**A. PREAMBLE**

This Composite Scheme of Arrangement ("**Scheme**") will be undertaken pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and the Scheme provides for:

- a) Demerger of Demerged Undertaking of Inox Leasing and Finance Limited into Inox Holdings and Investments Limited; and
- b) Amalgamation of Inox Leasing and Finance Limited into Gujarat Fluorochemicals Limited. The amalgamation will come into effect post coming into effect of the aforesaid demerger as stated in Clause (a).

**B. DESCRIPTION OF COMPANIES**

a) Inox Leasing and Finance Limited ("**ILFL**") was incorporated as a public limited company on February 17, 1995 under the provisions of the Companies Act, 1956. Its present registered office is situated at 612-618, Narain Manzil, 6<sup>th</sup> Floor, 23, Barakhamba Road, New Delhi, India – 110001 (Corporate Identification Number: U65910DL1995PLC397847). The Board of Directors and Shareholders of the Demerged Company/Transferor Company have, in their meetings held on September 20, 2024 and October 21, 2024 respectively, have approved the shifting of the registered office from the State of Delhi to the State of Himachal Pradesh. An application for change in the registered office will be filed with the office of the Regional Director ("**RD**"), Northern Region. Pursuant to and with effect from the date of certificate of registration to be issued by the Registrar of Companies, Ministry of Corporate Affairs, registering the order of the RD, the registered office of ILFL shall stand shifted from the State of Delhi to the State of Himachal Pradesh. The registered office, post approval, is proposed to be situated at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303. Filing of the Scheme, application and petition pursuant to Section 230 to 232 of the Act by the Demerged Company/Transferor Company will be made in the jurisdiction of the NCLT of the new registered office.

ILFL is registered with the Reserve Bank of India ("**RBI**") as a non-deposit taking non-banking financial company (NBFC) since January 4, 2001, with Registration No. B-13.01448. The Registered Office of ILFL was transferred from the State of Maharashtra to the State of Delhi on May 5, 2022, and consequently, the current Registration No. provided in the NBFC license is B-14.0392. Post shifting of registered office of ILFL to the State of Himachal Pradesh, the jurisdictional RBI regional office will issue a fresh certificate of NBFC registration. ILFL is engaged in the business of generation and sale of wind energy directly, and strategically through its group companies, along with holding certain investments in shares and securities ("**Wind Business**"). ILFL is also a holding company of Gujarat Fluorochemicals Limited.

b) Inox Holdings and Investments Limited ("**IHIL**") was incorporated as a public limited company on November 5, 2024 under the provisions of the Companies Act, 2013. The registered office of IHIL is situated at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303. IHIL is engaged in the business of generation and sale of wind energy directly, and strategically through its group companies, along with holding certain investments in shares and securities ("**Wind Business**"). Currently, IHIL is a wholly owned subsidiary Company of ILFL.

c) Gujarat Fluorochemicals Limited ("**GFCL**") was incorporated as a public limited company on December 06, 2018, under the provisions of the Companies Act, 2013. Currently the registered office of the company is situated at Survey No. 16/3, 26 & 27 Taluka Ghoghamba, Panch Mahals, Village Ranjitnagar, Gujrat, India – 389380 (Corporate



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Identification Number: L24304GJ2018PLC105479). The Board of Directors have, in their meeting held on October 29, 2024, approved the shifting of the registered office from the state of Gujarat to the state of Himachal Pradesh. Post approval from the Shareholders and other approvals as may be required, an application for change in the registered office will be filed with the office of the Regional Director ("RD"), North Western Region. Pursuant to and with effect from the date of certificate of registration to be issued by the Registrar of Companies, Ministry of Corporate Affairs, registering the order of the RD, the registered office of GFCL shall stand shifted from the State of Gujarat to the State of Himachal Pradesh. The registered office, post approval, is proposed to be situated at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303. Filing of the Scheme, application and petition pursuant to Section 230 to 232 of the Act by the Transferee Company will be made in the jurisdiction of the NCLT of the new registered office. The Equity Shares of GFCL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). Further, the Non-Convertible Debentures ("NCD") of GFCL are listed on the debt segment of BSE. GFCL is primarily engaged in the business of manufacturing and trading of Refrigerants, Fluorochemicals, Fluoropolymers and allied activities and other bulk chemicals.

ILFL, IHIL and GFCL are individually referred as "Party" and together referred as "Parties".

### C. RATIONALE FOR THE SCHEME

#### a) Segregation of Wind Business:

The management of ILFL, IHIL and GFCL are of the view that segregation of this business of ILFL has huge potential for value unlocking and is capable of attracting different set of investors, strategic partners, lenders and other stakeholders since this business carry significant potential for growth and profitability.

The demerger of the Demerged Undertaking would specifically result in better price discovery for this business, and it will also help in clear capital allocation for future growth of this business.

#### b) Amalgamation of the Transferor Company into the Transferee Company:

The Transferor Company and Transferee Company belong to the same group and as a result of the amalgamation, it would lead to simplification and rationalization of the shareholding structure of the Transferee Company. There will be no change in the financial position of the Transferee Company.

The amalgamation will result in reduction in number of legal entities which will result in an overall reduction in administrative, managerial, compliance requirements and related cost for the InoxGFL group. No costs, charges and expenses relating to the Scheme (Part 3) involving the amalgamation will be borne by the Transferee Company.

### D. PARTS

This Scheme is divided into following parts and further details thereunder:

**Part 1** – Definitions and share capital

**Part 2** – Demerger of Demerged Undertaking of ILFL into IHIL

**Part 3** – Amalgamation of ILFL with GFCL, post coming into effect of the aforesaid demerger stated in Part 2

**Part 4** – General terms and conditions applicable to this Scheme



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**PART 1 – DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITION**

In this Part 1 of the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) **"Act"** or **"the Act"** means the Companies Act, 2013 and rules made thereunder or any statutory modification, amendment or re-enactment thereof;
- (b) **"Appointed Date"** means April 1, 2025 or such other date as may be approved by the Hon'ble NCLT or the Board of Directors
- (c) **"Board of Directors"** or **"Board"**, in relation to a Party, shall mean Board of Directors of such Party, and shall include a Committee of Directors or any person authorized by such Board of Directors or such Committee of Directors;
- (d) **"Composite Scheme of Arrangement"** or **"this Scheme"** or **"the Scheme"** means this Scheme of Arrangement in its present form (along with any annexures, schedules, etc., annexed/ attached hereto) or with any modification(s) and amendments made under Clause 34 of this Scheme from time to time;
- (e) **"Demerged Undertaking"** means the 'Wind Business' (excluding investments in GFCL) of the Demerged Company on a going concern basis, covering all related assets, investments (including strategic investments in Inox Wind Limited, Inox Holdings and Investments Limited, and Inox Wind Energy Limited), liabilities, rights and obligations, as decided by the Board of Directors of ILFL, and shall include (without limitation):
- i. any and all the properties and assets, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, raw materials, finished goods, vehicles, stores and spares, loose tools, sundry debtors, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipment's, electricals, appliances, accessories, deferred tax assets and investments related to Demerged Undertaking of the Demerged Company;
  - ii. any and all liabilities, present and future, including the contingent liabilities related to Demerged Undertaking of the Demerged Company;
  - iii. any and all rights and licenses including but not limited from the Ministry of New and Renewable Energy, Central Electricity Regulatory Commission, relevant State Electricity Regulatory Commission, Solar Energy Corporation of India, RBI, SEBI, Stock Exchanges, depositories, depository participants, Registrar to an issue and share transfer agent, or any other authority, all assignments and grants thereof, all permits, quotas, holidays, benefits, clearances and registrations, whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits, GST credits, Minimum Alternate Tax ("MAT") credit, tax deducted at source, tax collected at source, foreign tax credit), tax deferrals, advance tax, self-assessment tax, unabsorbed tax depreciation, income tax refund, tax losses (current year or brought forward business or capital losses), deferred tax assets, incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals,



consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company, funds belonging to or proposed to be utilised by the Demerged Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory or regulatory authority, to which the Demerged Company was a party), powers and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits, duties and obligations of all agreements, contracts and arrangements and all other interests related to the Demerged Undertaking of the Demerged Company;

- iv. all employees, in relation to the Demerged Undertaking of the Demerged Company, whether on payroll or on third party contract basis and interns/ trainees, immediately preceding the Effective Date and all other obligations of whatsoever kind, including liabilities of the Demerged Company regarding their employees with respect to the payment of compensation, gratuity, provident fund, leave encashment, etc. and benefits or obligations of any fund whether insurances, retirement, etc;
- v. any and all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/ or security deposits paid or received by the Demerged Company in relation to the Demerged Undertaking;
- vi. any and all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form related to the Demerged Undertaking of the Demerged Company;
- vii. all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, service marks, quality certifications and approvals and all other interests exclusively related to the Demerged Undertaking of the Demerged Company;

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all property, assets, rights, liabilities, employees, etc. pertaining to the Demerged Undertaking of the Demerged Company, to the Resulting Company pursuant to this Scheme. Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual agreement between the Board of the Demerged Company and the Resulting Company.

- (f) "**Effective Date**" means the last of the dates on which all the conditions and matters referred to in Clause 31 hereof have been fulfilled. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date;
- (g) "**GFCL**" or "**Transferee Company**" means Gujarat Fluorochemicals Limited, a company incorporated under the provisions of the Companies Act, 2013. The proposed registered office of GFCL shall be at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303, subject to requisite approvals;



- (h) **"IHIL" or "Resulting Company"** means Inox Holdings and Investments Limited, a company incorporated under the provisions of the Companies Act, 2013. The registered office of IHIL is at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303;
- (i) **"ILFL" or "Demerged Company" or "Transferor Company"** means Inox Leasing and Finance Limited, a company incorporated under the provisions of the Companies Act, 1956. The proposed registered office of ILFL shall be at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303, subject to requisite approvals;
- (j) **"NCLT" or "the Tribunal"** shall mean the Hon'ble National Company Law Tribunal, Chandigarh Bench having jurisdiction;
- (k) **"SEBI"** means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- (l) **"SEBI Circular"** means the circular issued by the SEBI, being Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 and any amendments thereof issued pursuant to Regulations 11, 37, 59A, 94 and 94A of the SEBI LODR Regulations or any other circulars issued by SEBI applicable to schemes of amalgamation or arrangement;
- (m) **"SEBI ICDR Regulations"** means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time;
- (n) **"SEBI LODR Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (o) **"Specified Date 1"** means the Record date to be fixed by the Board of Directors of the Resulting Company for the purpose of determining the Equity Shareholders of the Demerged Company for the purpose of issuance of equity shares, respectively upon demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company;
- (p) **"Specified Date 2"** means the Record date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the Equity Shareholders of the Transferor Company for the purpose of issuance and allotment of Equity Shares, respectively upon amalgamation of Transferor Company with the Transferee Company (Post completion of Demerger of Demerged Undertaking of Demerged Company);
- (q) **"Stock Exchanges"** means BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**") and any other recognized stock exchanges, as the case may be;

#### EXPRESSIONS NOT DEFINED IN THIS PART

The expressions which are used in this Scheme and not defined, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, byelaws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

#### 2. DATE OF COMING INTO EFFECT

The Scheme set out herein in its present form or with such modifications or amendments as directed by the NCLT or other appropriate authority shall be effective from the Appointed Date herein and operative from the Effective Date.



3. SHARE CAPITAL

(A) Inox Leasing and Finance Limited

(i) The authorized, issued, subscribed and paid up share capital of ILFL as on September 30, 2024 as per the financial statements, is as follows:

PARTICULARS	AMOUNT (INR)
<u>AUTHORIZED CAPITAL</u>	
1,10,00,000 Equity shares of INR 10/- each	11,00,00,000
15,00,000 Preference shares of INR 100 each	15,00,00,000
<b>Total</b>	<b>26,00,00,000</b>
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
99,00,050 Equity Shares of INR 10 each	9,90,00,500
<b>Total</b>	<b>9,90,00,500</b>

(ii) Since then, there has been no change in the paid-up share capital of ILFL.

(B) Gujarat Fluorochemicals Limited

(i) The authorized, issued, subscribed and paid up share capital of GFCL as on September 30, 2024, as per the limited reviewed financial statements is as follows:

PARTICULARS	AMOUNT (INR)
<u>AUTHORIZED CAPITAL</u>	
20,00,00,000 Equity Shares of INR 1/- each	20,00,00,000
<b>Total</b>	<b>20,00,00,000</b>
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
10,98,50,000 Equity Shares of INR 1/- each	10,98,50,000
<b>Total</b>	<b>10,98,50,000</b>

(ii) Since then, there has been no change in the paid-up share capital of GFCL.



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**(C) Inox Holdings and Investments Limited**

(i) The authorized, issued, subscribed and paid-up share capital of IHL as on November 15, 2024 as per the financial statements is as follows:

<b>PARTICULARS</b>	<b>AMOUNT (INR)</b>
<u>AUTHORIZED CAPITAL</u>	
10,000 Equity Shares of INR 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
10,000 Equity Shares of INR 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>

(ii) Since then, there has been no change in the paid-up share capital of IHL.



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**PART 2 – DEMERGER OF DEMERGED UNDERTAKING OF ILFL INTO IHIL**

**4. COMPLIANCE WITH TAX LAWS**

- 4.1. The Scheme of demerger of Demerged Undertaking of ILFL into IHIL has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section 2(19AA) of the Income-tax Act, 1961 and all other relevant Sections (including Section 47 and Section 72A) of the Income-tax Act, 1961.
- 4.2. If any terms or provisions of the Part 2 of this Scheme is/ are found to be or interpreted to be inconsistent with any of the aforesaid provisions at a later date, whether as a result of any amendment in law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. This Part shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme, and the power to make any such amendments shall vest with the Board of Directors of ILFL and IHIL.

**5. DEMERGER OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY**

- 5.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in Sections 230 to 232 of the Act and other provisions of the Act and applicable laws for the time being in force and without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company, on a going concern basis at book values, so as to become, on and from the Appointed Date, the undertaking of the Resulting Company, and to vest in the Resulting Company all the rights, title, interest or obligations of the Demerged Company therein.
- 5.2. All assets (including strategic investments in Inox Wind Limited, Inox Holdings and Investments Limited, and Inox Wind Energy Limited) acquired by the Demerged Company after the Appointed Date and prior to the effective date in relation to or pertaining to the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of the Scheme. Where any of the assets of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company have been sold or transferred by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company
- 5.3. In respect of the assets of the Demerged Undertaking (mentioned in Clause 5.1 and Clause 5.2 above) as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over or endorsed and delivered, by the Demerged Company and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking of the Demerged Company transferred to it. The aforesaid transfer shall be deemed to take effect from the Appointed Date without requiring any deed or instrument of conveyance for the same. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company.
- 5.4. In respect of the assets of the Demerged Undertaking other than those specified in Clause 5.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and



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bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this sub-clause, and such transfer to the Resulting Company shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed by the Demerged Company and the Resulting Company.

- 5.5. In respect of the assets of the Demerged Undertaking other than those referred to in Clause 5.3 and 5.4 above, the same shall without any further act, instrument or deed be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company pursuant to the Act and other applicable provisions of applicable laws. The mutation of the title to the immovable properties, if any, in favour of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and it is becoming effective in accordance with the terms hereof.
- 5.6. Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations and no-objection certificates obtained by the Demerged Company for the operations of the Demerged Undertaking in terms of various statutes and/ or schemes of Union and State Governments, shall be available to and vest in the Resulting Company, without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith, in favour of the Resulting Company. Since the Demerged Undertaking will be transferred to and vested in the Resulting Company as a going concern without any break or interruption in the operations thereof, the Resulting Company shall be entitled to the benefits of all such licenses, permissions, approvals, consents, registrations and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same, upon this Scheme becoming effective.

Further, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, certificates, authorities, powers of attorneys given by, issued to or executed in favour of the Demerged Company, and the rights, benefits, subsidies, special status under the same shall, in so far as they relate to the Demerged Undertaking and all other interests relating to activities carried on by the Demerged Undertaking, and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Resulting Company.

- 5.7. It is clarified that, upon the coming into effect of the Scheme, the liabilities and obligations of the Demerged Company, as decided by the Board of Directors, as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Resulting Company.
- 5.8. All loans raised and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall be deemed to have been raised or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed, be transferred to the Resulting Company and shall become its liabilities and obligations.
- 5.9. Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of the Demerged Company for Demerged Undertaking as on the Appointed Date is concerned, it is hereby clarified that the Demerged Company and the Resulting Company shall, subject to confirmation by the concerned creditor(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities, and obtain such consents under law as may be prescribed.



Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Demerged Undertaking of the Demerged Company vested in the Resulting Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Company which shall vest in the Resulting Company by virtue of the demerger of the Demerged Undertaking into the Resulting Company and the Resulting Company shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

5.10. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Resulting Company and the Demerged Company shall execute instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions, if required.

**6. ISSUE OF SHARES ON DEMERGER OF DEMERGED UNDERTAKING**

6.1. Upon this Scheme coming into effect, in consideration of the transfer of the Demerged Undertaking by the Demerged Company to the Resulting Company, in terms of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to every member of the Demerged Company holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the Specified Date 1 in the following ratio:

“1 equity share (face value of INR 10/- per share) of the Resulting Company to be issued for every 1 equity share (face value of INR 10/- per share) of the Demerged Company”

6.2. The share entitlement specified in Clause 6.1 shall be suitably adjusted for changes in the capital structure of either the Demerged Company or the Resulting Company post the date of the Board Meeting approving the Scheme, provided the changes relate to matters such as bonus issue, rights issue, preferential issue, split of shares, consolidation of shares, buyback, capital reduction, conversion of loan or preference shares into equity shares, issuance of convertible securities and any other change in the paid-up share capital (whether equity or preference). All such adjustments to the share entitlement ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Demerged Company and the Resulting Company.

6.3. The equity shares issued and allotted by the Resulting Company shall be subject to the Scheme, Memorandum of Association and Articles of Association of the Resulting Company. Such equity shares shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company.

6.4. The equity shares shall be issued in dematerialized form, to those shareholders who hold shares of the Demerged Company in dematerialized form, into the account in which the Demerged Company shares are held or such other account as is intimated by the shareholders to the Demerged Company and / or its Registrar before the Specified Date. All those shareholders who hold shares of the Demerged Company in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its Registrar before the Specified Date. The



shareholders who fail to provide such details shall be issued equity shares in physical form.

- 6.5. The equity shares to be issued in respect of the equity shares of the Demerged Company held in the Investor Education and Protection Fund ("IEPF"), if any, shall be issued to the IEPF for the benefit of the equity shareholders of the Resulting Company.
- 6.6. Any dividend which remains unpaid or unclaimed for a period of less than 7 years (or such period as may be prescribed under section 124 of the Act) in the Demerged Company shall, pursuant to the demerger, be transferred by the Demerged Company to the Resulting Company, and the Resulting Company shall undertake necessary compliances in relation to the transfer of such unclaimed dividend to the IEPF.
- 6.7. Any unpaid dividend transferred by the Demerged Company and lying with IEPF Authority shall be directed to be held or transferred in the name of Resulting Company for the benefit of the equity shareholders to claim the same from Resulting Company.
- 6.8. The Demerged Company and/ or the Resulting Company shall make necessary filings/ compliances with the IEPF Authority in relation to claim of unclaimed dividend/ equity shares by equity shareholders, which are held in IEPF account for the benefit of shareholders.
- 6.9. Equity shares to be issued by the Resulting Company pursuant to Clause 6.1 above, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise, shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Resulting Company.
- 6.10. In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior or even subsequent to the Specified Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Specified Date, in order to remove any difficulties arising to the transferor of the equity shares in the Resulting Company and in relation to the equity shares issued by the Resulting Company after the effectiveness of this Scheme. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in Resulting Company on account difficulties faced in the transition period.
- 6.11. Fractional entitlement, if any, to a shareholder, shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer.
- 6.12. Pursuant to and upon this Scheme becoming effective, the Resulting Company shall take necessary steps to increase and alter its authorized share capital suitably to enable the Resulting Company to issue and allot the equity shares in the Resulting Company to the equity shareholders of the Demerged Company in terms of this Scheme and as an integral part of this Scheme, the authorized share capital of the Resulting Company shall be increased in the manner set out in Clause 8 below.
- 6.13. Approval of the Scheme by the equity shareholders of the Resulting Company shall be deemed to be due compliance of the provisions of section 42, 62 and other relevant or applicable provisions of the Act and rules made thereunder, and the Articles of Association of the Resulting Company, and no other consent shall be required under the Act or the Articles of Association of the Resulting Company for the issuance and allotment



of the equity shares by the Resulting Company to the equity shareholders of the Demerged Company as provided hereinabove.

**7. ACCOUNTING TREATMENT ON DEMERGER OF DEMERGED UNDERTAKING**

**7.1. Treatment in the books of the Demerged Company**

On the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for demerger of the Demerged Undertaking in its books as under:

- (a) All the assets (including strategic investments in Inox Wind Limited, Inox Holdings and Investments Limited, and Inox Wind Energy Limited), liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, being transferred to the Resulting Company, shall be reduced from the books of accounts of the Demerged Company at their respective carrying values.
- (b) The excess/ deficit of the net assets of the Demerged Undertaking standing in the books of accounts of the Demerged Company and transferred to the Resulting Company on the Appointed Date and subject to Expenses of Demerger of Demerged Undertaking as referred in Clause 14 below, shall be recorded in accordance with applicable Indian Accounting Standards ("Ind AS") notified under section 133 of the Act.

**7.2. Treatment in the books of the Resulting Company**

On the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for demerger of the Demerged Undertaking in its books as under:

- (a) Demerger of Demerged Undertaking of the Demerged Company into Resulting Company shall be accounted for in the books of accounts of the Resulting Company in accordance with Ind AS notified under section 133 of the Act.
- (b) The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their respective book values thereof appearing in the books of accounts of the Demerged Company as on the Appointed Date.
- (c) The identity of the reserves shall be preserved, and they shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.
- (d) The inter-corporate balances, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company shall be eliminated.
- (e) Upon the Scheme becoming effective, the entire pre-Scheme share capital of Rs 1,00,000 held by ILFL in IHIL shall stand cancelled.
- (f) The face value of equity shares issued by the Resulting Company pursuant to Clause 6 shall be credited to the Equity Share Capital Account of the Resulting Company.
- (g) The cancellation as mentioned under Clause 7.2(e) shall be effected as an integral part of the Scheme under Section 230 to Section 232 of the Act and the order of the NCLT approving the Scheme shall be deemed to be an order confirming such capital



reduction and the same shall also be considered as due compliance of section 66 of the Act. Further, the Resulting Company shall not be required to add the words "and reduced" as a suffix to its name post the reduction.

- (h) The surplus/ deficit, if any, arising after taking the effect of Clause 7.2 (b), Clause 7.2 (c), Clause 7.2 (d), Clause 7.2 (e) and Clause 7.2(f) shall be transferred to the "Capital Reserve" in the books of the Resulting Company in accordance with the accounting principles prescribed under Appendix C of Ind AS 103 (Business combinations of entities under common control).
- (i) In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the Capital Reserve, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.
- (j) Notwithstanding the above, the Board of the Resulting Company, in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to the Resulting Company.

## 8. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY

- 8.1. The Authorized Share Capital of the Resulting Company shall be increased and reorganized, in the required manner, to cover the fresh issue of shares by the Resulting Company to the shareholders of the Demerged Company in terms of Clause 6 of this Scheme in accordance with the provisions of the Act. Consequently, Clause V of the Memorandum of Association of the Resulting Company shall stand altered, modified, and amended accordingly.
- 8.2. Upon the Scheme coming into effect and consequent upon the part 2 of the Scheme becoming effective, the Authorised Share Capital of IHIL shall stand increased by the same percentage as equivalent to the proportion of net assets of the Demerged Undertaking to the net-worth of the Demerged Company, computed consequent to demerger, which shall stand transferred from the Authorised Share Capital of ILFL (Demerged Company) to the Authorised Share Capital of IHIL, without any further act or deed and without any further payment of the stamp duty or the registration fees and accordingly, the Memorandum of Association of ILFL and IHIL (relating to the Authorised Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended.
- 8.3. It is further clarified that the Resulting Company shall not be required to pass any resolution under Sections 13, 14, 61 and 64 and other applicable provisions of the Act for increase in the Authorised Share Capital of the Resulting Company, as envisaged above and that the members of the Resulting Company shall be deemed to have accorded their consent under various provisions of the Act and rules made there under to the increase in the share capital in terms of this Scheme.

## GENERAL TERMS AND CONDITIONS APPLICABLE TO THE DEMERGER OF DEMERGED UNDERTAKING OF DEMERGED COMPANY

### 9. BUSINESS AND PROPERTY IN TRUST

- 9.1. Upon the coming into effect of the Scheme, on and from the Appointed Date and up to and including the Effective Date, the Demerged Company:



- a) shall be deemed to have been carrying on all the business and activities relating to the Demerged Undertaking and stand possessed of all the assets, rights, title, interest and authorities of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company; and
  - b) Any profits accruing to the Demerged Company, or losses, charges, costs, expenses arising or incurred by it (including the effect of taxes, if any, thereon, including but not limited to advance tax, self assessment tax, tax deducted at source, MAT credit, tax deducted at source, tax collected at source, foreign tax credits, etc.) relating to the Demerged Undertaking, shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Resulting Company.
- 9.2. The Demerged Company undertakes that it will, from the date of approval of the Scheme by its Board of Directors and also from approval of the Board of Directors of the Resulting Company or the Appointed Date, whichever is later, and up to and including the Effective Date, preserve and carry on the Demerged Undertaking with diligence and prudence and agree that it will not, in any material respect, without the prior written consent of the Resulting Company, as the case may be, alienate, charge or otherwise deal with or dispose off the Demerged Undertaking or any part thereof, except in the ordinary course of business or undertake substantial expansion of the Demerged Undertaking, other than expansions which have already been commenced, or vary or alter [except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Demerged Company], or the terms and conditions of employment of any of its employees, nor shall it conclude settlement with employees.

**10. LEGAL PROCEEDINGS**

- 10.1. Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future (relating to any period prior to the Appointed Date) and in each case, relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date and shall not abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the Demerged Undertaking or anything contained in the Scheme. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the given Demerged Undertaking or not, the decision of the Board of Directors of the Demerged Company in this regard shall be conclusive evidence of the relationship with the Demerged Undertaking.
- 10.2. The Resulting Company shall undertake to have all legal proceedings initiated by or against the Demerged Company in relation to Demerged Undertaking as mentioned in Clause 10.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. The Demerged Company and Resulting Company shall make relevant applications in that behalf to the extent permissible. All costs and consequences of such proceeding shall be borne by the Resulting Company.
- 10.3. Notwithstanding the above, in case the proceedings in relation to the Demerged Undertaking referred to in Clause 10.1 above cannot be transferred for any reason, or the transfer takes time, till such transfer the Demerged Company shall defend the same in accordance with the advice, cost and consequences of the Resulting Company and the Resulting Company shall respectively reimburse, indemnify and hold harmless the



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Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

- 10.4. On and from the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the rights, title, interest, obligations or liabilities of any nature whatsoever, whether under contract or law or otherwise, of the Demerged Company relating to the Demerged Undertaking in the same manner and to the same extent as would or might have been initiated by the Demerged Company in relation to the Demerged Undertaking.

**11. CONTRACTS AND DEEDS**

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature to which any of the Demerged Company (relating to the Demerged Undertaking) is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Resulting Company (in relation to the Demerged Undertaking) and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company have been a party thereto. The Resulting Company (in relation to the Demerged Undertaking) may enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company in relation to the Demerged Undertaking and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme. It is clarified that any inter-se contracts between the Demerged Company and the Resulting Company (relating to the Demerged Undertaking) as on the Effective Date shall stand cancelled and cease to operate in the Resulting Company

**12. STAFF AND EMPLOYEES**

- 12.1. On the Scheme coming into effect, all staff and employees (contractual or otherwise) of the Demerged Company, relating to the Demerged Undertaking, in service on such date, shall be deemed to have become staff and employees of the Resulting Company without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to the Demerged Company on the Effective Date.
- 12.2. Upon the Scheme coming into effect, the existing Provident Fund, Gratuity Fund, Superannuation Fund and/ or schemes and trusts, including employee's welfare trust, created by the Demerged Company for its employees in relation to the Demerged Undertaking shall be transferred to the Resulting Company. The Demerged Company shall take all steps necessary for the transfer, where applicable, of the Provident Fund, Gratuity Fund, Superannuation Fund and/ or schemes and trusts, including employee's welfare trust, pursuant to the Scheme in respect of employees pertaining to the Demerged Undertaking to the Resulting Company. All obligations of the Demerged Company with regard to the said fund or funds as defined in the respective trust deed and rules, shall be taken over by the Resulting Company from the Effective Date to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such fund or funds shall become those of the Resulting Company and all the rights, duties and benefits of the employees employed in the Demerged Company under such funds and trusts shall be fully protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees



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of the Demerged Company will be treated as having been continuous for the purpose of the said fund or funds.

**13. TREATMENT OF TAXES**

- 13.1. All taxes (including any income tax, MAT, sales tax, excise duty, customs duty, service tax, VAT, Goods and Services Tax, etc.) paid or payable by the Demerged Company in respect of the operations and/ or the profits of the Demerged Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, income tax, MAT, sales tax, excise duty, customs duty, service tax, VAT, Goods and Service Tax, etc.), whether by way of deduction at source, collection at source, advance tax, self-assessment tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company (in relation to the Demerged Undertaking) and shall, in all proceedings, be dealt with accordingly.
- 13.2. Any tax incentives, benefits [including claims for unabsorbed tax losses and unabsorbed tax depreciation], advantages, privileges, exemptions, credits, tax holidays pertaining to the Demerged Undertaking of the Demerged Company, shall be available to the Resulting Company.
- 13.3. Upon the Scheme becoming effective, the Resulting Company and the Demerged Company are also expressly permitted to restate their financial statements and to revise their income tax, withholding tax, service tax, sales tax/ value added tax, excise, customs, goods and services tax and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns and to claim refunds, advance tax and withholding tax credits, etc. may have lapsed, pursuant to the provisions of this Scheme.

**14. COSTS, CHARGES AND EXPENSES FOR DEMERGER OF DEMERGED UNDERTAKING**

Except in the circumstances mentioned in Clause 33 below and withdrawal of Scheme as mentioned in Clause 34 below, all costs, charges, taxes including duties (including the stamp duty and/ or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Resulting Company. All the aforesaid expenses shall be referred to as 'Expenses of Demerger of Demerged Undertaking'.

However, the Board of Directors of the Resulting Company is empowered to take the decision in relation to allocation of the costs, charges and expenses for the demerger of Demerged Undertaking between the relevant companies.

**15. SAVING OF CONCLUDED TRANSACTIONS**

Transfer and vesting of the assets, liabilities, rights and obligations of the Demerged Undertaking of the Demerged Company and continuance of the proceedings by or against the Demerged Company (in relation to Demerged Undertaking) shall not, in any manner, affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that the Resulting Company accepts all such acts, deeds and things done and executed by and/ or on behalf of the Demerged Company (in relation to Demerged Undertaking) as acts, deeds and things done and executed by and on behalf of the Resulting Company.



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**PART 3 – Amalgamation of ILFL with GFCL**

**16. COMPLIANCE WITH TAX LAWS**

- 16.1. The proposed amalgamation of ILFL with GFCL has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including Section 2(1B) of the Income-tax Act, 1961 and all other relevant Sections (including Section 47 and Section 72A) of the Income-tax Act, 1961.
- 16.2. If any terms or provisions of this Part 3 are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. This Part 3 shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Part 3 and the power to make any such amendments shall vest with the Board of Directors of ILFL and GFCL.

**17. AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY**

- 17.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, and post part 2 of the Scheme, the Transferor Company shall, pursuant to the provisions contained in Section 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be amalgamated to and vested in or be deemed to have been amalgamated to and vested in the Transferee Company, in accordance with Section 2(1B) of the Income-tax Act, 1961, so as to become on and from the Appointed Date, the assets and liabilities of the Transferee Company and to vest in the Transferee Company all the rights, titles, interests or obligations of the Transferor Company therein.
- 17.2. All assets acquired by the Transferor Company prior to the Appointed Date shall also stand transferred to and vested in the Transferee Company upon the Scheme coming into effect. Where any of the assets of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been sold or transferred by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 17.3. In respect of the assets of the Transferor Company (mentioned in Clause 17.1 and 17.2 above) as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by the Transferor Company and shall become the property of the Transferee Company as an integral part of the Transferee Company. The aforesaid transfer shall be deemed to take effect from the Appointed Date without requiring any deed or instrument of conveyance for the same. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Company and the Transferee Company.
- 17.4. In respect of movables of the Transferor Company other than those specified in Clause 17.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this sub-clause, and such transfer shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed by the Transferor Company and the Transferee Company.



- 17.5. In respect of the assets of the Transferor Company other than those referred to in Clause 17.3 and 17.4 above, the same shall without any further act, instrument or deed be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company pursuant to the Act and other applicable provisions of law. The mutation of the title to the immovable properties, if any, in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and it becoming effective in accordance with the terms hereof.
- 17.6. Subject to the other provisions of this Scheme, any ongoing lease, all licenses, permissions, approvals, consents, registrations and no-objection certificates obtained by the Transferor Company in terms of the various statutes and/ or schemes of Union and State Governments, shall be available to and vest in the Transferee Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company.
- 17.7. All loans raised and used and all liabilities and obligations incurred by the Transferor Company as on the Appointed Date and all duties, losses and obligations of the Transferor Company, whether or not recorded in its books of accounts shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become its liabilities and obligations on the same terms and conditions as were applicable to the respective Transferor Company.
- 17.8. Loans or other obligations, if any, due between and amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf.
- 17.9. Upon coming into effect of this Scheme, it is hereby clarified that any reference in any security documents or arrangements (to which the Transferor Company is a party) to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company pursuant to the Scheme and the Transferee Company shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

- 17.10. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferee Company and the Transferor Company shall execute instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions, if required.



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18. ISSUE OF SHARES

18.1. Upon this Scheme coming into effect and post coming into effect of Part 2 of the Scheme (including share issuance in respect of Part 2 of the Scheme), in consideration of the amalgamation of Transferor Company into Transferee Company, in terms of this Scheme, the Transferee Company shall, without any further act or deed, issue and allot to the eligible members of the Transferor Company holding fully paid up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Specified Date 2 in the following ratio:

"5,77,91,906 equity shares (face value of INR 1/- per share) fully paid-up of GFCL to be issued and allotted as fully paid-up to the equity shareholders of ILFL in the proportion of their holding in ILFL."

18.2. The share entitlement specified in Clause 18.1 shall be suitably adjusted for changes in the capital structure of either the Transferor Company or the Transferee Company post the date of the Board Meeting of both the Parties approving the Scheme provided the changes relate to matters such as bonus issue, split of shares, consolidation of shares, buyback, capital reduction, conversion of loan or preference shares into equity shares and any other change in the paid-up share capital (whether equity or preference). All such adjustments to the share entitlement ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Transferor Company and the Transferee Company. Further, the share entitlement ratio shall be suitably adjusted for changes in the assets held by the Transferor Company, i.e., shares held by the Transferor Company in the Transferee Company, post the date of the Board Meeting of both the Parties approving the Scheme, and such adjustment shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Transferor Company and the Transferee Company.

18.3. The equity shares issued and allotted by the Transferee Company shall be subject to the Scheme and the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* in all respects with the existing equity shares of the Transferee Company.

18.4. The Shares held by the Transferor Company in Transferee Company shall stand cancelled pursuant to the Scheme by operation of law and the paid up share capital of Transferee Company shall stand reduced by that extent. However, this being consequential in nature, shall be treated as an integral part of the Scheme and not under a separate procedure, in terms of Section 66 of the Act. Order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 of the Act, confirming the reduction. The consent of the shareholders of Transferor Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under section 66 of the Act and no further compliances would be separately required.

18.5. The equity shares shall be issued in dematerialized form, to those shareholders who hold shares of the Transferor Company in dematerialized form, into the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferor Company and/ or its Registrar before the Specified Date. All those shareholders who hold shares of the Transferor Company in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/or its Registrar before the Specified Date. The shareholders who fail to provide such details shall be issued equity shares in physical form.



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- 18.6. The equity shares to be issued in respect of shares of the Transferor Company held in the IEPF, if any, shall be issued to the IEPF for the benefit of the equity shareholders of the Transferor Company and the equity shares of the Transferor Company lying in IEPF account shall stand cancelled.
- 18.7. The Transferor Company and/ or the Transferee Company shall make necessary filings/ compliances with the IEPF Authority in relation to claim of equity shares by equity shareholders, which are held in IEPF account for the benefit of shareholders.
- 18.8. The Equity shares to be issued by the Transferee Company pursuant to Clause 18.1 above in respect of such of the equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Transferee Company.
- 18.9. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered in appropriate cases, prior or even subsequent to the Specified Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Specified Date, in order to remove any difficulties arising to the transferor of the shares in the Transferee Company and in relation to the shares issued by the Transferee Company after the effectiveness of this Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in Transferee Company on account difficulties faced in the transition period.
- 18.10. If any eligible member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme, the Board of Directors of the Transferee Company shall consolidate all such fractional entitlement and shall, without any further application, act, instrument or deed, issue and allot such consolidated shares directly to an individual trustee in a separate account nominated by the Transferee Company ("**The Trustee**"), who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators, successors for the specific purpose of selling such shares in the open market at such price or prices within such timelines as allowed under SEBI Circular as the trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deducting the applicable taxes and cost incurred) thereof and any additions and accretions, whereupon the Transferee Company shall subject to the withholding tax, if any, distribute such sale proceeds to the concerned eligible members in proportion to their respective fractional entitlement. Further, if the number of convertible securities to be issued to any security holder in accordance with this Scheme is a fractional number, the same shall be rounded down to the previous lower whole number.
- 18.11. Pursuant to and upon this Scheme becoming effective, the Transferee Company shall take necessary steps to increase and alter its Authorized Share Capital suitably to enable the Transferee Company to issue and allot the equity shares in the Transferee Company to the shareholders of the Transferor Company in terms of this Scheme and as an integral part of this Scheme, the authorized share capital of the Transferee Company shall be increased in the manner set out in clause 20 below.
- 18.12. Equity shares of the Transferee Company issued in terms of clause 18.1 above shall pursuant to the SEBI Circular and in accordance with compliance of requisite formalities



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under applicable laws, be listed and/ or admitted to trading on Stock Exchanges where the existing equity shares of the Transferee Company are listed and/ or admitted to trading in accordance with the compliance with requisite formalities under applicable laws. The Transferee Company shall enter into such agreement/ arrangement and give confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the Stock Exchanges.

- 18.13. The equity shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/ trading permission is given by the designated Stock Exchange.
- 18.14. Approval of the Scheme by the shareholders of Transferee Company shall be deemed to be in due compliance of the provisions of section 42, 62 and other applicable provisions of the Act and Rules made thereunder, the SEBI LODR Regulations, SEBI ICDR Regulations and the Articles of Association of the Transferee Company, and no other consent shall be required under the Act or the Articles of Association of the Transferee Company for the issue and allotment of the equity shares by Transferee Company to the shareholders of Transferor Company as provided hereinabove.

## 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.



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- 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 27 below, shall be transferred to "Capital Reserve" in the books of Transferee Company in accordance with the accounting principles.
- 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.

**B. In the books of Transferor Company**

The Transferor Company shall stand dissolved without being wound up upon this Scheme becoming effective as mentioned in Clause 35 of this Scheme and all the assets and liabilities as well as reserves shall be transferred to the Transferee Company on a going concern basis.

**20. AMALGAMATION OF AUTHORIZED SHARE CAPITAL OF TRANSFEROR COMPANY**

- 20.1. Upon this Scheme becoming effective and with effect from the Appointed Date, the authorized share capital (post giving effect to Demerger given in Part 2) of the Transferor Company shall stand transferred to and be amalgamated with the Authorized Share Capital of the Transferee Company, without any liability for payment of any additional fees (including registrar of companies fees) or stamp duty. Consequently, clause V of the Memorandum of Association of the Transferee Company shall without any further act or deed shall stand altered, modified, and amended accordingly.
- 20.2. It is hereby clarified that the consent of the Shareholders of the Transferor Company and the Transferee Company to this Scheme shall be sufficient for the purposes of effecting this amendment in the Memorandum and Articles of Association of the Transferee Company and that no further resolution under Sections 13, 14, 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, be payable by the Transferee Company.

**GENERAL TERMS AND CONDITIONS APPLICABLE TO THE AMALGAMATION OF TRANSFEROR COMPANY**

**21. IMPACT OF THE SCHEME ON NON-CONVERTIBLE DEBENTURE HOLDERS OF THE TRANSFEREE COMPANY**

- 21.1. Pursuant to this Scheme, there will be no change in terms and conditions of Non-Convertible Debentures ("NCDs") of the Transferee Company. Details of listed NCDs of the Transferee Company are set out in **Schedule I** hereto.
- 21.2. Safeguards for the protection of holders of NCDs of the Transferee Company: Pursuant to the Scheme, the NCD holders of the Transferee Company as on the Effective Date will continue to hold NCDs of the Transferee Company, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc. A certificate from statutory auditors of the Transferee Company



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certifying the payment/ repayment capability of the Transferee Company against the outstanding NCDs, is referred in **Schedule I** hereto.

- 21.3. Exit offer to NCDs holders of the Transferee Company: The NCDs of the Transferee Company, as on the Effective Date, will continue to be freely tradable and listed on the Stock Exchanges, thereby providing liquidity to holders of the NCDs of the Resulting Company.
- 21.4. In view of the provisions of this Clause 21 above, the Scheme will not have any adverse impact on the holders of NCDs.

**22. BUSINESS AND PROPERTY IN TRUST**

- 22.1. Upon the coming into effect of this Scheme, on and from the Appointed Date and up to and including the Effective Date, the Transferor Company shall be deemed to have been carrying on all the activities relating to the Transferor Company and stand possessed of all the related assets, for and on account of, and in trust for the Transferee Company.
- 22.2. Any profits accruing to the Transferor Company, or losses, charges, costs, expenses arising or incurred by it including the effect of taxes, if any, thereon, including but not limited to advance tax, tax deducted at source, tax collected at source, self-assessment tax, foreign tax credit, minimum alternate tax credit, business or capital losses, unabsorbed tax depreciation, etc. shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Transferee Company.
- 22.3. The Transferor Company undertake that they will from the date of approval of this Scheme by their Board of Directors and up to and including the Effective Date preserve its assets and investments and agree that they shall not, in any material respect, without the prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any assets and investments or part thereof except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of approval of this Scheme by the Board of Directors of the Transferor Company.

**23. LEGAL PROCEEDINGS**

- 23.1 Upon the coming into effect of this Scheme, all proceedings by or against the Transferor Company under any statute, whether or not pending on the Appointed Date, or which may be instituted any time in the future (relating to any period prior to the Appointed Date) and in each case relating to the Transferor Company shall be continued and enforced by or against the Transferee Company after the Effective Date and shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company or anything contained in this Scheme.
- 23.2 The shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively, the "Indemnified Persons") for losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Company.



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## 24. STAFF AND EMPLOYEES

On this Scheme coming into effect, all staff and employees (contractual or otherwise) of the Transferor Company, in service on such date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the day immediately preceding the Effective Date. Further, the existing Provident Fund, Gratuity Fund, Superannuation Fund etc of the employees of the Transferor Company in relation to the Transferor Company shall be transferred to the Transferee Company. It is clarified that the services of the employees of the Transferor Company shall be treated as having been continuous for the purpose of the said Fund or Funds.

## 25. TREATMENT OF TAXES

25.1. Any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, Service Tax, Sales Tax laws, Goods and Services Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this clause referred to as "Tax Laws") allocable or related to the business of Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax, MAT and withholding tax as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company. Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

25.2. All taxes (including income tax, sales tax, excise duty, customs duty, service tax, goods and services tax, VAT, GST etc) paid or payable by Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

Upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its income tax returns and other returns filed under the tax laws and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme.

25.3. Any tax incentives, benefits [including claims for unabsorbed tax losses and unabsorbed tax depreciation], advantages, privileges, exemptions, credits, tax holidays which would have been available to any of the Transferor Company shall be available to the Transferee Company.

25.4. All compliances w.r.t. taxes between the Appointed Date and the Effective Date, undertaken by Transferor Company shall upon effectiveness of this Scheme, be deemed to have been complied with, by the Transferee Company. Any Taxes deducted by the Transferee Company from payments made to the Transferor Company shall be deemed to be advance tax paid by the Transferee Company.



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**26. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the assets, liabilities, rights and obligations of the Transferor Company and continuance of the proceedings by or against the Transferor Company shall not in any manner affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date to the end and intent that the Transferee Company shall accept all such acts, deeds and things done and executed by and/ or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

**27. COSTS, CHARGES AND EXPENSES**

Except in the circumstances mentioned in Clause 33 below and the withdrawal of this Scheme as mentioned in Clause 34 below, all costs, charges, taxes including duties (including the stamp duty and/ or transfer charges, if any, applicable in relation to Part 2 of this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing Part 2 of this Scheme and matters incidental thereto shall be borne and paid by the Transferor Company. All the aforesaid expenses shall be referred as 'Expenses of Amalgamation'.

The Board of Directors of the Transferee Company is empowered to take the decision in relation to the allocation of costs, charges and expenses for amalgamation.

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**PART 4 – GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME**

**28. DIVIDEND**

The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.

It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Parties, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of respective Parties, and subject to approval, if required, of the shareholders of the respective Parties.

**29. CHANGE IN THE CAPITAL STRUCTURE**

From the date of acceptance of the present Scheme by the respective Board of Directors of the Parties, the Parties are expressly authorized to raise capital for the purpose of funding growth, repayment of any debt obligation or any other purpose, in any manner as considered suitable by their Board of Directors, whether by means of rights issue, preferential issue, public issue or any other manner whatsoever, subject to compliance of applicable laws and regulations.

**30. APPLICATIONS TO NCLT**

The Parties shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230 to 232 of the Act.

**31. CONDITIONALITY OF SCHEME**

The Scheme is conditional upon and subject to:

- 31.1. the Parties, as applicable, complying with the provisions of SEBI Circular, and SEBI laws and regulations;
- 31.2. obtaining no-objection/ approval from the Reserve Bank of India in relation to the Scheme and all matters related hereto as required under the applicable law
- 31.3. obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 and 59A of the SEBI LODR Regulations;
- 31.4. approval of the Scheme by the requisite majority in number and value of each class of shareholders and creditors of the Parties and such other classes of persons of the said Parties, if any, as applicable or as may be required under the Act and as may be directed by the NCLT, provided that the votes cast by their respective public shareholders in favour of the Scheme are more than the number of votes cast by their respective public shareholders against it, through e-voting in terms of Para (A)(10)(b) of Part I of the SEBI Master Circular;
- 31.5. the Scheme being approved by the NCLT;
- 31.6. such other sanctions and approvals including sanctions of any statutory or regulatory authority, as may be required in respect of the Scheme, being obtained;
- 31.7. filing by Parties of the certified copies of the order of the NCLT sanctioning the Scheme with the respective jurisdictional Registrar of Companies.



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**32. SEQUENCING OF ACTIONS**

The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT or any other Governmental Authority shall take effect in the following sequence as on the Appointed Date:

- A) Part 2 of this Scheme (Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company) and
- B) Part 3 of this Scheme (Amalgamation of Transferor Company into the Transferee Company).

**33. EFFECT OF NON-APPROVALS**

33.1. In the event any of the said approvals or sanctions referred to in Clause 31 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Parties shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each Party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

33.2. The Board of Directors of the Parties shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the respective Party.

**34. MODIFICATION OR AMENDMENT**

The Board of Directors of Parties reserve the right to withdraw the Scheme at any time before the 'Effective Date' and may assent to any modification(s) or amendment(s) in this Scheme which the NCLT, RBI, SEBI and/ or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme. The Board of Directors of the Parties are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerning or connected therewith. It is hereby clarified that in the event of withdrawal of the Scheme, each Party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

**35. DISSOLUTION WITHOUT WINDING UP**

On the Scheme becoming effective, the Transferor Company shall be dissolved without going through the process of winding up and no person shall make assert or take any claims, demands or proceeding against a director or officer thereof in his capacity as such director or officer except in so far be necessary for enforcing the provisions of this order.

**36. CLASSIFICATION AND RECLASSIFICATION OF PERSONS AS 'PROMOTER' AND 'PROMOTER GROUP' IN THE TRANSFEEE COMPANY**

36.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the persons, as set out in Schedule II hereto, which currently are 'Promoter Group' in the Transferee Company shall be reclassified from 'Promoter Group'



category to 'Promoter' category in the Transferee Company in terms of the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws. As the 'Promoter Group' (as set out in Schedule II hereto) shall be reclassified from 'Promoter Group' category to 'Promoter' category in the Transferee Company as an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all approval requirements, applications and filings, as required under the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws, for seeking the aforesaid reclassification.

- 36.2. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the person, as set out in Schedule III hereto, shall be classified as 'Promoter' category in the Transferee Company in terms of the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws. As a new person shall be classified as 'Promoter' in the Transferee Company as an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all approval requirements, applications and filings, as required under the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws, for seeking the aforesaid classification.
- 36.3. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the person, as set out in Schedule IV hereto, shall be classified as 'Promoter Group' category in the Transferee Company in terms of the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws. As a new person shall be classified as 'Promoter Group' in the Transferee Company as an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all approval requirements, applications and filings, as required under the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws, for seeking the aforesaid classification.
- 36.4. On approval of the Scheme by the Board and the members of the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the SEBI LODR Regulations, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such classification and reclassification under the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws, for effecting the aforesaid classification of new persons as 'Promoter' and 'Promoter Group' in the Transferee Company, and reclassification of the 'Promoter Group' from 'Promoter Group' category to 'Promoter' category, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under the applicable provisions of the SEBI ICDR Regulations, SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other Applicable Laws. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents/ intimations and make payment of any necessary fees as per the provisions of the SEBI ICDR Regulations, SEBI LODR Regulations or any other applicable regulations notified under the SEBI Act and other Applicable Laws.



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**SCHEDULE I**  
**Details of listed NCDs of the Transferee Company as on the date of the Board of the Transferee Company approving the Scheme:**

ISIN	INE09N307018
Listed / Unlisted	Listed on BSE Limited
No of NCDs	5,000 senior, secured, listed, rated, taxable, redeemable, non-convertible debenture
Original Face value per NCD	Rs. 1,00,000/-
Bid Opening Date	20 <sup>th</sup> March, 2023
Bid Closing Date	20 <sup>th</sup> March, 2023
Date of Allotment	21 <sup>st</sup> March, 2023
Redemption Price per NCD	Rs. 1,00,000/- (Rupees One Lakhs only) per Debenture plus Coupon, Default Coupon and all other amounts payable under the Debentures.
Last date of Redemption	20 <sup>th</sup> March 2026
Terms of Redemption	3 (three) years from the Deemed Date of Allotment
Redemption Premium/ Discount	N.A
Redemption Amount	At face value i.e., INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Coupon Rate	8.52% p.a.
Coupon Frequency	Annually
Credit Rating	AA/Positive vide rating letter dated 14 February 2023 (along with the revalidation letter dated 6 March 2023) from CRISIL Ratings Limited
Call option	N.A
Latest audit financials along with notes to accounts and any audit qualifications	<a href="https://www.gfl.co.in/Investor_Relations.php">https://www.gfl.co.in/Investor_Relations.php</a>
Auditor's certificate certifying the NCDs payment/ repayment capability of the Transferee Company	<a href="https://www.gfl.co.in/Investor_Relations.php">https://www.gfl.co.in/Investor_Relations.php</a>
Fairness opinion on swap ratio	N.A., As the NCDs are non-convertible
Put options	N.A
Early redemption scenario details	Occurrence of one or more of following events shall be considered as an "Early Redemption Event": (a) the rating of the Issuer/ Debentures is downgraded to A+ or below; or (b) rating is outstanding with "Issuer not co-operating" or such analogous usage in the relevant rating letters/rationale/press release. If one of the Early Redemption Event occurs, each Debenture Holder would have a right to call for an



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	accelerated redemption. On receipt of such notice, the Issuer would need to redeem the Debentures within 30 (thirty) days from date of notice exercising the said right. For the purpose of this clause, lowest outstanding rating of the Issuer from any rating agency would be considered.
<b>Put options date</b>	N.A
<b>Put options price</b>	N.A
<b>Call options price</b>	N.A
<b>Call options date</b>	N.A
<b>Put options notification time</b>	N.A
<b>Call notification time</b>	N.A

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**SCHEDULE II**  
**PERSONS RECLASSIFIED FROM 'PROMOTER GROUP' TO 'PROMOTERS' IN THE**  
**TRANSFeree COMPANY:**

S.no	List of persons
1	Shri Devendra Kumar Jain
2	Shri Vivek Kumar Jain
3	Shri Devansh Jain
4	Smt. Nandita Jain

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**SCHEDULE III**  
**PERSONS CLASSIFIED AS 'PROMOTERS' IN THE TRANSFEREE COMPANY:**

S.no	List of persons
1	Smt. Avarna Jain

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**SCHEDULE IV**  
**PERSONS CLASSIFIED AS 'PROMOTER GROUP' IN THE TRANSFEREE COMPANY**

S.no	List of persons
1	Smt. Devika Ambuj Chaturvedi

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