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Annexure 5



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Strictly Private & Confidential

SEBI Registration No.: INM000013165

To,
The Board of Directors,
Inox Leasing and Finance
Limited

612-618, Narain Manzil,
6th Floor, 23, Barakhamba Road
New Delhi – 110001

To,
The Board of Directors,
Gujarat Fluorochemicals Limited

Survey No. 16/3, 26 & 27
Taluka Ghoghamba
Panch Mahals, Village
Ranjitnagar
Gujarat – 389380

Sub: Fairness Opinion on the Fair Share Exchange Ratio for the proposed Composite Scheme of Arrangement amongst Inox Leasing and Finance Limited (“ILFL”), Inox Holdings and Investments Limited (“IHIL”) and Gujarat Fluorochemicals Limited (“GFCL”) and their respective shareholders

Dear Members of the Board:

With reference to our engagement letter wherein Inox Leasing and Finance Limited and Gujarat Fluorochemicals Limited has requested Marwadi Chandarana Intermediaries Brokers Private Limited (‘MCIBPL’) to provide fairness opinion (“**Opinion**”) from a financial point of view on the Fair Share Exchange Ratio in relation to proposed demerger of the Demerged Undertaking (comprising of the Wind Business) (*as set out in the scheme*) of ILFL into IHIL (“**Demerger**”) and amalgamation of ILFL post demerger (comprising of the investment in equity shares of GFCL (*as set out in the scheme*)) with GFCL (“**Amalgamation**”) and together with the Demerger, the “**Transaction**”), described in the Scheme (*as defined below*).

Engagement Background, Purpose and Use of this Report

We understand that the managements of ILFL, IHIL and GFCL (are hereinafter together referred to as the “Companies”) are proposing composite scheme of arrangement to be entered amongst ILFL, IHIL, GFCL and their respective shareholders (“**Scheme**”), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 providing the following (“**Proposed Transaction**”):

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Corporate Office : Chandarana House, Near Kathiyawad Gymkhana, Opp. RKC School,
Dr. Radhakrishnan Road, Rajkot – 360001, Gujarat India

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- demerger of the Demerged Undertaking of ILFL into IHIL and in consideration, the consequent issuance of equity shares by IHIL to all the shareholders of ILFL; and
- amalgamation of ILFL post Demerger (comprising of the investment in equity shares of GFCL) with GFCL and in consideration, the consequent issuance of equity shares by GFCL to all the shareholders of ILFL.

Finvox Analytics, Registered Valuer, Securities or Financial Assets having Registration No. IBBI/RV-E/06/2020/120 (“Registered Valuer” or the “Valuer”) is appointed by the Companies to prepare a report (“Valuation Report” / “Fair Share Exchange Report”) and recommend the Fair Share Exchange Ratio. As per the Valuation Report dated October 29, 2024, the Valuer has recommended the Fair Share Exchange Ratio as follows:

<i>To the equity shareholders of ILFL with respect to demerger of the Demerged Undertaking of ILFL into IHIL.</i>	<i>1 equity share of IHIL of INR 10/- each fully paid-up for every 1 equity share of ILFL of INR 10/- each fully paid-up.</i>
<i>To the equity shareholders of ILFL with respect to amalgamation with GFCL.</i>	<i>5,77,91,906 equity shares of GFCL having a face value of INR 1/- each fully paid-up to be issued and allotted as fully paid-up to the equity shareholders of ILFL in the proportion of their holding in ILFL.</i>

In connection with the aforesaid, you requested our Fairness Opinion (the "Opinion") as of the date hereof, as to the fairness of the Fair Share Exchange Ratio to the Equity Shareholders of the Companies. The scope of this Opinion includes commenting on the fairness of the Fair Share Exchange Ratio recommended by the Valuer and not on the fairness or the economic rationale of the Scheme per se or the historical financial statements relied upon for the same by the Valuer.

This Opinion is addressed to the Independent Committee/ Audit Committee/ Board of Directors of the Companies. Further, this Opinion is subject to the scope, limitations, assumptions, exclusions and disclaimers detailed herein. This Opinion has been issued as per the requirements of Securities & Exchange Board of India (“SEBI”) 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 (referred to as “SEBI Circulars”) read with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time. As such the Opinion is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This Opinion has been issued only for the purpose of facilitating the Scheme in terms of the abovementioned SEBI Circulars and should not be used for any other purpose.

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Company Background

Inox Leasing and Finance Limited

ILFL is a public limited company, incorporated under the provisions of the Companies Act, 1956, under CIN U65910DL1995PLC397847 and having its registered office at 612-618, Narain Manzil, 6th Floor, 23, Barakhamba Road, New Delhi, Delhi, - 110001.

ILFL is registered with the RBI as a non-deposit taking NBFC since January 4, 2001, with registration number 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 number provided in the NBFC license is B-14.0392

ILFL is engaged in the business of generation and sale of wind energy directly, and strategically through its investments in group companies viz; Inox Wind Limited, Inox Wind Energy Limited, and Inox Holdings and Investments Limited along with holding certain investments in shares and securities (the "Wind Business"). Additionally, ILFL is the holding company of GFCL.

Inox Holdings and Investments Limited

IHIL is in the process of incorporation and is proposed to be incorporated as a wholly owned subsidiary of ILFL. The registered office of IHIL is proposed to be situated at Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Basal, Una, Himachal Pradesh, India – 174303.

IHIL does not have any business operations and is proposed to be incorporated to demerge the Wind Business of ILFL as a part of the proposed composite Scheme of Arrangement.

Gujarat Fluorochemicals Limited

GFCL is a Public Limited Company incorporated under the provisions of the Companies Act, 2013, under CIN L24304GJ2018PLC105479 and having its registered office at Survey No. 16/3, 26 & 27, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat - 389380. The equity shares of GFCL are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The non-convertible debentures of the GFCL are listed on the debt segment of BSE.

GFCL is primarily engaged in manufacturing and trading of bulk chemicals, fluorochemicals, fluoropolymers and allied activities.

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Brief Background of the Proposed Scheme

The Proposed Composite Scheme of Arrangement proposed the following:

- a) Demerger of Demerged Undertaking (i.e. 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) of ILFL into IHIL and upon the effective date of the Scheme, pursuant to the demerger of demerged undertaking of ILFL into IHIL as contemplated in the Scheme, IHIL will issue 1 fully paid up equity share of INR 10/- each for every 1 fully paid up equity share of INR 10/- each held in ILFL. Further the Scheme provided for cancellation of equity share capital held by ILFL in IHIL; and
- b) Amalgamation of residual ILFL with GFCL. Upon the effective date of the Scheme, pursuant to the amalgamation of ILFL with GFCL as contemplated in the Scheme, 5,77,91,906 equity shares of GFCL of the face value of INR 1 each fully paid-up to be issued and allotted as fully paid-up to the equity shareholders of ILFL in the proportion of their holding in ILFL. Further, the Scheme provides for cancellation of the equity share capital held by the IIFL in GFCL.

Source of Information

In arriving at the Opinion set forth below, we have relied upon the accuracy and completeness of all information and documents provided to us by the Companies and/or their other advisors, including:

1. Valuation Report dated October 29, 2024 issued by the Valuer (a draft was shared with us before issuance of the final Valuation Report);
2. Draft Composite Scheme of Arrangement of ILFL, IHIL and GFCL and their respective shareholders ("Scheme");
3. The shareholding pattern of ILFL and GFCL as on valuation date;
4. Audited financial statements of ILFL and GFCL for financial year ended 31 March 2024;
5. Limited Review income statements of GFCL for the period ended 30 June 2024;
6. Unaudited financial statements of ILFL for the period ended 30 September 2024;
7. Necessary explanations, information and representations provided by the management of the Companies and/or its advisors.

Distribution of this Fairness Opinion

The Fairness Opinion is addressed to the Board of Directors of the Companies (in its capacity as such) solely for the purpose of providing them with an independent opinion on the fairness of the Fair Share Exchange Ratio as determined by the Valuer and for the purpose of submission to the Stock Exchanges, National Company Law Tribunal along with

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the petition for the Draft Scheme and such other regulatory authorities under Listing Regulations, SEBI Circular and /or Companies Act, 2013. The Fairness Opinion shall not be disclosed or referred to publicly or to any third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Opinion nor its contents may be referred to quoted to/by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. The receipt of this Opinion by any person is not to be taken as constituting the giving of investment opinion by us to any such person, not to constitute such person our client.

In no circumstances however, will MCIBPL or its directors, officers, employees and controlling persons of MCIBPL accept any responsibility or liability including any pecuniary or financial liability to any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

Conclusion

Based on our examination of the Valuation Report, such other information / undertakings / representations provided to us by the Companies and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned herein Annexure-1 and to the best of our knowledge and belief, we are of the opinion that the Fair Share Exchange Ratio is fair and reasonable for the equity shareholders of ILFL, IHIL and GFCL from a financial point of view.

Yours truly,

For **Marwadi Chandarana Intermediaries Brokers Private Limited**



Radhika Maheshwari

Authorised Signatory

Radhika Maheshwari

Date: October 29, 2024

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ANNEXURE -1

Limitation of Scope and Review

Our Opinion and analysis are limited to the extent of review of documents as provided to us by the Companies including the Valuation Report and the Draft Scheme. The Companies has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final opinion.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all financial and other information and data that was publicly available or provided to or otherwise made available to us or discussed with us by the Companies, and upon the understanding that the management of the Companies and its advisors are not aware of any relevant information relating to the Companies that has been omitted or that remains undisclosed to us that would make the information or data examined by, provided to, reviewed by or discussed with us inaccurate or misleading in any respect or that would otherwise be relevant in arriving at our Opinion.

We express no opinion and accordingly accept no responsibility with respect to or for such information, or the assumptions on which it is based. We have not assumed any obligation to conduct, nor have conducted any physical inspection or title verification of the properties or facilities of the Companies and neither express any opinion with respect thereto nor accept any responsibility therefore. Our work does not constitute an audit, due diligence or certification of the historical financial statements including the working results of the Companies or its businesses referred to in this Opinion. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report. We assume no responsibility whatsoever for any errors in the information furnished by the Companies and/or their other advisors and their impact on the present exercise.

We have not made any independent valuation or appraisal of the assets or liabilities of the Companies, nor have we been furnished with any such appraisals. We have not conducted or prepared a model for any asset valuation or provided an analysis of due diligence or appraisal of the assets and liabilities of the Companies and have wholly relied on information provided by the Companies in that regard.

We have not received any internal management information statement or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion.

We are not experts in evaluation of litigation or other actual or threatened claims or any tax implication connected with the Draft Scheme and accordingly we have not evaluated any litigation or other actual or threatened claims. We have

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undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities to which the Companies is or may be a party or are or may be a subject, or of any government investigation of any possible unasserted claims or other contingent liabilities to which the Companies are or may be a party or are or may be a subject. No investigation as to the Companies claim to title of assets has been made for the purpose of this exercise and the Companies claim to such rights has been assumed to be valid. We have not evaluated the solvency or fair value of the Companies under either the laws of India or other laws relating to bankruptcy, insolvency or similar matters.

Our Opinion should not be construed as certifying the compliance with the provisions of any law including company or taxation laws or any legal, regulatory including all SEBI regulations, accounting or taxation implications or issues. We understand that the Companies would obtain such advice as deemed necessary from qualified professionals.

We express no opinion whatever and make no recommendation at all as to Companies underlying decision to affect the Draft Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Draft Scheme. We also express no opinion and accordingly accept no responsibility for or as to the price at which the equity shares of the Companies will trade following the announcement of the Draft Scheme or as to the financial performance of the Companies following the consummation of the Draft Scheme. In rendering our Opinion, we have assumed, that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated.

We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Companies, other than those disclosed in the information provided or considered in the Draft Scheme.

We understand that the management of the Companies and, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.

Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof. It should be understand that although subsequent

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developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorised to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

Our Opinion also does not address any matters other than expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We were not requested to, and we did not, participate in the negotiation of the terms of the Scheme, its feasibility or otherwise and we did not provide any advice or services in connection with the Scheme other than the delivery of this Opinion. We express no view or opinion as to any such matters. We also express no view as to, and our Opinion does not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officers, directors or employees to any parties of the Scheme, or any class of such persons, relative to the Fair Share Exchange Ratio. We express herein no view or opinion as to any terms or other aspects of the Scheme (other than the Fair Share Exchange Ratio to the extent expressly stated herein).

MCIBPL and/or our affiliates in the past may have provided, and may currently or in the future provide, investment banking, commercial banking and other financial services to the Companies and/or their affiliates unrelated to the Proposed Scheme. We may have received or in the future may receive compensation for the rendering of the aforementioned services. In the ordinary course of our businesses, we and our affiliates may invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in debt, equity or other securities or financial instruments (including derivatives or other obligations) of the Companies and/or their respective affiliates, holding companies and group companies.

MCIBPL will receive a fee in connection with the delivery of this Fairness Opinion. The fee is not contingent upon the nature of the opinion provided to the Companies. The fee for our service is not subject to the outcome of the Proposed Scheme. In addition, the Companies has agreed to reimburse certain of our expenses and to indemnify us against liabilities arising out of our engagement. This Fairness Opinion is subject to the laws of India.

In no circumstances shall the liability of MCIBPL, its directors or employees related to the service provided in connection with this opinion, exceed the amount paid to MCIBPL as fees for this Fairness Opinion.

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