

GFCL: BRD: 2024

29<sup>th</sup> October, 2024

The Secretary  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001  
**Scrip Code: 542812**

The Secretary  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai 400 051  
**Symbol: FLUOROCHEM**

**Sub: Composite Scheme of Arrangement involving the Company**

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we would like to inform that the Board of Directors of the Company at its meeting held today i.e. 29<sup>th</sup> October, 2024, considered and approved, based on the recommendation of the Audit Committee and the Independent Directors, a Composite Scheme of Arrangement between Inox Leasing and Finance Limited ('ILFL' or '**Demerged/Transferor Company**'), Inox Holdings and Investments Limited, proposed to be incorporated ('IHIL' or '**Resulting Company**'), Gujarat Fluorochemicals Limited ('GFCL' or '**Transferee Company**' or '**Company**') and their respective Shareholders (the '**Scheme**'), which provides for demerger of Wind business of the Demerged Company into the Resulting Company and subsequently, amalgamation of the Transferor Company (post demerger) into the Company.

The Scheme is, *inter-alia*, subject to receipt of necessary approvals from the Shareholders and Creditors of the companies involved and the approval of statutory and regulatory authorities, including approvals from the Stock Exchanges and Jurisdictional National Company Law Tribunal ("NCLT").

Please find enclosed **Annexure 1** containing details as per Regulation 30 of the Listing Regulations read with Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July, 2023.

The Meeting of the Board of Directors of the Company commenced at 12:30 p.m. and concluded at 02:00 p.m.

We request you to take the above on your record.

Thanking you,

Yours faithfully,  
**For Gujarat Fluorochemicals Limited**

**Bhavin Desai**  
**Company Secretary**  
**FCS: 7952**

**Encl.: As above**

**Annexure 1**

**Brief details of merger**

S. No.	Particulars	Details																
1	Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as, size, turnover etc.	<ul style="list-style-type: none"> <li><b>Gujarat Fluorochemicals Limited</b> (Transferee Company) As on March 31, 2024 <table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs. in Crores</th> </tr> </thead> <tbody> <tr> <td>Paid up share capital</td> <td>10.98</td> </tr> <tr> <td>Net worth</td> <td>5,922.70</td> </tr> <tr> <td>Turnover</td> <td>4,022.15</td> </tr> </tbody> </table> </li> <li><b>Inox Leasing and Finance Limited</b> (Transferor Company) As on March 31, 2024 <table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs. in Crores</th> </tr> </thead> <tbody> <tr> <td>Paid up share capital</td> <td>9.90</td> </tr> <tr> <td>Net worth</td> <td>1,016.38</td> </tr> <tr> <td>Turnover</td> <td>4.44</td> </tr> </tbody> </table> </li> </ul>	Particulars	Rs. in Crores	Paid up share capital	10.98	Net worth	5,922.70	Turnover	4,022.15	Particulars	Rs. in Crores	Paid up share capital	9.90	Net worth	1,016.38	Turnover	4.44
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2	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	<p>The proposed Scheme does not fall within the purview of the related party transactions under Section 188 of the Companies Act, 2013 in view of the clarification provided by the Ministry of Corporate Affairs vide General Circular No. 30/2014 dated July 17, 2014, since the same is subject to the sanction of the National Company Law Tribunal.</p> <p>However, there are common promoters in GFCL and ILFL. ILFL also holds 52.61% shares of GFCL (which shall be cancelled pursuant to the Scheme). Further, pursuant to the Scheme, equity shares of GFCL are proposed to be issued and allotted to the Shareholders of ILFL. In light of the same, the transaction under the proposed Scheme may be deemed to be a related party transaction under the applicable provisions of Listing Regulations.</p> <p>The consideration as set forth in the Scheme will be discharged on "arm's length basis". The share exchange ratio for the shares to be allotted to the shareholders of ILFL is based on Valuation Report provided by M/s Finvox Analytics, Registered Valuers.</p> <p>Marwadi Chandarana Intermediaries Brokers Private Limited, SEBI registered Category-I Merchant Banker, has also provided a fairness opinion on the share exchange ratio.</p> <p>The aforementioned Valuation Report and Fairness Opinion have duly been considered by the Audit Committee, the Committee of Independent Directors and the Board of the Company.</p>																
3	Area of business of the entities	<b>Gujarat Fluorochemicals Limited</b>																

		<p>GFCL is engaged in the business of manufacturing and trading of Refrigerants, Fluorochemicals, Fluoropolymers and allied activities and other bulk chemicals.</p> <p><b>Inox Leasing and Finance Limited</b></p> <p>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.</p>																								
4	Rationale for amalgamation/merger;	<p>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.</p> <p>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 involving the amalgamation will be borne by the Transferee Company.</p>																								
5	In case of cash consideration – amount or otherwise share exchange ratio;	<p>In consideration of the amalgamation of ILFL into GFCL (post demerger), in terms of this Scheme, GFCL shall, without any further act or deed, issue and allot to every member holding equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Specified Date in the following ratio:</p> <p><i>“5,77,91,906 equity shares of GFCL having a face value of Re. 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></p>																								
6	Brief details of change in shareholding pattern (if any) of the listed entities.	<p><b>Change in the shareholding of GFCL</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Pre-Scheme</th> <th colspan="2">Post Scheme</th> </tr> <tr> <th>No. of shares</th> <th>% of shareholding</th> <th>No. of shares</th> <th>% of shareholding</th> </tr> </thead> <tbody> <tr> <td><b>Promoter &amp; Promoter Group</b></td> <td>6,87,40,906</td> <td>62.58</td> <td>6,71,74,958</td> <td>61.15</td> </tr> <tr> <td><b>Public</b></td> <td>4,11,09,094</td> <td>37.42</td> <td>4,39,61,970</td> <td>38.85</td> </tr> <tr> <td><b>Total</b></td> <td><b>10,98,50,000</b></td> <td><b>100.00</b></td> <td><b>10,98,50,000</b></td> <td><b>100.00</b></td> </tr> </tbody> </table>	Category	Pre-Scheme		Post Scheme		No. of shares	% of shareholding	No. of shares	% of shareholding	<b>Promoter &amp; Promoter Group</b>	6,87,40,906	62.58	6,71,74,958	61.15	<b>Public</b>	4,11,09,094	37.42	4,39,61,970	38.85	<b>Total</b>	<b>10,98,50,000</b>	<b>100.00</b>	<b>10,98,50,000</b>	<b>100.00</b>
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