



CIN : L31901HP2009PLC031083

INOX Wind Limited

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INOX WIND LIMITED AT ITS MEETING HELD ON 12th JUNE, 2023, ON THE SCHEME OF ARRANGEMENT BETWEEN INOX WIND ENERGY LIMITED AND INOX WIND LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

1. Background:

- 1.1 The Board of Directors of Inox Wind Limited ("IWL" or "Transferee Company" or "Company") at its meeting held on 12th June, 2023, have approved the Scheme of Arrangement between Inox Wind Energy Limited ("IWEL" or "Transferor Company") and the Company and their respective shareholders (the "Scheme"), to be implemented under Sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder ("Act") and other applicable provisions, if any, of the Act.
- 1.2 The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The Non-Convertible Debentures ("NCD") of the Company are listed on the debt segment of the BSE Limited.
- 1.3 Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ("KMPs"), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share exchange ratio and specifying any special valuation difficulties and such report is then required to be circulated as part of the notice of the meeting(s) of the shareholders to be held for the purpose of approving the scheme.
- 1.4 Pursuant to paragraph 2(d) of Part I(A) of the SEBI Circular No. SEBI/HO/DDHS/-RACPOD1/P/CIR/2022/156 dated November 17, 2022 ("SEBI Circular on NCDs"), the Board of the Company is required to recommend the draft scheme, taking into consideration, inter-alia, the share swap ratio report and ensuring that the scheme is not detrimental to the holders of NCDs.
- 1.5 This report of the Board is accordingly being made in pursuant to the requirements of section 232(2)(c) of the Act and paragraph 2(d) of Part I(A) of the SEBI Circular on NCDs.
- 1.6 Under the scheme, it is proposed to amalgamate the Transferor Company with the Company.
- 1.7 Documents placed before the Board:**

The following documents, inter-alia, were placed before the Board, duly initialed by the Company Secretary of the Company for the purpose of identification:

- a. Draft Scheme;
- b. Share swap ratio report dated 12th June, 2023 issued by Finvox Analytics (Registration No. IBBI/RV-E/06/2020/120), Registered Valuer ("Share Swap Ratio Report"), describing the methodology adopted by them in arriving at the recommended share swap ratio;
- c. Fairness Opinion dated 12th June, 2023 issued by Fedex Securities Private Limited (Registration No. INM000010163), an Independent SEBI registered Category I Merchant Banker ("Fairness

Certified True Copy

INOX WIND LIMITED

An INOXGFL Group Company



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Opinion"), providing its opinion on the fairness of share swap ratio as recommended in the Share Swap Ratio Report;

- d. Certificate dated 12th June, 2023 issued by M/s Dewan P.N. Chopra & Co., Chartered Accountants (FRN: 000472N), Statutory Auditors of the Company, confirming that the accounting treatment stated in the Scheme is in compliance with the accounting standards prescribed under section 133 of the Act and generally accepted accounting principles;
- e. Certificate dated 12th June, 2023 issued by M/s Dewan P.N. Chopra & Co., Chartered Accountants (FRN: 000472N), Statutory Auditors of the Company, certifying the payment/ repayment capability of the Company against its outstanding listed NCD, a copy of which was tabled at the meeting, presented by the Chairman, be and is hereby noted and accepted;
- f. Report dated 12th June, 2023 of the Audit Committee of the Company; and
- g. Report dated 12th June, 2023 of the Committee of Independent Directors of the Company

2. **Share Swap Ratio Report**

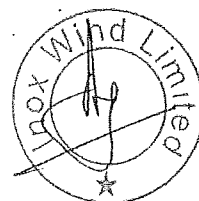
Basis the Share Swap Ratio Report issued by Finvox Analytics (Registration No. IBBI/RV-E/06/2020/120), Registered Valuer, the Company shall issue 158 equity shares (face value of INR 10/- per share) of the Company for every 10 equity shares (face value of INR 10/- per share) of the Transferor Company, held by the shareholders of the Transferor Company on the Specified Date (as defined in the Scheme).

Further, the Company shall issue 158 share warrants of the Company, for every 10 share warrants of the Transferor Company, held by the warrant holders of the Transferor Company on the Specified Date (as defined in the Scheme).

3. **Effect of the Scheme on Stakeholders**

3.1 **Effect on each class of shareholders (promoter and non-promoter shareholders):**

- a. Upon this Scheme coming into effect, 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 shareholder and warrant holder of the Transferor Company holding equity shares and share warrants in the Transferor Company and whose names appear in the Register of Members of the Transferor Company (where applicable) on the Specified Date (as defined in the Scheme), in the following ratio:
 - 158 equity shares (face value of INR 10/- per share) of the Company to be issued for every 10 equity shares (face value of INR 10/- per share) of the Transferor Company
 - 158 share warrants of the Company to be issued for every 10 share warrants of the Transferor Company.



- b. The equity shares and share warrants issued and allotted by the Company shall be subject to the provisions of the memorandum of association and articles of association of the Company, as the case may be, and shall rank *pari passu* in all respects with the existing equity shares and share warrants of the Company, as the case may be, including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto and the equity shares issued as consideration pursuant to the Scheme will be listed on the Stock Exchanges, subject to receipt of regulatory approvals.
- c. The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme and is expected to be in the best interest of the shareholders of the Company.
- d. Upon the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up, and the shareholders and warrant holders of the Transferor Company shall become shareholders and warrant holders of the Company, respectively.
- e. Further, the rights and interests of the shareholders of the Company will not be prejudicially affected by the Scheme, and there will be no change in the economic interest of the shareholders of the Company, before and after the Scheme.

3.2 Effect on the KMPs and Directors of the Company:

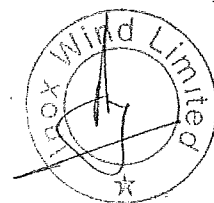
None of the KMPs of the Company have any interest in the Scheme except to the extent of the equity shares held by them and their directorship, if any, in the Company. The KMPs concerned of the Company shall continue to be KMPs of the Company.

4. Effect and impact on the holders of Non-convertible Debentures and safeguards for the protection of the debenture holders:

- 4.1 Pursuant to the Scheme, there will be no change in terms and conditions of the NCDs of the Company.
- 4.2 Pursuant to the Scheme, the NCD holders of the Company as on the Effective Date will continue to hold NCDs of the Company, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum and nature of security, ISIN, etc.
- 4.3 The NCDs of the Company, as on the Effective Date, will continue to be freely tradable and listed on the Stock Exchanges, thereby providing liquidity to the holders of the NCDs of the Company.
- 4.4 Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus, adequately safeguards the interests of the holders of NCDs.

5. Adoption of the Report by the Directors

- 5.1 The Report of the Audit Committee, the Committee of Independent Directors, Valuation Report and the Fairness Opinion have been taken on record by the Board, and the Board has come to the conclusion that:



- a) Share swap ratio specified in the Scheme is fair and reasonable to the shareholders of the Company; and
- b) the Scheme is fair and not detrimental to the NCD holders of the Company.
- 5.2 The Board or any duly authorized committee/ person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall have deemed to form part of the report.

By order of the Board
For **Inox Wind Limited**

Manoj Shambhu Dixit
Whole-time Director

DIN: 06709232
Date: 12th June, 2023

