



CIN : L24110GJ1987PLC009362



**GUJARAT
FLUOROCHEMICALS
LIMITED**

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in

Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.) INDIA

GFL: BRD: 2018

14th November, 2018

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001

Scrip code: 500173

The Secretary
**National Stock Exchange of India
Limited**

Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai 400 051

Scrip Code: GUJFLUORO

Sub: Approval of Scheme of Arrangement

Ref: Intimation under Regulation 30 of the Securities and Exchange of Board of India Listing Obligations and Disclosure Requirements Regulations, 2015 (Listing Regulations)

Dear Sir(s)/ Ma'am,

We would like submit this disclosure in terms of the requirements of Regulation 30 of the Listing Regulations to inform you that the Board of Directors ('Board') of the Company at their meeting held on 14th November, 2018 have approved a proposal to demerge the Chemical Business of the Company pursuant to a Scheme of Arrangement between Gujarat Fluorochemicals Limited and New Company (to be incorporated) and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme") and SEBI Listing Regulations, subject to requisite approvals.

The details as required under Regulation 30 read with para A of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 for the Scheme along with the Press Release for the same, are annexed herewith.

We request you to please take the above on record.

Thanking You

Yours faithfully,

For **Gujarat Fluorochemicals Limited**

Bhavin Desai
Company Secretary



CIN : L24110GJ1987PLC009362



**GUJARAT
FLUORO-CHEMICALS
LIMITED**

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in
Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.) INDIA

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Gujarat Fluorochemicals Limited makes the following disclosures as prescribed in Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015:

No.	Particulars	Description									
1.	Name of the entity (ies) forming part of the amalgamation /merger /demerger, details in brief such as, size, turnover etc.	<p>Gujarat Fluorochemicals Limited ('the Demerged Company' or 'GFL 1')</p> <p>New Company (to be incorporated) ('the Resulting Company' or 'GFL 2').</p> <p>The Scheme envisages:-</p> <p>Demerger of Chemical business ('the Demerged Undertaking') of Gujarat Fluorochemicals Limited ('the Demerged Company' or 'GFL1') into 'the Resulting Company' or 'GFL2'</p> <p>The details of the assets and turnover of GFL 1 and GFL 2 is as under:</p> <table border="1"> <thead> <tr> <th>Entity</th> <th>Total Assets as on 30th September 2018</th> <th>Total Revenue as on 30th September 2018</th> </tr> </thead> <tbody> <tr> <td>GFL 1</td> <td>5,27,051</td> <td>1,37,501</td> </tr> <tr> <td>GFL 2</td> <td>N.A.</td> <td>N.A.</td> </tr> </tbody> </table>	Entity	Total Assets as on 30th September 2018	Total Revenue as on 30th September 2018	GFL 1	5,27,051	1,37,501	GFL 2	N.A.	N.A.
Entity	Total Assets as on 30th September 2018	Total Revenue as on 30th September 2018									
GFL 1	5,27,051	1,37,501									
GFL 2	N.A.	N.A.									
2.	Area of business of the entity(ies)	<p>The Demerged Entity is currently engaged in the business of manufacturing Fluoropolymers, Refrigerants, Chemicals, etc.</p> <p>Further, through strategic Investments in its Subsidiaries, GFL₁ is also into the Wind Energy, Entertainment and other businesses.</p> <p>Under the proposed Scheme the entire chemical business undertaking, including all its assets and liabilities, will stand transferred to the Resulting Company as a going concern.</p> <p>The Resulting Company is also proposed to be incorporated with the objects of carrying on business of manufacturing of Fluoropolymers, Refrigerants, Chemicals, etc.</p>									
3.	Brief details of the division(s) demerged	The Scheme proposes to demerge the entire chemical business undertaking, including all its assets and liabilities in the Resulting Company.									

BCW



CIN : L24110GJ1987PLC009362



**GUJARAT
FLUOROCHEMICALS
LIMITED**

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in
Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.) INDIA

4.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/based on financial year.	Turnover of the Demerged Division	% to the Total Turnover of the Company.
		Rs 2,08,431 Lakhs (FY 2017-18)	100%
5.	Rationale for amalgamation/ merger/ demerger	<ul style="list-style-type: none"> Segregation of Businesses: GFL1 is engaged in the business of manufacturing chemicals, refrigerants, fluoropolymers, etc. Further, through investments in its subsidiaries, GFL1 is also engaged in Wind Energy, Wind Farming, Entertainment and other businesses. Each of the business activities being carried out by GFL1 are distinct and diverse in its business characteristics with different risk and return profiles & capital and operational requirements. The management of GFL1 believes that the scheme will provide better flexibility to investors to select investments which best suit their investment strategies and risk profile for each of the businesses of GFL1. Result in economies in business operations, provide optimal utilization of resources and greater administrative efficiencies. The management of GFL1 believes that there may be a segment of investors who may wish to invest only in the Chemical business. These investors are presently deprived of the opportunity of investing in only a chemical business. The proposed demerger of the Chemical business will unlock value for the existing shareholders and allow the management to have a focused growth strategy which would be in the best interest of all the stakeholders. 	
6.	Brief details of change in shareholding pattern (if any) of all the entities.	There will be no change in the Shareholding Pattern of GFL1. The Resulting Company will issue shares to the shareholders of the demerged Company i.e. GFL1 as per the share exchange ratio provided in Point (7) below.	
7.	In case of cash consideration – amount or otherwise share exchange ratio	<p>Consideration to be discharged as follows:</p> <p><i>“1 (One) fully paid - up Equity Share of face value of Re. 1 (One) of the Resulting Company shall be issued and allotted as fully paid - up for every 1</i></p>	

B5UW



**GUJARAT
FLUOROCHEMICALS
LIMITED**

CIN : L24110GJ1987PLC009362

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in
Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.) INDIA

		<i>(One) Equity Share of face value of Re. 1 (One) fully paid - up held in GFL 1."</i>
8.	Whether listing would be sought for the resulting entity?	The resulting Company shall be listed on BSE Limited and National Stock Exchange of India Limited pursuant to Scheme becoming effective and subject to the requisite approvals.

For Gujarat Fluorochemicals Limited

BSD

Bhavin Desai
Company Secretary



CIN : L24110GJ1987PLC009362



**GUJARAT
FLUOROCHEMICALS
LIMITED**

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in
Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P.) INDIA

Press Release

GFL to demerge its chemical business to unlock shareholder value

The Board of Directors ("Board") of Gujarat Fluorochemicals Limited ("the Demerged Company") has today approved, subject to approval of its shareholders and creditors, and other regulatory approvals as may be required, including those of the Stock Exchanges, SEBI and the National Company Law Board Tribunal ("the NCLT"), a scheme ("the Scheme") for the demerger of its chemical business into its wholly owned subsidiary company, under incorporation ("the Resulting Company").

The Demerged Company is currently engaged in four diverse businesses as follows:

- The chemical business, which includes the manufacturing and sale of chemicals, refrigerants, PTFE and other value added fluoropolymers and speciality chemicals;
- The wind turbine manufacturing business, which is conducted by Inox Wind Limited, a listed company;
- The film exhibition business, which is conducted by Inox Leisure Limited, a listed company; and
- The wind farming business, which is conducted by its 100% subsidiary i.e. Inox Renewables Limited.

Each of these businesses has different risk and return profiles as also different capital and operating requirements. While the wind turbine manufacturing business and the film exhibition business are separately listed, providing investors with an opportunity to directly invest in those businesses, the chemicals business is not separately listed and hence, investors who are desirous of investing in a pure chemical business currently do not have this opportunity.

Under the Scheme, with effect from the Appointed Date, i.e. 1 April, 2019 (or such other date as may be approved by the Board or the NCLT), the entire chemical business undertaking, including all its assets and liabilities, will stand transferred to the Resulting Company, as a going concern. In consideration, each of the shareholders of the Demerged Company shall be allotted one fully paid up equity share of Re. 1 each of the Resulting Company, for every share of Re. 1 each held in the Demerged Company. Further, the original share capital of the Resulting Company shall be cancelled. As a result, the Resulting Company's shareholding will be a mirror image of the Demerged Company.

On completion of implementation of the Scheme, the equity shares of the Demerged Company shall continue to be listed on BSE Limited and National Stock Exchange of India Limited, and in addition, the equity shares of the Resulting Company shall also be listed on both the above mentioned Stock Exchanges.



CIN : L24110GJ1987PLC009362



**GUJARAT
FLUOROCHEMICALS
LIMITED**

Tel.: +91-120-6149 600 E-mail: contact@gfl.co.in
Fax: +91-120-6149 610 Website: www.gfl.co.in

INOX Towers, 17, Sector 16-A, NOIDA-201301 (U.P) INDIA

Mr Deepak Asher, Director and Group Head, Corporate Finance for the Inox Group of Companies said " We believe that the Scheme will provide better flexibility to investors to select investments which best suit their investment strategies and risk profile for each of the businesses of the Demerged Company. The Scheme shall also result in economies in business operations, providing optimal utilization of resources and greater administrative efficiencies. In addition, the Scheme is also expected to unlock value for the existing shareholders and allow the management of the Demerged Company to have a more focused growth strategy for each businesses which would be in the best interest of all the stakeholders."