

RESCO GLOBAL WIND SERVICES LIMITED

(formerly known as Resco Global Wind Services Private Limited)

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RESCO GLOBAL WIND SERVICES LIMITED AT THE MEETING HELD ON 13th NOVEMBER, 2024, ON THE SCHEME OF ARRANGEMENT BETWEEN INOX GREEN ENERGY SERVICES LIMITED AND RESCO GLOBAL WIND SERVICES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

DIRECTORS PRESENT:

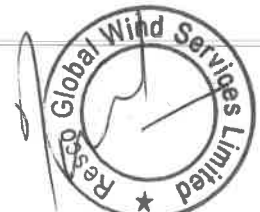
1. Shri Nitesh Kumar - Chairman and Whole-time Director
2. Shri Mukesh Manglik - Director
3. Shri Venkatesh Sonti - Director

1. Background:

- 1.1 The Board of Directors of Resco Global Wind Services Limited in their meeting held on 13th November, 2024 have approved the draft Scheme of Arrangement between Inox Green Energy Services Limited (“**Demerged Company**” or “**Inox Green**” or “**IGESL**”) and Resco Global Wind Services Limited (“**Resulting Company**” or “**Resco**” or “**Company**”) and their respective shareholders, which provides for demerger of Power Evacuation Business of IGESL and consolidation of the same in Resco, under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and subject to receipt of requisite approvals including that by the members, creditors, Stock Exchanges/ SEBI, jurisdictional NCLT and other statutory authorities (“**Scheme**”).
- 1.2 The Company was incorporated under the provisions of the Act. The Non-Convertible Debentures of the Company are listed on the debt segment of BSE Limited (“**BSE**”).
- 1.3 IGESL/Demerged Company was incorporated under the provisions of the Act. The equity shares of IGESL are listed on the BSE Limited and the National Stock Exchange of India Limited. IGESL is Subsidiary of Inox Wind Limited and is a fellow subsidiary of the Company.
- 1.4 Pursuant to Section 232(2)(c) of the Act and the Listing Regulations, the Board of the Company is required to adopt a report explaining the effect/impact of the scheme of 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 and creditors to be held for the purpose of approving the Scheme.
- 1.5 This report of the Board is accordingly being made in pursuant to the requirements of section 232(2)(c) of the Act.
- 1.6 Under the Scheme, it is proposed to demerge the Power Evacuation Business of the Demerged Company and consolidation of the same into the Company.
- 1.7 **Documents placed before the Board:**

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

An **INOXGFL** Group Company



- a. Draft Scheme;
- b. Valuation Report/Share Swap Ratio Report dated 13th November, 2024 issued by M/s Finvox Analytics (Registration No. IBBI/RV-E/06/2020/120), Registered Valuer ("Valuation Report/Share Swap Ratio Report"), describing the methodology adopted by them in arriving at the recommended share swap ratio;
- c. Fairness Opinion dated 13th November, 2024 issued by M/s Marwadi Chandarana Intermediaries Brokers Private Limited (Registration No. INM000013165), an Independent SEBI registered Category-I Merchant Banker ("Fairness Opinion"), providing its opinion on the fairness of share swap ratio as recommended in the Share Swap Ratio Report; and
- d. Certificates dated 13th November, 2024 issued by M/s Dewan P.N. Chopra & Co., Chartered Accountants (FRN: 000472N), the 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.

2. **Rationale for the Scheme:**

- a) **Segregation of different business verticals:** Inox Green is engaged in the business of providing operations and maintenance (O&M) services of wind turbine generators (WTGs) and Power Evacuation Business. Both sets of businesses carry significant potential for growth and profitability. The nature of risks, rewards, financial profile, competition and opportunities are separate and distinct for the O&M services business and the Power Evacuation Business. Further, the Power Evacuation Business is capable of attracting different set of investors, strategic partners, lenders and other stakeholders.
- b) **Consolidation of Power Evacuation Business:** Resco Global is, *inter-alia*, undertaking Power Evacuation Business. The proposed arrangement would enable consolidation of same line of business into Resco Global, which will result in unlocking value for the Power Evacuation Business. Such consolidation in a single entity will lend enhanced focus to the Power Evacuation Business.
- c) The Demerger aims to establish Inox Green as a pure-play O&M player, and as a result, is considering hiving off the 'Power Evacuation Business'.
- d) The effectiveness of the proposed Scheme will lead to two listed entities with one entity continuing with the O&M business and other entity carrying on the EPC and Power Evacuation business. This will enable both the entities pursue their respective strategies to deliver higher growth for all stakeholders with specific independent focus on the respective businesses.

3. **Share Swap Ratio Report**

Basis the Share Swap Ratio Report issued by M/s Finvox Analytics (Registration No. IBBI/RV-E/06/2020/120), Registered Valuer, the Resulting Company shall issue –

“122 equity shares (face value of Rs. 10/- per share) of the Resulting Company for every 1,000 equity shares (face value of Rs. 10/- per share) of the Company, held by the equity shareholders of the Company on the Specified Date (as defined in the Scheme).

“122 share warrants of the Resulting Company with an issue price of Rs. 205/- each to be issued for every 1,000 share warrants of the Demerged Company with an issue price of Rs. 145/- each”.



Further, the Demerged Company shall, issue and substitute its existing share warrants as follows:

“1,000 share warrants of the Demerged Company with an issue price of Rs. 120/- each to be issued and substituted for every 1,000 share warrants of the Demerged Company with an issue price of Rs. 145/- each”.

4. Effect of the Scheme on Stakeholders

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

- a. Upon this Scheme coming into effect, in consideration for demerger of the Demerged Undertaking by the Demerged Company to the Company, in terms of this Scheme, the Company shall, without any further act or deed, issue and allot to the equity shareholders and warrant holders of the Demerged Company holding equity shares and share warrants, respectively in the Demerged Company and whose names appear in the Register of Members of the Demerged Company (where applicable) on the Specified Date (as defined in the Scheme), in the following ratio:

“122 equity shares (face value of Rs. 10/- per share) of the Resulting Company to be issued for every 1,000 equity shares (face value of Rs.10/- per share) of the Demerged Company”

“122 share warrants of the Resulting Company with an issue price of Rs. 205/- each to be issued for every 1,000 share warrants of the Demerged Company with an issue price of Rs. 145/- each”.

- b. Consequently, upon the Scheme becoming effective, the Demerged Company shall, without any further act or deed, issue and substitute the existing share warrants issued by the Demerged Company with the new share warrants convertible into equity shares of the Demerged Company, to every warrant holder of the Demerged Company, which are outstanding as on the Specified Date in the following ratio:

“1,000 share warrants of the Demerged Company with an issue price of Rs. 120/- each to be issued and substituted for every 1,000 share warrants of the Demerged Company with an issue price of Rs. 145/- each”.

- c. 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, rights 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.

- d. 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 equity shareholders of the Company.

- e. Further, the rights and interests of the equity shareholders of the Company will not be prejudicially affected by the Scheme, and there will be no change in the economic interest of the equity shareholders of the Company, before and after the Scheme. The existing equity shareholders of the Company will continue to be the equity shareholders of the Company.

4.2 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 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.



5. **Effect and impact on the holders of Non-convertible Debentures (NCDs) and safeguards for the protection of the debenture holders**

- 5.1 Pursuant to the Scheme, there will be no change in the terms and conditions of the NCDs of the Company.
- 5.2 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.
- 5.3 The NCDs of the Company, as on the Effective Date, will continue to be freely tradable and listed on BSE Limited, thereby providing liquidity to the holders of the NCDs of the Company.
- 5.4 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.

6. **Adoption of the Report by the Directors**

- 6.1 The Share Swap Ratio Report and the Fairness Opinion have been taken on record by the Board, and the Board has come to the conclusion that the Share swap ratio specified in the Scheme is fair and reasonable to the equity shareholders of the Company.
- 6.2 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 **Resco Global Wind Services Limited**

Nitesh Kumar
Whole-time Director
DIN: 10132028
INOXGFL Towers, Plot No. 17,
Sector-16A, Noida 201301, Uttar Pradesh



Date: