Research and Development

Integrated Manufacturing Facility

Wide Product Portfolio

Global Presence

Delivering Value

GFL LIMITED (GUJARAT FLUOROCHEMICALS LIMITED)

ANNUAL REPORT 2018 - 19

Inside the Report

01 Corporate Overview

02 Statutory Reports

03 Financial Statements

Standalone

Consolidated

The completion of demerger of the chemical business marks a new chapter in GFL's corporate history. The single business vertical of chemical, will now truly reflect the 'value creation' philosophy and create value for stakeholders. 'Delivering value' summarises this year's message with the cover design reflecting the optimism and growth for the Company in the near future.

The pursuit of excellence, results and accolades is never complete without a strong underlying philosophy of **why we're doing what we're doing.**

For us, it has been to bring true value in the lives of our customers – be it in terms of usability, convenience, future growth or simply a bang for their buck! At GFL, we have persevered and worked on creating a foundation steeped in excellence, windows of futuristic opportunities and a culture that believes in sustained progress. Our commitment towards delivering value on a consistent basis remains as strong as ever, and we look forward to new transforming the industry space we operate in!

Corporate Information

Board of Directors:

Shri Devendra Kumar Jain
Chairman and Non-Independent Director

Shri Shailendra Swarup
Independent Director

Shri Pavan Jain
Non-Independent Director

Shri Vivek Jain
Managing Director and Non-Independent Director

Shri Dinesh Kumar Sachdeva
Whole-Time Director and Non-Independent Director

Shri Om Prakash Lohia
Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Shanti Prashad Jain
Independent Director

Shri Rajagopalan Doraiswami
Independent Director

Ms Vanita Bhargava
Independent Director

Shri Sanath Kumar Mupiralla
Whole-Time Director and Non-Independent Director

Shri Chandra Prakash Jain
Independent Director

Board Level Committees

Audit Committee

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Shailendra Swarup
Independent Director

Ms. Vanita Bhargava
Independent Director

Committee Of Directors For Operations

Shri Devendra Kumar Jain
Chairman and Non-Independent Director

Shri Vivek Jain
Managing Director and Non-Independent Director

Shri Deepak Asher
Non-Independent Director

Nomination And Remuneration Committee

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Om Prakash Lohia
Independent Director

Stakeholders' Relationship Committee

Shri Devendra Kumar Jain
Chairman and Independent Director

Shri Pavan Jain
Non-Independent Director

Shri Vivek Jain
Managing Director and Non-Independent Director

Shri Shanti Prashad Jain
Independent Director

Corporate Social Responsibility Committee

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Vivek Jain
Managing Director and Non-Independent Director

Shri Deepak Asher
Non-Independent Director

Key Managerial Personnel

Shri Vivek Jain
Managing Director

Shri Manoj Agrawal
Chief Financial Officer

Shri Bhavin Desai
Company Secretary

Bankers

BNP Paribas
Citi Bank N.A.
Mizuho Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited
The Hong Kong and Shanghai Banking Corporation Limited.
Yes Bank Limited
Emirates NBD Bank

Plant Location

Ranjitnagar Plant

Survey Number 16/3, 26 and 27, Village
Ranjitnagar-389 380, Taluka Ghoghamba,
District Panchmahal, Gujarat – State

Dahej Plant

Plot Number 12 A GIDC Dahej
Industrial Estate, Taluka Vagra, District
Bharuch-392 130, Gujarat – State

Auditors

Kulkarni and Company
Chartered Accountants,
Flat no. 3, First Floor,
Shree Vishnu Complex,
S.No. 120A/120B, Plot no. 545/6,
Sinhgad Road, Pune 411030.

Registered Office

Survey Number 16/3, 26 and 27
Village Ranjitnagar 389380
Taluka Ghoghamba
District Panchmahal, Gujarat
Tel.: +91 2678 248153
Fax: +91 2678 248153

Vadodara Office

ABS Towers, 2nd Floor
Old Padra Road
Vadodara – 390007, Gujarat
Tel.: +91 265 6198111
Fax: +91 265 2310312

Noida Office

Inox Towers, 17 Sector 16 A,
Noida - 201301, Uttar Pradesh
Tel.: +91 120 6149600
Fax: +91 120 6149610

Board of Directors of GFL Limited:

Shri Devendra Kumar Jain
Chairman and Managing Director and Non – Independent Director

Shri Pavan Jain
Director and
Non – Independent Director

Shri Vivek Jain
Director and
Non – Independent Director

Shri Deepak Asher
Director and
Non – Independent Director

Shri Shailendra Swarup
Independent Director

Shri Shanti Prashad Jain
Independent Director

Shri Om Prakash Lohia
Independent Director

Ms. Vanita Bhargava
Independent Director

Key Managerial Personnel

Shri Devendra Kumar Jain
Managing Director and
Chief Executive Officer

Shri Nilesh Pandya
Chief Financial Officer

Shri Dhruv Shah
Company Secretary

Note:

Shareholders are requested to kindly note that the Financial Statements and other Statutory Reports forming part of this Annual Report consist of financial and other information / details of the chemical business operations of Gujarat Fluorochemcials Limited, which are prior to approval of Scheme of Arrangement ("said Scheme") between Gujarat Fluorochemicals Limited (GFL1) and Inox Fluorochemicals Limited (GFL2) for the demerger of the Chemical Business Undertaking of GFL1 to GFL2. Consequent upon the approval of the said Scheme w.e.f. 1st April 2019, the Chemical Business Undertaking of GFL1 has been transferred and vested into GFL2 and the name of GFL1 is changed to GFL Limited and GFL2 is changed to Gujarat Fluorochemicals Limited.

About Inox Group

With diverse business presence across segments in India and abroad, INOX Group is worth USD 3 Bn. as on 31st March, 2019. We are a professionally managed conglomerate with leadership position across multiple business segments.

Our business portfolio

- Industrial Gases
- Entertainment
- Refrigerant
- Chemicals
- Cryogenic Engineering
- Renewable Energy

Group Highlights

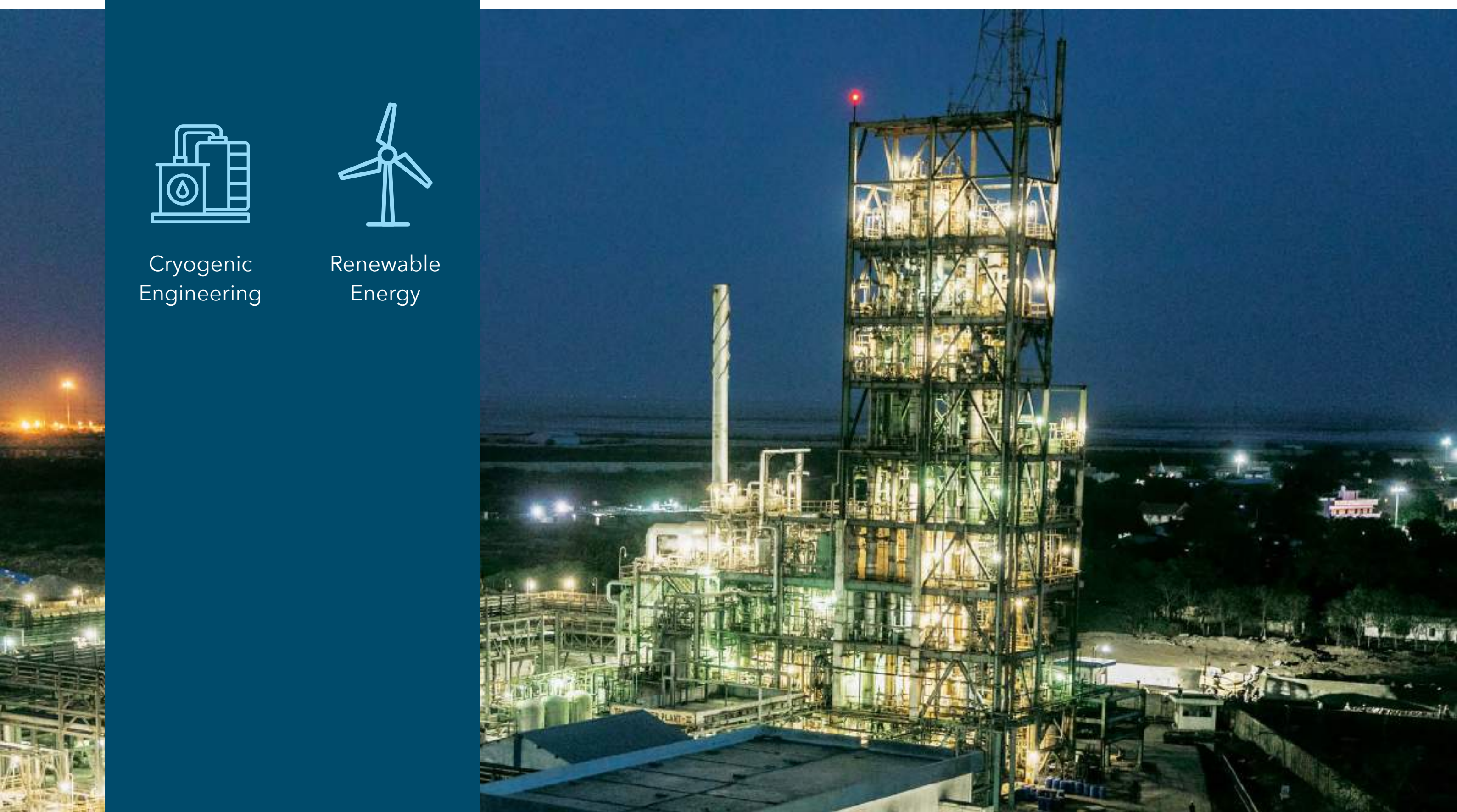
USD 3+ Bn
Combined Net worth of all group companies

10,000+
Employees across the globe

9+
Decades of existence

150+
Business units across India

50+
Countries of market presence



Group Structure

Inox Group Companies

Listed Companies

GFL Limited

Erstwhile Gujarat Fluorochemicals Limited. Holding company of INOX Wind and INOX Leisure Ltd.

INOX Leisure Limited

A premium multiplex chain, INOX Leisure is amongst one of India's largest cinema exhibition companies.

INOX Wind Limited

With state-of-the-art manufacturing plants spread across India, INOX Wind is one of the largest wind energy solution providers in the market.

Other companies

INOX Air Products Private Limited

One of the largest manufacturers of industrial gases in India with 40 plants spread across the country.

Inox India Private Limited

One of the largest manufacturers of standard and engineered cryogenic equipment serving leading international gas companies in India, USA, Netherlands and Brazil.

Gujarat Fluorochemicals Limited

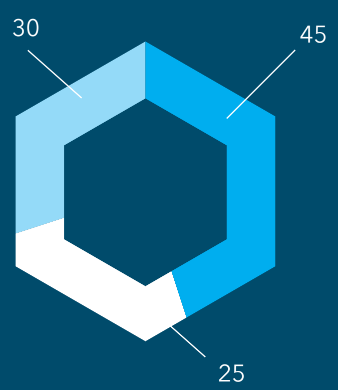
Erstwhile INOX Fluorochemicals Limited. The largest producer of Chloromethanes, Refrigerants and Polytetrafluoroethylene in India.

Revenue Mix

₹ 5698 Crore

Consolidated revenue for FY 2018-19

Share in group revenue (in %)



- Gujarat Fluorochemicals Limited
- INOX Leisure Limited
- INOX Wind Limited

About GFL

Established in 1987, Gujarat Flourochemicals Limited (GFL) is today one of India's largest producer of chloromethanes, refrigerants and polytetrafluoro-ethylene. We are a among the few fully vertically integrated manufacturing company providing reliable and high quality products.

Vision:

- To become the preferred suppliers of Fluoropolymer, Fluoroelastomers and new generations of Refrigerants globally and achieve this status through Technological, Operational and Service excellence.
- We shall endeavour to be a global player in our business.
- We shall constantly endeavour to delight customers, workforce and all the stakeholders. We shall do our business exercising with utmost care of environment and society at large.

Mission:

We shall endeavour to always be the market leaders, by providing our customers the latest, the most innovative and the best available technologies, products and services. Through this we shall provide to our customers the best "value for Money" by producing best in class quality products at most competitive prices.

Value:

We are governed by our fundamental values:

- **Quality:**
  Commitment to excellence in quality.
- **Excellence:**
  Excellence in services & manufacturing practices to our all stakeholders.
- **Integrity:**
  Building trust in dealings with all stakeholders.
- **Innovation:**
  Enthuse our clients through our innovative approach.
- **Customer value:**
  Delight the customer & deliver the value.

About GFL

Our Presence

LARGEST

Refrigerant plant in India set up in Ranjitnagar, Gujarat

2083

Employees as on 31st March 2019

75+

Countries across the globe supplied with CFC and HCFC

Integrated

State-of-the-art technology plant for PTFE (Poly Tetra Fluoro Ethylene) in Dahej, Gujarat.

International:

- Morocco
- Texas

Market presence

- EU
- US
- Latin America

Manufacturing units in India:

- Vadodara
- Gujarat

Financial Highlights

Core business (Standalone)

Revenue from Operations
(₹ in Crore)

FY 2018-19	**2731**
FY 2017-18	2084
FY 2016-17	1532
FY 2015-16	1435
FY 2014-15	1321

20%
5 year CAGR growth

ZERO
Long term Debt

₹ 12,135.13 Crore
Market capitalization as on March 31, 2019

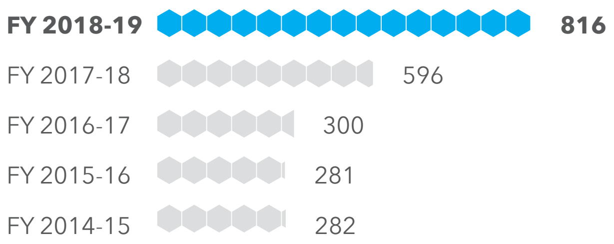
₹ 116.28
Earnings per share

₹ 555.27 Crore
Cash flow from operations

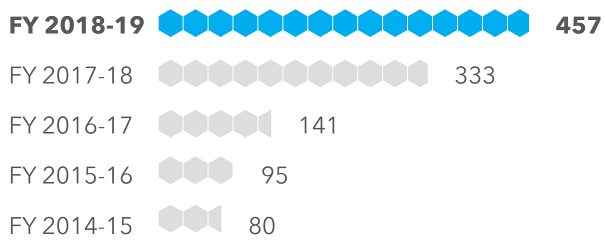
AA
Long term Credit Rating

₹ 38.45 Crore
Dividend

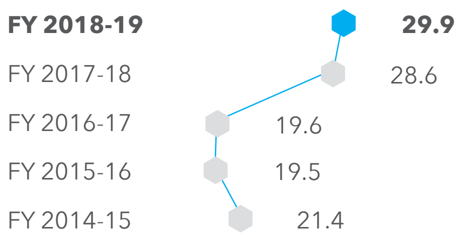
EBITDA
(₹ in Crore)



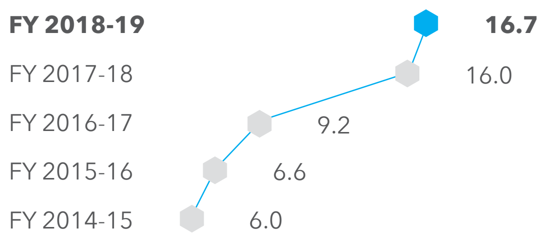
PAT*
(₹ in Crore)



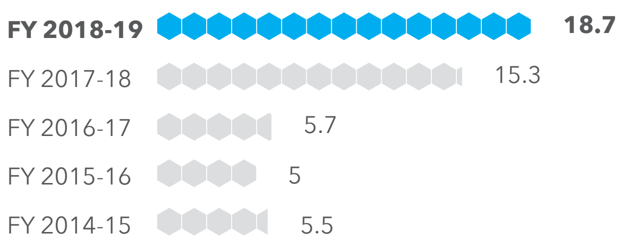
EBITDA Margin
(in %)



PAT Margin
(in %)



RoCE
(in %)



* Before exceptional items and Tax pertaining to earlier years

As on 31st March 2019

Financial Highlights

Consolidated basis

Revenue from Operations
(₹ in Crore)

FY 2018-19	**5698**
FY 2017-18	3921
FY 2016-17	6392
FY 2015-16	7110
FY 2014-15	5340

Debt
(₹ in Crore)

FY 2018-19	**2187**
FY 2017-18	2000
FY 2016-17	3307
FY 2015-16	2972
FY 2014-15	2568

Equity
(₹ in Crore)

FY 2018-19	**7264**
FY 2017-18	5959
FY 2016-17	5599
FY 2015-16	5409
FY 2014-15	4898

Debt Equity Ratio
(in times)

FY 2018-19	**0.3**
FY 2017-18	0.3
FY 2016-17	0.6
FY 2015-16	0.5
FY 2014-15	0.5

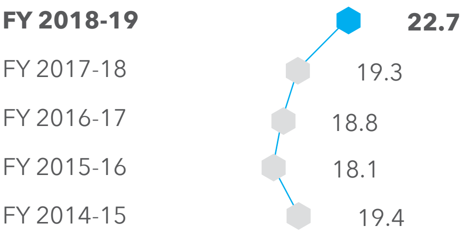
EBITDA
(₹ in Crore)

FY 2018-19	**1296**
FY 2017-18	756
FY 2016-17	1204
FY 2015-16	1301
FY 2014-15	1035

PAT
(₹ in Crore)

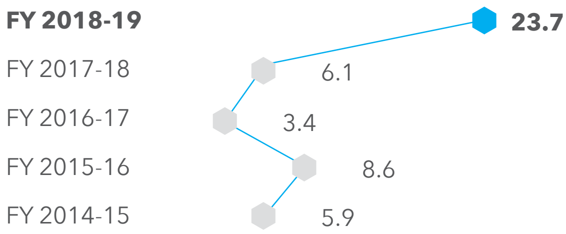
FY 2018-19	**1349**
FY 2017-18	240
FY 2016-17	214
FY 2015-16	609
FY 2014-15	316

EBITDA Margin
(in %)



4.01%
5 year CAGR growth

PAT Margin
(in %)



41.57%
5 year CAGR growth

Business overview

Refrigerant Gas

New Initiatives

- For emissive uses, R22 is under phase out in refrigerants and R410, the replacement gas comprises of 50% R125 and 50% R32
- Initiated R410 blending facility at Ranjitnagar based on own R125 and imported R32
- In order to meet additional demand, increased capacity of R22 at Dahej to 140 TPD
- Commenced Fluorspar mining and beneficiation project in Morocco

Fluoropolymers

New Initiatives

- Capacity Addition of TFE capacity to 31000 TPA from3 TFE plants
- Increased PTFE capacity to 20000 TPA by adding 2 reactors
- Capacity expansion of FKM to 1800 TPA and plans to further increase 2500 TPA
- Commercialised capacity of FEP 1000 TPA, PFA 750 TPA, PPA 600 TPA, MICROPOWDERS 1200 TPA
- Commissioned capacity of 2300 TPA VDF monomer and 1400TPA PVDF fluoropolymer. PVDF grades under commercialization
- New products including PCTFE and TSAN under development

Commodity Chemicals

New Initiatives

- Enhanced focus on capacity utilization & cost of salt, methanol, power- main raw materials to sustain business
- Minimizing cost of power by consuming power generated from own subsidiary and purchasing the balance power from grid/exchange

Specialty Fluoro intermediates

New Initiatives

- Multipurpose plants 1,2&3 further added with more products in the existing market, processes developed and samples approved by customers
- These plants are estimated to commission soon
- Sold in the markets as specialty intermediates for agro chemicals and pharmaceuticals

Creating value for sustainable growth

Our Resources

The foundation of our value creation chain

Human Capital

- Skilled and Competitive workforce
- Diversity and inclusive work environment

Intellectual and Manufacturing Capital

- Substantial investment towards research and development activities
- Industry experience possessed by Top Management
- Backward integration of key raw material
- Strong R&D team

Financial Capital

- Strong balance sheet
- Zero long-term debt

What do we do

Being the largest in our industry space, we carry out the following activities through our core business:

Production and valorisation of gases

Commercialization of products

Investing towards development of new molecules

Capacity addition to cater additional market demand

Industries we serve

Our diversified products serve various industries including:

- **Pharmaceutical:** Increasing use in life saving pharma molecules
- **Agriculture:** Eco-friendly and efficient crop protection chemicals
- **Automotive**
- **High Speed Lan Cables**

Our Impact

Creating long-term value

Society

- Safety of our stakeholders including employees, suppliers, and customers
- CSR activities to uplift the society in which we operate
- Training and development initiatives for employees

Environment

- Environment friendly solutions provided to customers
- Reduction in our carbon footprint
- Efficient use of finite resources
- Reduction in electricity consumption

Long-term sustainability

- Increasing our domestic as well as international presence
- Growth in topline by providing innovative value added products to customers
- Cost benefits derived from global sourcing of raw material
- Consistent growth in returns to shareholders over the years
- Long lasting relationship with customers
- Tie-ups with global suppliers for uninterrupted supplies at a cost effective rate

Our Core Competencies

Fully integrated business model

GFL is the largest, technologically advanced and cost effective fully integrated producers of Chloromethanes, refrigerant gases and PTFE in India. Our backward integration model has enabled us to provide superior quality goods at a competitive prices to our customers.

Building capacities

With growing opportunities in domestic and international market, we are catering to additional demands by expanding our capacity, operating at higher capacity utilisation levels. We have the largest PTFE facility in the world accounting for more than 10% of the global PTFE capacity.

Enhanced focus of R&D

We continue to invest towards research and development of new products in order to penetrate our existing markets. Currently, with our R&D team backed by our state-of-the-art research facility and experience, we have diversified our offerings into various segments.

Cost competitiveness

GFL's state-of-the-art manufacturing facility, backward integration of key inputs and access to raw material across the globe has enabled us to maintain low cost of production and deliver high margins across our business segments. Opening up of our new manufacturing unit in Morocco will further enable us to reduce cost by sourcing best quality raw material at a cheaper price.

100 bps

YoY improvement in operating profit margin

Global presence

Our tie-ups and joint venture with global players clubbed with our strong marketing team enables us to grow and expand our market presence. Our market distribution, market reach team and customer service remains our key differentiating points. Through our innovative value added products we will continue to expand our market share in domestic and international markets.

~50%

Share of exports in total revenue

Experienced management

Our top management and Board consists of experienced intellectuals that are on the lookout for opportunities and also keep an eye on the horizon. They continuously reassess, adapt and expand our value proposition towards our entire stakeholder community.

30+

Years of experience of our top management

Management Discussion and Analysis

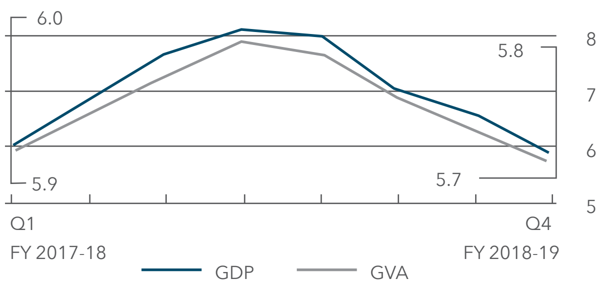
Indian Economy Overview

The India economy continued on its growth trajectory posting a GDP of 6.8% during FY 2018-19. Despite global headwinds, the economy continued its growth story on the back of low inflation, improved current account balance and a reduction in fiscal deficit-to-GDP ratio. With a sharp growth in industry due to strong manufacturing and construction, the index of industrial production posted a notable growth reflecting robust demand for capital equipment, construction goods and consumer durables. Government's push towards improved infrastructure and access to electricity played a significant role in improving country's position in World Bank Ease of Doing Business, wherein it witnessed a jump of 23 places from 100th to 77th. The country also witnessed rise in bank credit from 7% in previous fiscal to 11.9% in FY 2018-19, largely on the back of higher credit to services and personal loans.

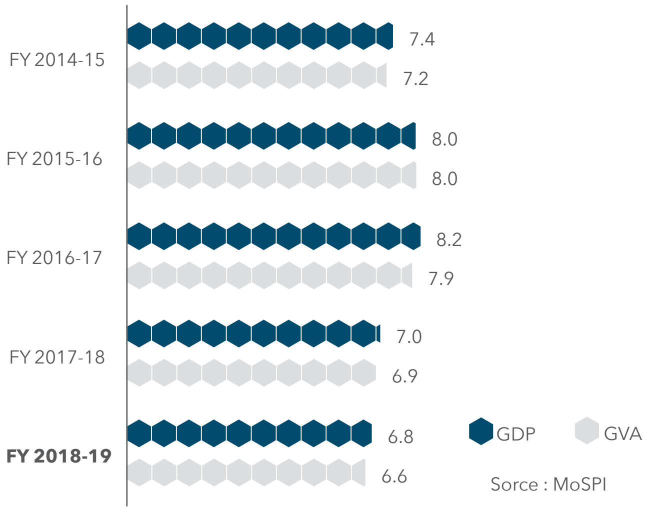
The economy is anticipated to grow at a robust rate of 7.5% in FY20 and 7.7% in FY21 owing to revived rural consumption and recovery in private investment. Recent gains in ease of doing business and a healthy growth outlook are likely to attract higher inflow of foreign direct investment while overall cash flows are anticipated to offset current account deficit. With this, the current account deficit is anticipated to be equal to 2.4% of GDP by FY20. In FY21, while export growth is expected to moderate at 7%, the overall import growth is estimated at 8%. This is likely to result in widening of current account deficit reaching 2.5% of GDP.

GDP Growth in FY 2018-19

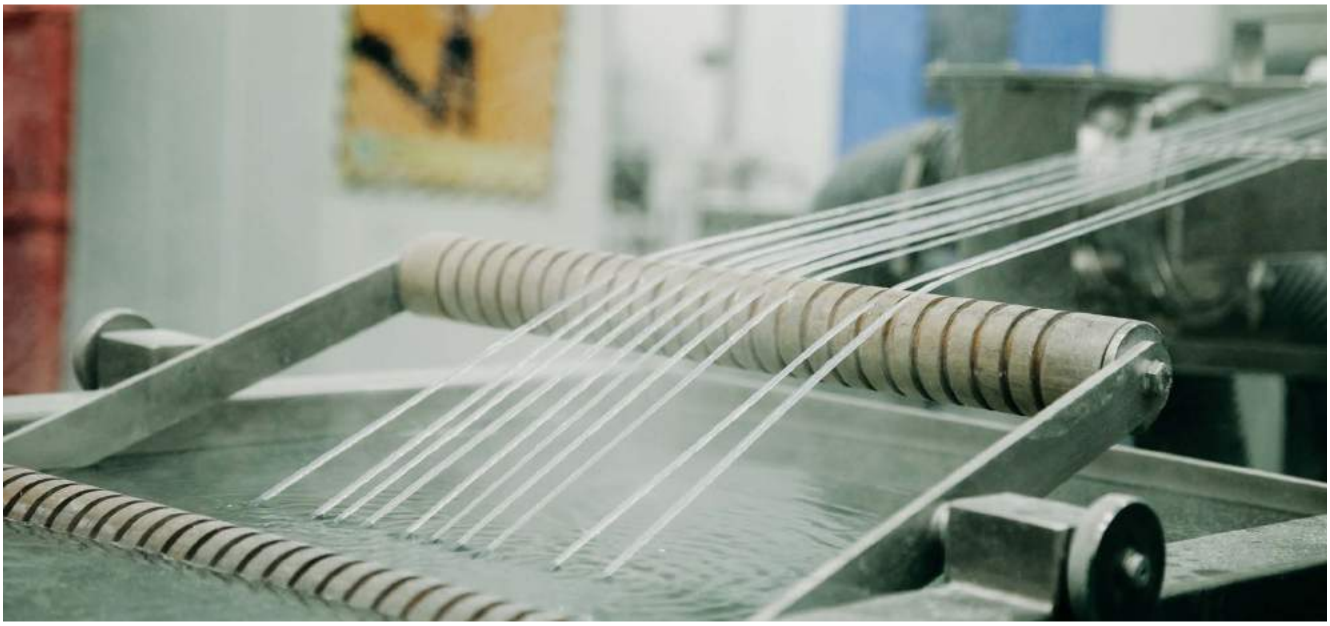
Quarterly growth (in %)



Annual Growth (in %)



Sorce : MoSPI



> **"This growing application is expected to boost the fluoropolymer market in the coming period posting a CAGR of about 6% during 2018-2022."**

The Fluoropolymers Industry

The global fluoropolymers market is currently witnessing high growth opportunities on account of notable increase in lightweight materials and coating used in the manufacture of automobiles and aircraft components. The product also has a number of applications in the electrical, electronics and lubricant segment, which further drives the growth of the market. In addition, the surge in demand for efficient and cost-effective insulating materials coupled with rise in demand for fluoropolymer insulating electrodes further helps to boost the market growth. Besides this, the increasing demand for high-yielding material in the architectural coatings and light-weight materials in automobile industry is highly contributing to the growth of the market.

In the coming period, the fluoropolymer market is likely to witness substantial growth in automotive application owing to increased usage of highly stable fluoropolymer coatings and upswing in demand for lightweight vehicles. Fluoropolymers are highly used in the igniters in the aerospace industry and in pipe fittings and wafer handling in the semi-conductor industry. This is because the high chemical and heat resistant properties of the fluoropolymers facilitate its application in the semi-conductor and aerospace industry. This growing application is expected to boost the fluoropolymer market in the coming period posting a CAGR of about 6% during 2018-2022. Moreover, the shifting preference of the consumers towards green fluoropolymers in order to mitigate the environmental impacts is also expected to provide significant growth opportunities to the global fluoropolymers market.

In India, fluoropolymers consumption have been rising across a number of end-user industries including semi-conductor, electronics, chemicals, etc. Its application is found in several fields ranging from production of O-rings, gaskets, industrial fabrics, yarns and textiles to drug delivery devices. In addition, they are also used in the industry on account of their ability to resist extreme temperatures and pressure. The country, however, lacks resources to fulfil the demand from domestic production, as a result of which, it has to rely on fluoropolymer imports from China. These imported low-cost fluoropolymers undermine the operations of domestic fluoropolymer manufacturers in the country.

PTFE scenario

PTFE (Polytetrafluoroethylene) finds its use in wide range of applications ranging from chemical processing, industrial processing, electrical and electronics, building and construction, to automotive and transportation. Although the PTFE market is largely driven by the growing product demand in non-stick cookware and wire and cable coatings, the automotive and transportation remains the largest application segment for the product. While ePTFE and mPTFE offer significant opportunities, the high cost of investment, re-processing in the PTFE market, and stringent environmental regulations undermines the growth of the market.

Granular PTFE is one of the most widely used for of PTFE due to its low price. Besides this, its production technology is easier to use and involves low manufacturing costs. In the coming period, Asia-Pacific is likely to become the fastest growing PTFE market led by China, Japan, India, and South Korea. This growth is chiefly on account of rapid expansion in the industrial and chemical processing industry in major economies, such as China and India. In addition, the rapid expansion of the automotive industry in the region is projected to fuel the product demand further. Witnessing increasing demand from various application industries, the PTFE market is anticipated to grow at a CAGR of 5.2% during 2018-25.

Company Overview

Gujarat Fluorochemicals Limited (GFL), a part of the Inox Group, is the largest manufacturer of chloromethanes, hydro-chloro-fluorocarbons (HCFC) and various grades of PTFE in India. The company operates its PTFE business through its manufacturing facility in Dahlej, Gujarat. The company possesses the largest PTFE facility in India and 4th largest in the world. Further, its forward and backward integrated operations make it one of the most cost competitive producers of these chemicals globally. The company has successfully created a niche for itself in the chemicals business and is set to explore markets for more value added products while continuing to gain from its other diversified businesses.

Key Strengths

- The Company is one of the most competitive producers of fluoropolymers on account of its fully integrated manufacturing operations beginning from basic raw materials to end product
- The Company's robust R&D facilities helps it develop new products and grades in a short span of time enabling it to enhance its offerings portfolio
- The Company operates in an industry which requires huge capex. Thus, it is unlikely to face new international competition in the industry
- The Company's continuous engagement with its customers helps it understand and fulfil their requirements
- The Company is capable of carrying out further expansion with minimal investments in future
- The Company has tie ups with global majors such as Chemours/AGC for supplying their needs of fluoropolymers due to GFL's efficient &integrated plants

Product portfolio

Refrigerants

The company is a prominent manufacturer and exporter of Chloro-Fluorocarbon refrigerant gases R-12 & R-22. These grades are manufactured in technical collaboration with M/s Pennwalt Corporation USA (now Atochem, North America), under the "Refron" brand name. In addition to CFC & HCFC, the company is also engaged in supply and export of new genre gases in 400 & 500 series. Further, its contemporary manufacturing facilities, quality control and adequate storage facilities helps it stand competition in the market. In the coming period, the company plans to enter the more eco-friendly domain of CFC free refrigerants segment comprising of 404A, 407C, 410A.

Chemicals

The chemical business segment of GFL comprises of Caustic Soda Lye, Methylene Chloride, Hydrogen Gas, AHCL, HCL and H2SO4. The company carries out stable business operations with its focus on capacity utilization and cost of raw materials namely, salt, methanol and power. In case of power, the company possesses its own CPP capacity which is based on coal, gas and wheel in power from GFL owned wind turbines while the balance power is purchased from grid/power exchange.

Fluoropolymers

GFL is a leading player in PTFE market, engaged in operation of one of the largest PTFE facilities in the world, accounting for 11% of the global PTFE capacity. The major key barriers to entry in this market are high capex intensity, restricted access to technology, the availability of key raw materials, long and stringent product development, and an approval cycle with customers. The company benefits from the advantage of these barriers as new players cannot easily enter this market on a standalone basis. The company has the capable of producing a wide range of chemicals through its vertically integrated facility, which makes it one of the most cost competitive producers of PTFE globally.

The operational and costing advantage of this integration has ensured that the Company is well placed competitively and is less susceptible to the volatility of the commodity cycle. Further, the company obtains benefits from increasing capacity utilisation which results in a significant increase in operating leverage, higher operating margins and better return ratios. GFL's gradual shift to value added products for its customers prompts it to generate better margins and more stable pricing for its products.

Fluorospecialty Business

Looking at the recent upsurge in fluorine based Agro and Pharma molecules, and also taking in to consideration our niche capability of making Fluorine based chemicals, our Company, for past few years, has been working on establishing the capability of developing these Fluorointermediates through non-infringing competitive processes at the state of the art R&D Centre set up at Ranjitnagar. The team of highly capable scientists and support technical teams have been working tirelessly on new product developments. In past few years of its existence the R&D has successfully developed many Molecules for Pharmaceutical and Agro applications against specific enquiries.

" GFL is a leading player in PTFE market, engaged in operation of one of the largest PTFE facilities in the world, accounting for 11% of the global PTFE capacity. "

A couple of products have already been launched earlier at Ranjitnagar Unit and one of the product is already launched at the Dahej A Unit last year and a few more are slated to be launched this year at Ranjitnagar Unit in the Multi Product Plant clusters, which will be commissioned soon. These Multiproduct Plants at Ranjitnagar Unit will have capability to handle different chemistries making the Plants highly versatile and flexible, where product replacement and introduction of new products at short notice to service the market is possible.

The R&D Centre, over the few years of its existence, has developed dexterity and alacrity required to support and sustain this business, where speed of response to customers enquiries is of prime importance. Having already established credibility with major innovator Companies across the globe and also in India, we are upbeat about the prospects of this Business.

Subsidiaries

Inox Leisure Limited:

INOX Leisure Limited (INOX) is amongst India's largest multiplex chains with 143 multiplexes and 595 screens in 67 cities as on 30th June, 2019. INOX has redefined movie experiences in India making it truly a 7-star experience. Each INOX property is unique with its own distinct architecture and aesthetics. Beyond the normal screens, INOX also has INOX INSIGNIA for the discerning audience or KIDDLES for young patrons or MX4D® EFX Theatre for an immersive experience or the panoramic viewing with ScreenX at select locations. INOX brings the very latest in projection and audio technology with INOX Laserplex, IMAX & INOX ONYX. Some of the key multiplex features include plush micro adjustable leather recliners with a butler on call facility, gourmet meal choices by celebrity chef, designer staff uniforms.

Inox Wind Limited:

Inox Wind Limited is a fully integrated wind energy solution provider engaged in manufacture of wind turbines in India. The Company has a wind turbine manufacturing capacity of 1,600 MW and a cumulative installed base of more than 2.6 GW out of India's installed base of 34 GW. The company has manufacturing facilities near Ahmedabad (Gujarat) and Barwani (Madhya Pradesh) for blades & tubular towers and at Una (Himachal Pradesh) for hubs & nacelles.

Inox Renewables Limited:

Commenced in 2007, Inox Renewables Limited is engaged in business of wind farming. Presently, the Company operates wind farms with a total capacity of 31 MW.

Joint venture and foreign subsidiaries

GFL has strengthened its supply chain of critical raw materials through its investment in joint venture, Morocco. It has also incorporated two subsidiaries to strengthen its presence in the international markets - Gujarat Fluorochemicals Americas LLC and Gujarat Fluorochemicals GmbH.

Manufacturing Facilities

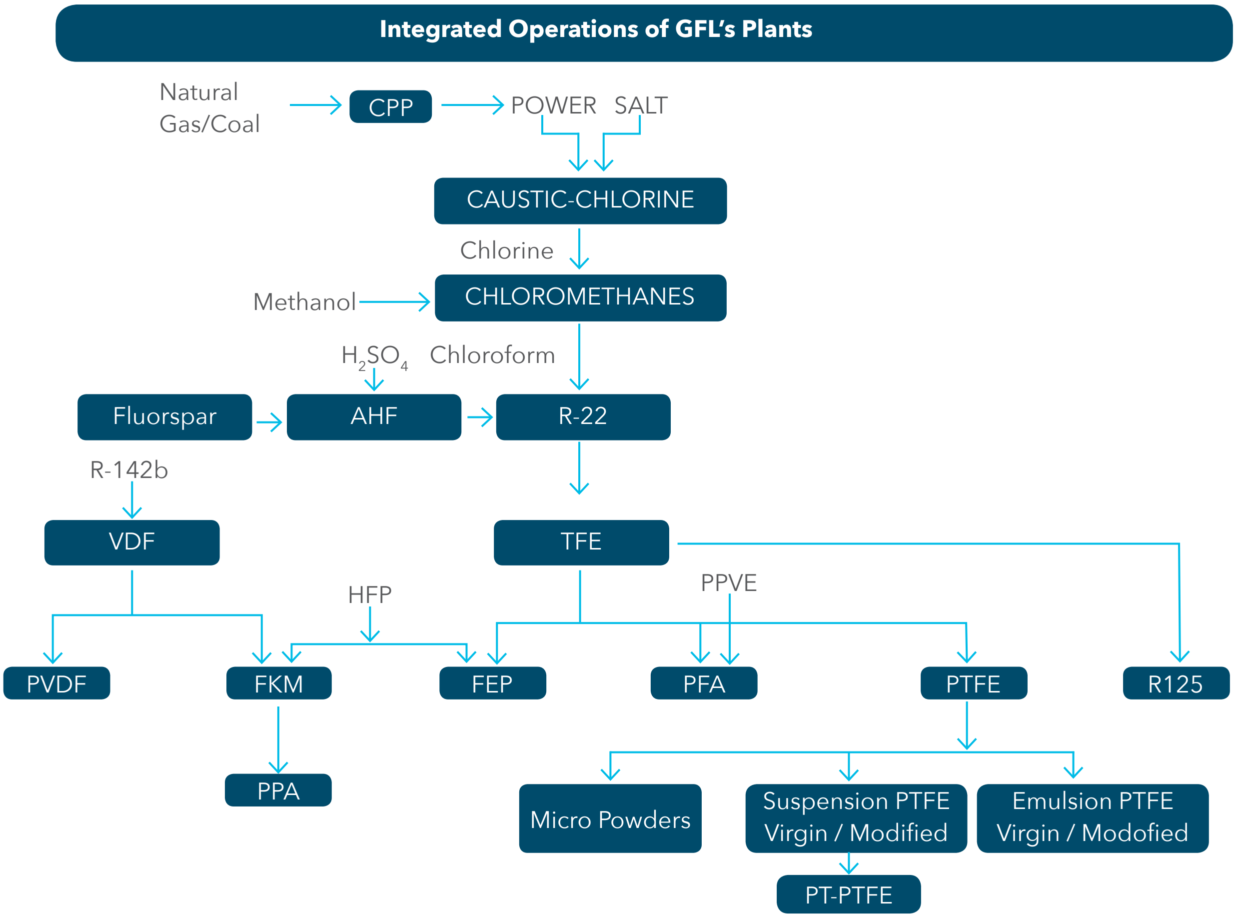
The company operates in all its business segment through its state of the art manufacturing facilities (refer table 1 for details), which facilitates simpler and more cost efficient manufacturing process. In the refrigeration segment, the company operates with one of the largest and most efficient plant of refrigerant gases. The company continuously carries out upgradation of all its facilities for quality specifications, recoveries, valorisation of by-products, energy conservation, environment and safety controls etc; through in-house technological improvement initiatives. The two major manufacturing facilities of the company are situated in Ranjitnagar (Gujarat) and Dahej.

Exports

The revenue from export sale of HCFC22, PTFE, PFA, FEP, FKM accounted for about 70% in the total revenue. The key markets for HCFC22 are the Middle East, South Asia and Japan. While for PTFE exports are largely to Europe and USA.

Table 1: Summary of our Manufacturing units

Plant	District/City	Set up in	Location	Products
Ranjitnagar	Ghogambha District, Gujarat	1989	Located 57 kms from Vadodara near Halol	Referigerants and Speciality Chemicals
Dahej	Bharuch District, Gujarat	2007	Located 45 kms from Bharuch	PTFE



Financial Highlights

During the year under review, the revenue from operation grew by 33% to ₹ 2,73,055 Lakhs from ₹ 2,05,558 Lakhs on account of healthy demand in the downstream industry in the domestic as well international market. While, the Company's EBITDA grew by 37% to reach ₹ 81,606 Lakhs and the Profit after Tax (PAT) grew by 162% to reach ₹ 1,27,731 Lakhs in FY 2018-19 from ₹ 48,731 Lakhs in the FY 2017-18. Table 2 provides a summary of the financial summary along with key ratios of the Company.

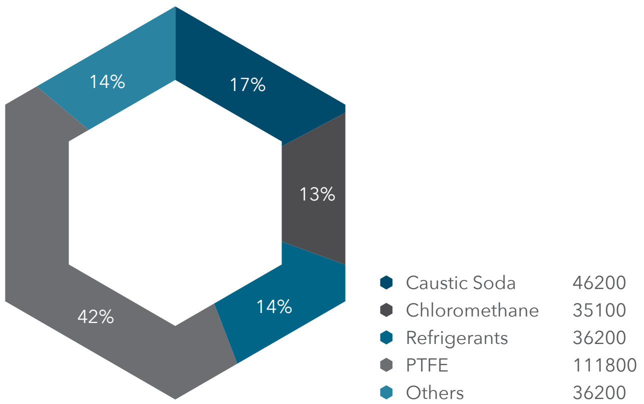
Table 2: Summary of Standalone Financial Performance

Particulars	FY 2018-19	FY 2017-18	YoY growth
Revenue (₹ in Lakhs)	2,73,055	2,05,558	33%
EBITDA (₹ in Lakhs)	81,606	59,565	37%
PAT (₹ in Lakhs)	1,27,731	48,731	162%
Key Ratios:			
Debt equity Ratio (in times)	0.20	0.22	-10%
Interest coverage Ratio (in times)	13.54	11.13	22%

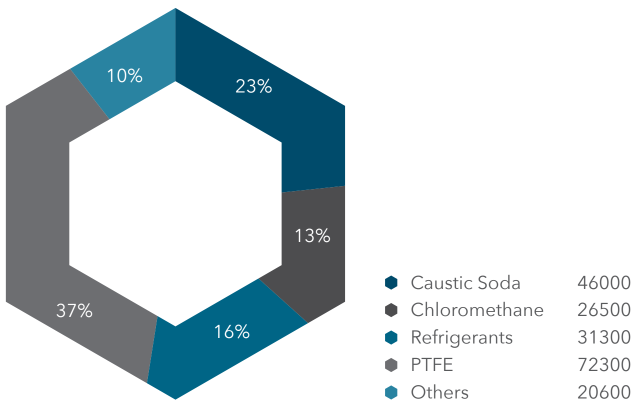
Particulars	FY 2018-19	FY 2017-18	YoY growth
Current Ratio (in times)	1.61	1.35	20%
Debtors Turnover (in times)	4.50	4.50	0%
Inventory Turnover (in times)	3.01	3.07	-2%
Operating Profit Margin	23%	20%	11%
Net Profit Margin	16%	23%	-30%
Return on Net worth	10%	14%	-32%

Revenue Mix (₹ in Lakhs)

FY 2018-19



FY 2017-18



Outlook

The Company, during the year, expanded its monomer and polymer capacity in order to cater to the growing demand of its products in all geographies. In the coming fiscals, the company expects to accelerate the volumes of the new grades of PTFE which have been developed and introduced in the markets. Further, the expansion of capacities will also provide company, significant opportunities to enhance its product portfolio and cater to growing demand. After achieving success in the global PTFE markets, GFL is expanding its presence in other fluoropolymer productsAnd aim to become a leading fluoropolymer player globally. The outlook for our business is steadfast with a robust business model, competition from China lessening and with fluoropolymers growing at a healthy pace of 6% to 7% CAGR globally. Our vision for 2020 is to consolidate the capacities we have created in each business segment, especially in fluoropolymers and operate these in a world-class and safe manner to serve our global customers as a reliable, long-term and high-quality supply chain partner. Our backward integration plan also provides us with a competitive base to stand upon. Further, PTFE, FKM, FEP, PFA and PVDF are versatile fluoropolymers going into about 20 top industries, which take care of >75% of India's GDP. As the GDP grows, we hope to leverage on this, being the only producer of fluoropolymers.

Over the next few years, the Company will be ramping up capacity utilisation, improving realisations by churning product mix in favor of higher value added grades, and implementing cost reduction schemes. It will also be value adding by diversifying into fluoro-speciality chemicals as well as other fluoro-polymers, based on low-cost captive availability of a host of fluoro-feedstocks.

The Company has already incurred a capex of around ₹ 2,000 Crore to build-up the current capacities and the integrated value chain. Since most of the capex on creating capacities has already been incurred, the proposed value addition will need a marginal capex.

Information System

The Company uses a powerful platform of SAP for all its transactions and activities. The Power8 high-end computing servers and modern data center caters business information for real time business decisions. High-speed data connectivity across the locations for business communication like emailing, audio and video conferencing, which drives the quick business information for stack holders. The SAP solution for enterprise resource planning, customer relationship management, materials management, production planning management, Quality management, Projects management, financial and costing management is the cornerstone of our IT infrastructure. It provides an easy to-use tool that is widely considered one of the strongest solutions for SAP integration. Its proven solution for SAP integration lets us rapidly integrate data, systems, services, devices, processes and business partners to maximize performance and business value of our investment. Newer modules are being added further to invigorate SAP. The Salesforce CRM is being established to provide a strong handle to the Sales & Marketing field force to serve the customers better and faster.

Human Resources – Winning with People

Our people are our biggest strength and most important asset - they determine the customer experience. If it's good we win, if it's poor we lose. It's really that simple.

They are driven by purpose and are fully empowered to excel in our fast-growing customer base across the globe. It has been the continuous endeavor of our Human Resources function to attract the right talent, develop the right capabilities and skills, encourage them continuously by providing them the right culture and work environment so that they are inspired to bring in their best for achieving the company goals. We believe that building and sustaining a "high - trust and high – collaboration" workplace is essential for business delivery. As a first step towards creating such a workplace, we undertook a 'Best Place to Work' survey

Human Resources – Enhancing Skills and Developing Leaders

As the organization grows and the employees grow with it, the training and development needs change and the skills of the employees also need to be continuously updated, as well. Markets are not static – neither should our employee's skill be. During the financial year, a total of 1590 training sessions were held covering around 3096 man-days across the Company.

GFL's Role – Competency Continuum (RC2) model defines what we expect from our leaders, providing a well – defined framework of the competencies which are vital to leading employees and ensuring business success in line with the corporate strategy and culture. Based on this framework, the process of identifying high potential employees has been established at GFL. We also rolled out the 360 Degree feedback system as a Leadership Development tool across locations based on the RC2 Model. The company has engaged Thomas International to design and implement the program.

A new lease of life was injected in our Ranjitnagar facility with the Environmental clearance – time for Ranjitnagar to reinvent themselves – a 16-month intervention to become "World Class' has been put in place. Step 1 – Towards Individual Greatness - is already in progress with Ranjitnager becoming the 7 habits Champions.

7 Habits Workshop at Ranjit Nagar

Reflecting on our commitment to "Build Tomorrow Leaders, Today", thereby, helping employees develop professionally and personally and advance their career, we have made significant progress in this regard through our established 'Mentoring Programme'. A Mentoring Certification programme was rolled out in Dahej and Ranjitnagar – this was a 40-hour learning process with guided project. Each of the newly certified Mentors have been assigned three Mentees.

Mentoring Certification Programme at Ranjit Nagar

Human Resources – Driving Employee Engagement

Research shows that organizations with engaged employees generate 2.5 times the revenue than those organizations which has disengaged employees. It has been a constant endeavor for HR function not only to give a challenging work environment to employees but also to give them space in their work environment to have rejuvenating experience through recognition, interaction and learning games.

For the fifth consecutive year, Inter Departmental Cricket competition was organized in the Plants. Around 500 employees participated in the bonanza across the company. Not only sports, GFL Dahej organized Family Day to value the contribution the employees' families in the company's success.

Family Day Celebration at Dahej

For the Company, our employees are partners in our progress wherein the relationship is built on trust and mutuality. Employees are encouraged to give their workplace improvement suggestions through the "Prayas" – an employee suggestion scheme in the Plants. In total, 913 suggestions have been received since last year.

To honor long term contribution shown by the employees, the company recognized employees who have completed 5/10/15/20 & 25 years of services with the Organization. Long Service Felicitation programs were organized across all locations for all such dedicated employees.

Long Service Awardees at Noida

Spontaneous recognition done on a day - to - day basis, has a compelling reason to be focused by all leaders because employees who feel appreciated give their discretionary efforts, are more productive and stay with the Company. We now have a digital platform to spontaneously recognize people when we see them doing any good work across the company. Through our 'Spot – On' digital recognition platform, 1296 employees have been recognized across the company. We are transforming our culture to a "Culture of Appreciation".

All this has resulted in GFL employees excelling not only in their work but also in external forums. Five Quality Circle Teams from Dahej participated in the Quality Circle Competition in Gujarat. Our teams won Gold and Silver medals at the State Level. Three teams, who qualified for the National level also won the Excellent Award out of 1400 teams across the Country. Today, GFL Dahej is a winner of the IMC Ramkrishna Bajaj National Quality (IMC RBNQA) Award. The IMC RV+BNQA criteria is similar to that of the Malcolm Baldridge criteria of USA and it was achieved after a rigorous process of audits, training and evaluation.

Dahej Team receiving the 'Business Excellence Award' at Mumbai

Human Resource Transformation – "One Click" – "Zero error" – "Paper Less"

The world of HR is changing rapidly with the advent of technology. Digital HR Technology is taking over the old school of HR practices. Today in our company, the processes like: Employee Joining and On boarding, their Confirmation and Performance Management System & Development Planning, Career Planning are all on a "click". It is worth mentioning that this digital HR transformation which is happening across the company is totally driven internally. It will not be long that the Human Resource Function in our Company will be "One Click" – "Zero error" – "Paper Less".

Human Resources - Driving Sustainable Growth

As a Company, we have always been a sustainability leader and we aim to provide new solutions for sustainable development while continuing to shape our business responsibly and increase our economic success. This ambition encompasses all of our company's activities - along the entire value chain. Human Resource function has been playing an important role in this endeavor. The Human Resources Function of the Company has now ensured that Human Rights are protected, Diversity ensured, Exploitation eliminated, Corruption eradicated and Ethics prevail in all its business processed and endeavours. Extensive communication of these policies has been made ensuring increase of awareness and adherence. GFL has embarked on the mission to get SA 8000 Certified in this financial year.

GFL is now a committed member of United Nations Global Compact and is now a signatory of the Global Charter and the Science Based Targets Initiative (SBTI).

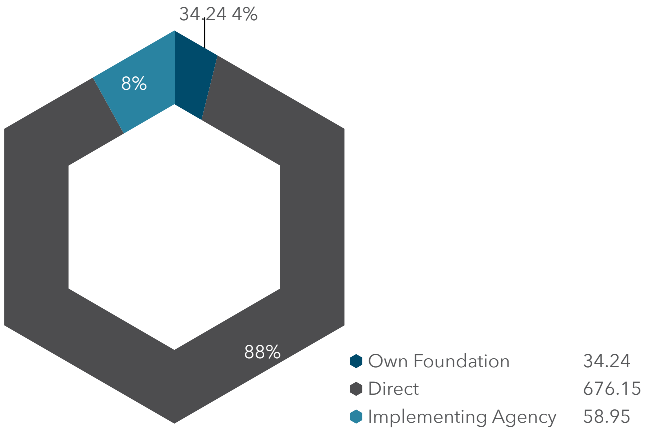
For GFL, Safety is not just a priority but a value to be lived in all our endeavours. To further augment the safety systems in Dahej and Ranjitnagar Plants, we have gone into a long term contract with DuPont Sustainable Solutions to support the plants to make our plants accident free where nobody gets hurt.

Corporate Social Responsibility

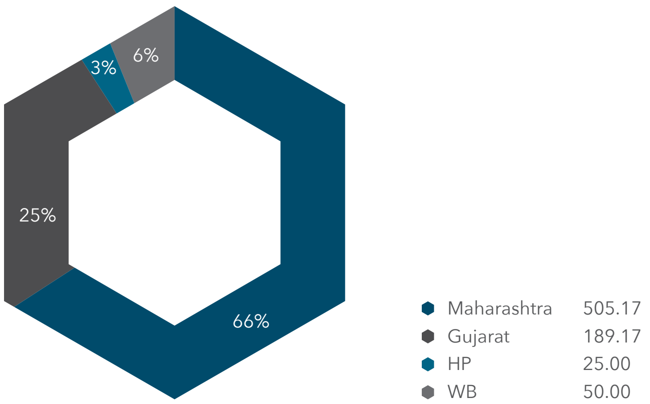
GFL as a Company, believes that Corporate Social Responsibility is an integral part of business activity. Through its CSR activities, the Company focuses on Enviornment, Education, Health & Sanitation, Reducing Inequality, Rural Area development, Art & Culture, Sports in its areas surrounding its plant operations as well as other places. Major project on water conservation has been taken up to eradicate the menace of water scarcity in Jitpura Village near Ranjitnagar. A much-appreciated project taken up in the five villages around Ranjitnagar is that of setting up Solar Power Street lights. Dahej Plant has helped constructing multiple houses for Below the Poverty Line families in Ambetha village.

School Bags & Books distribution to Students

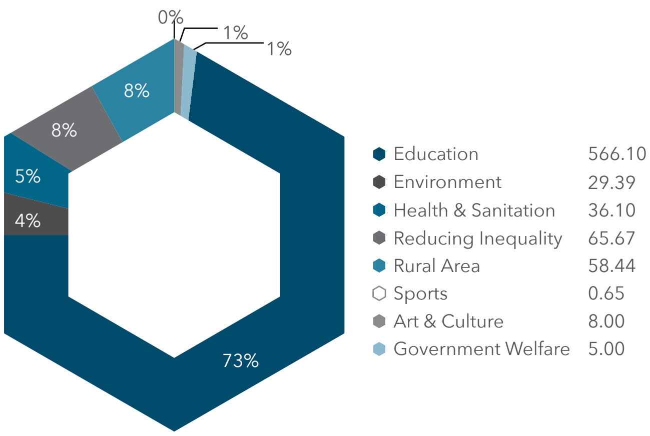
CSR-Implementation modalities



CSR Spends - Statewise



CSR Spends - Sectorwise



Risk Management and internal controls

The Company ensures that all the current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, minimised and managed. The Company has a risk management framework in place to ensure the implementation of a risk management process. This process is formulated on the principles of Business Risk Assessment, Operational Controls and Compliance to various Policies. The Company proactively identifies and systemically resolves all the major risks in business. The Company undertakes the exercise to document all the risks and corresponding controls.

The Company believes that sound internal controls and systems are related to the principle of good governance, and should be exercised within a framework of proper checks and balances. Accordingly, the Company has devised and implemented such internal control systems as are required in its business processes; the adequacies of these are commented upon by the Independent Auditors in their Report.

The Company remains committed to ensuring a reasonably effective internal control environment, that provides assurance on the operations and safeguarding of its assets. The internal controls have been designed to provide assurance about recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets, executing transactions with proper authorisation, and ensuring compliance with Corporate Policies.

The Company has devised and implemented such internal financial control systems. These controls are routinely tested and certified by Independent as well as Internal auditors, and covers all the key business operations of the Company. Key Audit findings, along with their action plans, are thereon reported to the Audit Committee, which monitors the overall control environment of the Company.

Cautionary Statements

This document contains statements about expected future events, financial and operating results of Gujarat Fluorochemicals Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forwardlooking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forwardlooking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Gujarat Fluorochemicals Limited's Annual Report, 2018-19.

GFL LIMITED

Earlier known as Gujarat Fluorochemicals Limited
(CIN: L24110GJ1987PLC009362)

Registered office: Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
Telephone: 02678-248153, Fax: 02678-248153
Website: www.gfllimited.co.in Email id: bvdesai@gfl.co.in

To,
The Member(s),
GFL Limited

NOTICE is hereby given that the **32nd (Thirty Second) Annual General Meeting** of Members of GFL Limited ('Company') will be held at the **Registered Office of the Company** at Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal, Gujarat, on **Wednesday, 18th September, 2019** at **03:00 pm**, to transact the following business:

Ordinary Business

1. Adoption of Financial Statements

To consider and adopt:

a. Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and

b. Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the report of the Auditors thereon.

2. Declaration of Dividend

To declare Dividend @ ₹3.50 per equity share of ₹1 each for the Financial Year ended on 31st March, 2019.

3. Re-appointment of Mr. Pavan Jain (DIN: 00030098) as Director of the Company

To appoint a Director in place of Mr. Pavan Jain (DIN: 00030098) who retires by rotation and being eligible offers himself for re-appointment.

Special Business

4. Continuation of Directorship of Mr. Shanti Prashad Jain (DIN: 00023379) as Non-Executive and Independent Director of the Company

To consider and, if, thought fit, to pass, the following resolution as a **Special Resolution:**

"Resolved that pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") and other applicable regulations of the Listing Regulations, as amended from time to time and applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and in partial modification of the Resolution passed by the Members at their 31st Annual General Meeting held on 31st August, 2018, the continuation of Directorship of Mr. Shanti Prashad Jain (DIN: 00023379), Non-Executive and Independent Director of the Company, who has attained the age of more than 75 years, to the existing term of his office till 31st March, 2024 as Non-Executive and Independent Director of the Company be and is hereby approved.

Resolved further that the Board of Directors (including its Committee thereof) or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

5. Continuation of Directorship of Mr. Shailendra Swarup (DIN: 00167799) as Non-Executive and Independent Director of the Company

To consider and, if, thought fit, to pass, the following resolution as a **Special Resolution:**

"Resolved that pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") and other applicable regulations of the Listing Regulations, as amended from time to time and applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and in partial modification of the Resolution passed by the Members at their 31st Annual General Meeting held on 31st August, 2018, the continuation of Directorship of Mr. Shailendra Swarup (DIN: 00167799), Non-Executive and Independent Director of the Company post his attaining the age of 75 years during the Financial Year 2019-20, to the existing term of his office till 31st March, 2024 as Non-Executive and Independent Director of the Company be and is hereby approved.

Resolved further that the Board of Directors (including its Committee thereof) or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

6. Appointment of Mr. Devendra Kumar Jain (DIN: 00029782) as Managing Director of the Company

To consider and, if, thought fit, to pass, the following resolution as a **Special Resolution:**

"Resolved that pursuant to the provisions of Sections 196,197,198 and any other applicable provisions, if any, of the Companies Act, 2013 (Act), the relevant rules made thereunder read with Schedule V of the said Act (including any statutory modification(s) and re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for the appointment of Mr Devendra Kumar Jain as Managing Director of the Company viz. GFL Limited (demerged company post approval of demerger scheme of the Company) for a period of five years commencing from 01st August, 2019 on the terms & conditions and remuneration as set out below:

Fixed remuneration of ₹10 Lakhs per month (₹1.20 Crore per annum)

In addition to remuneration, Mr Devendra Kumar Jain would also be entitled to the Company car with driver, telephone facility, furnished Company owned or leased furnished accommodation with all facilities, other perquisites including medical expenses reimbursement and leave travel concession as per the rules of the Company. Use of Car and telephone for the Company's business will not be considered as perquisites. All the perquisites and benefits are to be evaluated as per the Income Tax Rules, 1961.

Commission: Equivalent to three per cent of the net profits of the Company per annum, or pro-rata for a part of the year.

Resolved further that the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the terms and conditions of re-appointment of Mr Devendra Kumar Jain, Managing Director including remuneration and/ or perquisites payable or to be provided (including any monetary value thereof) to him to the extent the Board of Directors deem fit."

Resolved further that in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Mr. Devendra Kumar Jain, the remuneration by way of fixed remuneration, perquisites, commission or any other allowances as specified above and in accordance with the limits specified under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration."

Resolved further that the Board of Directors (including its Committee thereof) or the Company Secretary of the Company , be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

7. Re-appointment of Ms. Vanita Bhargava (DIN: 07156852) as Independent Director of the Company

To consider and, if, thought fit, to pass, the following resolution as a **Special Resolution:**

"Resolved that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Vanita Bhargava (DIN: 07156852), who was appointed as an Independent Director of the Company and who holds office of Independent Director up to 27th April, 2020 and being eligible for re-appointment, and whose re-appointment is approved by the Board based on the recommendation by the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from 28th April, 2020 to 27th April, 2025.

Resolved further that the Board of Directors (including its Committee thereof) or the Company Secretary of the Company , be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

By order of the Board of Directors

Place: Noida
Date: 13th August, 2019

Dhruv Shah
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') with respect to the Special Business to be transacted at the meeting set out in the Notice is annexed hereto. The brief details of the persons seeking appointment / re-appointment as Directors as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India as approved by the Central Government, is also annexed to this Notice as Annexure A.

2. A Member entitled to attend and vote at the Annual General Meeting (Meeting) is entitled to appoint one or more proxies to attend and vote on a Poll only instead of himself / herself and a Proxy need not be a Member. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

3. A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent (10%) of the total Share Capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or Member.

4. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative (s) to attend and vote on their behalf at the Meeting.

5. The Register of Members and Share Transfer Books for the Equity Shares of the Company shall remain closed from 13th September, 2019 to 18th September, 2019, both days inclusive, in connection with the Annual General Meeting and for the purpose of payment of dividend, if declared at the Meeting.

6. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents, Link Intime India Private Limited (Link), cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Link.

7. Members are requested to note that as per Section 124 (5) of the Companies Act, 2013, unpaid or unclaimed dividend after lapse of a period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the 'Investor Education and Protection Fund' (IEPF) of the Government along with all the shares. Unclaimed Dividends, as per the details given in the table below, will be transferred to the IEPF on the dates mentioned in the table. Those members who have not, so far, encashed these dividend warrants or any subsequent dividend warrants may claim or approach our Registrars and share transfer agents for payment thereof.

   Please note that Section 124(6) of the Companies Act, 2013 also provides that all shares in respect of the unclaimed dividend shall also be transferred to the IEPF. Hence, it is in the shareholders' interest to claim any uncashed dividends and for future dividends, opt for Electronic Credit of dividend so that dividends paid by the Company are credited to the investor's account on time.

Dividend Period	Type of Dividend	Due date of transfer
2011-12	Final	1st September, 2019
2012-13	Interim	5th March, 2020
2012-13	Final	26th September, 2020
2013-14	Final	14th October, 2021
2014-15	Final	2nd November, 2022
2015-16	Interim	13th April, 2023
2016-17	Final	1st November, 2024
2017-18	Final	4th October, 2025

   Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company during the Financial Year 2018-19 has transferred unclaimed dividend amounting to ₹34,34,844 and 61,643 equity shares to the IEPF Authority respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: http://www.gfllimited.co.in/IEPF_Shares.php The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in

8. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 28th September, 2017.

9. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

10. In compliance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 as amended read with Regulation 44 of the Listing Regulations, Annual Report for Financial Year 2018-19 of the Company has been sent via Electronic Mode (e-mail) to the Members whose e-mail addresses were made available to us by the Depository Participants. We request the Members to register / update their e-mail address with their Depository Participants, in case they have not already registered / updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Registrar and Share Transfer Agents of the Company.

11. (a) As stated in Para No. 17 - of the Board's Report, the Company has not attached the Annual Accounts, Reports and other Statements in respect of its Subsidiaries with the Annual Report of the Company for the Financial Year ended March 31, 2019.

    (b) A Statement showing information in aggregate of the said subsidiary Companies in compliance with the provisions of Section 129(3) of the Act has been attached with the Financial Statements in Form AOC-1 and forms a part of this Annual Report.

12. Voting Options

Voting through electronic means:

Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide e-voting facility to the members through the e-voting platform of CDSL in relation to the business to be transacted at the 32nd Annual General Meeting to be held on Wednesday, 18th September, 2019 at 03:00 p.m. The facility of casting votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Ltd. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on Thursday, 12th September, 2019.

The facility for voting, through ballot paper, shall be made available at the AGM and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are as under:

Instructions for E-Voting

The voting period begins on 09:00 am of Sunday 15th September 2019 and ends on 05:00 pm of Tuesday, 17th September, 2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 12th September, 2019may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

i. The shareholders should log on to the e-voting website www.evotingindia.com.

ii. Click on Shareholders / Members

iii. Now enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Characters Alpha-numeric DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and cast your vote earlier for any company, then your existing password is to be used. If you are a first time user, follow the steps given in the table below.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number in the PAN field as mentioned on the mailing address sticker.

For Members holding shares in Demat Form and Physical Form	
Dividend Bank Details OR Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

vi. After entering these details appropriately, click on "SUBMIT" tab.

vii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix. Click on EVSN of GFL LIMITED

x. On the voting page, you will see "Resolution Description" and against the same, the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the "Resolutions File Link" if you wish to view the entire set of Resolutions.

xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xv. If a demat account holder has forgotten the changed login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off-date i.e. 12th September, 2019, should follow the same procedure as mentioned above for e-Voting.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding E-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

xx. Once you have cast your vote, you cannot modify or vote on poll at the AGM. However, you may attend the meeting and participate in the discussions, if any.

VOTING AT AGM:

The Chairman shall at the AGM, at the end of the discussion on the resolutions, on which voting is to be held, allow voting with the assistance of Scrutinizer, by the use of Polling Paper for all the Members who are present at the AGM but have not cast their vote by availing the remote e-voting facility. Polling papers are attached with this Annual Report.

13. Other Instructions:

i. The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 09:00 am of Sunday, 15th September, 2019
End of e-voting period	Upto 05:00 pm of Tuesday, 17th September , 2019

E-voting shall not be allowed beyond 05:00 pm of 17th September, 2019. The e-voting module shall be disabled by CDSL for voting thereafter. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off-Date, may cast their votes electronically. The Cut-off-Date for the purposes of e-voting is **12th September, 2019**. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on **12th September, 2019**

ii You can opt only one mode of voting i.e. either by E-voting or Physical Ballot. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.

iii. Mr. Satyanarain Samdani, failing him, Mr. Suresh Kumar Kabra, Partner(s) of Samdani Shah & Kabra has been appointed as the Scrutinizer to scrutinize the e-voting, remote e-voting and polling paper process in a fair and transparent manner.

iv. Pursuant to the provisions of Section 107 of the Act Read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) there will not be any voting by show of hands on any of the agenda items at the Meeting and the Company will conduct polling at the meeting.

v. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast in the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

v. The results declared of e-voting along with the report of the Scrutinizer shall be placed on the website of the Company at www.gfllimited.co.in and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd. and NSE Limited.

14. Appointment / Re-appointment of Directors:

The information required to be provided under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director/s being appointed / re-appointed is given herein below also in the Corporate Governance Report.

Name of Director	Mr. Devendra Kumar Jain	Mr. Shailendra Swarup	Mr. Shanti Prashad Jain	Mr. Pavan Jain	Ms Vanita Bhargava
Date of Birth and Age	2nd March, 1929, 91 years	20th November, 1944, 74 years	1st February, 1940, 79 years	17th May, 1951, 68 years	1st March, 1974, 45 years
Date of first appointment on the Board	01st January, 1988	1st January, 1988	22nd May, 2009	4th February, 1987	28th April, 2015
Directors Identification Number	00029782	00167799	00023379	00030098	07156852
Qualification	Graduate in History (Hons)	LL.B.	Fellow Chartered Accountant	B.Tech. Chemical Engineer from Indian Institute of Technology, New Delhi	B.Com. LLB.
Experience / Expertise in Specific Functional Area	Mr. Devendra Kumar Jain has over 60 years of rich experience in business Management and international trade.	Mr. Shailendra Swarup is a Senior Advocate practising at the High Court and Supreme Court of India. He has over 44 years of experience in handling various legal matters	Mr. Shanti Prashad Jain is a leading Chartered Accountant and practicing since 1963. He has specialized in taxation matters of various reputed companies and banks.	Mr. Pavan Jain has over 40 years of experience of handling several diverse businesses, of which the last twenty have been as Managing Director of Inox Air Products Private Limited	Ms. Vanita Bhargava has 17 years' of experience as practicing advocate at Supreme Court, High Court, Company Law Board, National Green Tribunal, Mining Tribunal, Consumer Forums and its Appellate Authorities. Her Representative areas include Dispute Resolution, Domestic Tax, Environment, Indirect Tax, Infrastructure, Energy and Natural Resources, International Tax, Technology, Media and Telecom, Shareholder Dispute, Domestic and International Arbitration
Directorship held in other Companies	1. Inox Leasing and Finance Limited 2. Inox India Private Limited 3. Devansh Gases Private Limited 4. Rajni Farms Private Limited 5. Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)	1. The India Thermit Corporation Limited 2. Subros Limited 3. Bengal & Assam Company Limited 4. Vis Legis Consult Private Limited 5. Kangaroo Properties Private Limited 6. Dev Valley Devcon Private Limited 7. JK Paper Limited 8. Inox Infrastructure Limited 9. Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)	1. Ashok Vihar Club 2. Inox Wind Limited 3. Inox Wind Infrastructure Services Limited 4. Inox Renewables Limited 5. Inox Infrastructure Limited 6. SP Securities Limited 7. Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)	1. Inox Leasing and Finance Limited 2. Inox Air Products Private Limited 3. Inox India Private Limited 4. Inox Leisure Limited 5. Inox Infrastructure Limited 6. Inox Renewables Limited 7. Rajni Farms Private Limited 8. Devansh Gases Private Limited 9. Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)	1. Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)

Name of Director	Mr. Devendra Kumar Jain	Mr. Shailendra Swarup	Mr. Shanti Prashad Jain	Mr. Pavan Jain	Ms Vanita Bhargava
Membership / Chairmanship of other Companies	**Inox Leasing and Finance Limited** • CSR Committee, Chairman **Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited)** COD chairman	**Inox Infrastructure Limited** • Audit Committee, Member • NR Committee, Member **JK Paper Limited** • CSR Committee, Member • COD, Member **Bengal & Assam Company Limited** • COD, Members **Subros Limited** • NR Committee, Member • Risk Management Committee, Member **India Thermit Corporation Limited** • Audit Committee, Member • NR Committee, Member • Vigil Mechanism Committee, Member	**Inox Wind Limited** • Audit Committee, Chairman • Stakeholders Relationship Committee, Chairman • CSR Committee, Member • NR Committee, Member **Inox Wind Infrastructure Services Limited** • Audit Committee, Chairman • NR Committee, Member **Inox Renewables Limited** • Audit Committee, Chairman • CSR Committee, Member • NR Committee, Chairman **Inox Infrastructure Limited** • Audit Committee, Chairman • NR Committee, Chairman	**Inox India Private Limited** • CSR Committee, Member **Inox Leasing and Finance Limited** • Audit Committee, Chairman • Stakeholders' Relationship Committee, Chairman • CSR Committee, Member **Inox Air Products Private Limited** • Stakeholders' Relationship Committee, Chairman • Audit Committee, Chairman • COD • CSR Committee, Chairman **Inox Leisure Limited** • Stakeholders' Relationship Committee, Chairman. • COD, Chairman • CSR Committee, Chairman	
The Number of Meeting of the Board Attended during the year	5	4	4	1	2
Remuneration last drawn	₹740.66 Lakhs (Commission)	₹1.80 Lakhs (Sitting Fees)	₹1.60 Lakhs (Sitting Fees)	₹0.20 Lakhs (Sitting fees)	₹1.00 Lakhs (Sitting fees)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Relative of Shri Pavan Jain and Shri Vivek Jain, Directors of the Company.	None	None	Relative of Shri Devendra Kumar Jain and Shri Vivek Jain, Directors of the Company	None
Shareholding in the Company	20,100 shares	10,000 shares	1,000 shares	20,100 shares	Nil

Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 4 and 5

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1 April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Mr. Shanti Prashad Jain (DIN: 00023379) and Mr. Shailendra Swarup (DIN: 00167799) were reappointed as Non-Executive and Independent Directors of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made thereunder and pursuant to Regulation 17 of Listing Regulations to hold office as Non-Executive and Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from 01st April, 2019 to 31st March, 2024.

Brief resume of Mr. Shanti Prashad Jain and Mr. Shailendra Swarup nature of their experience in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations, are provided at Note No. 14 of the Notice.

The Board, based on the performance evaluation of the Mr. Shanti Prashad Jain and Mr. Shailendra Swarup and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Non-Executive Directors of the Company. In line with the provisions the Listing Regulations, your directors recommend their continued association of all these Non-Executive Directors beyond April 1, 2019 and until expiry of their respective terms.

Mr. Shanti Prashad Jain and Mr. Shailendra Swarup are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective re-appointments. The relatives of Mr. Shanti Prashad Jain and Mr. Shailendra Swarup may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board commends the Special Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the members.

The Directors recommend the Resolution as stated at Item No. 4 and 5 of the Notice for approval of the Members by way of a Special Resolution.

Item No. 6

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, by its Order dated July 4, 2019, has approved the Scheme of Arrangement between Gujarat Fluorochemicals Limited (now known as "GFL Limited" or "the Demerged Company") and Inox Fluorochemicals Limited (now known as "Gujarat Fluorochemicals Limited" or "the Resulting Company") 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") for the demerger of Chemical Business Undertaking from GFL Limited to Gujarat Fluorochemicals Limited. Pursuant to the said scheme all the employees including Managing Director and Whole-time Directors of the Demerged Company shall be transferred to the Resulting Company; thus having regards to the provisions of the Scheme and considering the performance of the Company and the valuable guidance given by Mr. Devendra Kumar Jain, it is considered desirable that the Company avail the services of Mr. Devendra Kumar Jain as the Managing Director of the Company, on the terms as contained in the resolution. The matter regarding appointment of Mr. Devendra Kumar Jain as Managing Director was placed before Nomination and Remuneration Committee and it has recommended his appointment.

In Compliance of Sections 196 and 197 read with Schedule V of the Act and Rules framed thereunder, -appointment of Mr. Devendra Kumar Jain as Managing Director of the Company for a period of five years with effect from 1st August, 2019 is being placed before the Members for their approval.

Brief resume of Mr. Devendra Kumar Jain, nature of his experience in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations, are provided at Note No. 14 of the Notice.

Mr. Devendra Kumar Jain is interested in the resolutions set out respectively at Item Nos. 6 of the Notice with regard to their respective re-appointments. The relatives of Mr. Devendra Kumar Jain may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives except Mr. Vivek Jain and Mr. Pavan Jain are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

The Directors recommend the Resolution as stated at Item No. 6 of the Notice for approval of the Members by way of a Special Resolution.

Item No. 7

Ms. Vanita Bhargava (DIN: 07156852) was appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Regulations. Ms. Vanita Bhargava holds office as Independent Director of the Company upto 27th April, 2020 ('first term').

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of highly satisfactory performance evaluation of Independent Directors, has recommended re-appointment of Ms. Vanita Bhargava as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Ms. Vanita Bhargava would be beneficial to the Company and it is desirable to continue to avail their services as Independent Director. Accordingly, it is proposed to re-appoint Vanita Bhargava as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Ms. Vanita Bhargava are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from Ms. Vanita Bhargava that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Ms. Vanita Bhargava Jain fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Further, the appointees are not debarred from holding the office of Director pursuant to any SEBI Order. Copy of draft letters of appointment of Ms. Vanita Bhargava setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Ms. Vanita Bhargava are interested in the resolutions set out respectively at Item Nos. 7 of the Notice with regard to their respective re-appointments. The relatives of Ms. Vanita Bhargava may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company. Brief resume of Ms. Vanita Bhargava, nature of his experience in specific functional areas and names of companies in which of he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations, are provided at Note No. 14 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Directors recommend the Resolution as stated at Item No. 7 of the Notice for approval of the Members by way of a Special Resolution.

By order of the Board of Directors

Date: 13th August, 2019
Place Noida

Dhruv Shah
Company Secretary

Board's Report

To,
The Member(s),

GFL Limited
(Earlier known as Gujarat Fluorochemicals Limited)

Your Directors take pleasure in presenting to you their Thirty Second Annual Report of your Company together with Audited Financial Statements for the Financial Year ended on 31st March, 2019.

1. Financial Performance

The financial performance of your Company for the year ended 31st March, 2019 is highlighted below:

Sr. No.	Particulars	Consolidated ₹ in Lakhs		Standalone ₹ in Lakhs	
		2018-19	2017-18	2018-19	2017-18
I	Revenue from Operations	5,69,811	3,92,129	2,73,055	2,08,431
II	Other income	11,699	13,279	13,219	10,302
III	Total Revenue Income (I+II)	5,81,510	4,05,408	2,86,274	2,18,733
IV	Less: Total Expenses	4,99,473	3,76,500	2,16,427	1,70,506
V	Share of profit / (loss) of joint ventures and associates	(36)	(8)	-	-
VI	Profit before exceptional items and tax (III-IV+V)	82,001	28,900	69,847	48,227
VII	Exceptional items	(1,324)	(957)	(824)	15,403
VIII	Profit before tax (VI+VII)	80,677	27,943	69,023	63,630
IX	Total Tax expense	(54,232)	3,936	(58,708)	14,899
X	**Profit/(Loss) for the period (VIII-IX)**	**1,34,909**	**24,007**	**1,27,731**	**48,731**
XI	Other comprehensive income	208	764	(110)	168
XII	**Total comprehensive income**	**1,35,117**	**24,770**	**1,27,621**	**48,899**
	Attributable to				
	- Owners of the Company	1,30,663	25,999	-	-
	-Non-controlling interests	4,454	(1,229)	-	-
	Opening balance in Retained Earnings	**1,11,949**	**1,07,622**	**33,790**	**9,618**
	Amount available for Appropriations	2,37,475	**1,37,576**	1,61,463	**58,418**
	Dividend -Final-2018-19	3,845	3,844	3,845	3,844
	Tax on dividend	790	783	790	783
	Transferred to General Reserves	20,000	20,000	20,000	20,000
	Closing balance in Retained Earnings	**2,12,840**	**1,11,949**	**1,36,828**	**33,791**

Detailed analysis of the Financial and Operational Performance of the Company has been given in the Management Discussion and Analysis forming part of this Annual Report.

2. Consolidated Financial Statements

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2018-19 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company, its subsidiaries, joint ventures and associate companies, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report. The Audited Standalone and Consolidated Financial Statements for the Financial Year 2018-19 shall be laid before the Annual General Meeting for approval of the Members of the Company.

3. Dividend

Your Directors considering the financial results and the performance of the Company during the year under review have recommended Dividend of ₹ 3.50 per share (350%). The total dividend pay-out (including dividend distribution tax on dividend pay-out) for the Financial Year 2018-19 will be ₹ 4635 Lakhs.

This dividend amounting to ₹ 3845 Lakhs (excluding dividend tax) is subject to the approval of the Members at the forthcoming Annual General Meeting and if approved, members whose name appear on the Register of Members as on **13th September, 2019** will be entitled to the dividend.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend Distribution Policy' and details of the same have been uploaded on the Company's website www.gfllimited.co.in and is annexed to this report as **Annexure - A**

4. Transfer of unpaid Dividend/Unclaimed amount and shares to Investor Education and Protection Fund

During the year under review, the Company has credited unpaid dividend aggregating to ₹ 34.34 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013.

In accordance with the provisions of Companies Act, 2013, the Company during the Financial Year 2018 -19, has transferred 61,643 equity shares of ₹ 1 each, to the credit of IEPF Authority, in respect of which dividend had not been paid or claimed by the members for seven consecutive years. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. 31st August, 2018) and details of shares transferred to IEPF. The aforesaid details are put on the Company's website https://www.gfllimited.co.in/unclaimed_dividend.php and can be accessed at the website of the IEPF Authority (www.iepf.gov.in).

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

5. Transfer to Reserves

During the year under review, the Company has transferred ₹ 20,000 Lakhs to General Reserves.

6. Directors and Key Managerial Personnel

Appointments / Re-appointments:

- At the 32nd Annual General Meeting (AGM), following appointments / re-appointments are being proposed:

  a. Appointment of Mr. Devendra Kumar Jain (DIN: 00029782) as Managing Director of the Company.

  b. Re-appointment of Mr. Pavan Jain (DIN: 00030098) who retires by rotation and being eligible, offers himself for re-appointment.

  c. Re-appointment of Mr. Shailendra Swarup (DIN: 00167799), and Mr. Shanti Prasad Jain (DIN: 00023379) as Independent Directors of the Company.

  d. Re-appointment of Ms. Vanita Bhargava (DIN:07156852) as Independent Director of the Company.

Necessary Resolutions in respect of Directors seeking re-appointment and their brief resume pursuant to Clause 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

Retirements / Resignations

- After the closure of the Financial Year 2018 -19, Mr. Anand Bhusari resigned as Whole –time Director of the Company with effect from end of business hours of 27th April, 2019 with the intent of retiring from active professional life on entering the 62nd year of his life.

  Further, Mr Chandra Prakash Jain, Mr Rajagopalan Doraiswami, Mr Dinesh Kumar Sachdeva and Mr Sanath Kumar Mupiralla have resigned as Directors of GFL Limited w.e.f. 14th August, 2019 due to their pre-occupations.

Transfer of Key Managerial Personnel

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, by its Order dated July 4, 2019, has approved the Scheme of Arrangement between

Gujarat Fluorochemicals Limited (now known as "GFL Limited" or "the Demerged Company") and Inox Fluorochemicals Limited (now known as "Gujarat Fluorochemicals Limited" or "the Resulting Company") 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") for the demerger of Chemical Business Undertaking from GFL Limited to Gujarat Fluorochemicals Limited.

Pursuant to the Clause 1.7 of the Scheme of Arrangement between Gujarat Fluorochemicals Limited (now known as GFL Limited) and Inox Fluorochemicals Limited (Now known as Gujarat Fluorochemicals Limited), the existing Key Managerial Personnel of the GFL Limited (earlier known as Gujarat Fluorochemicals Limited) as mentioned below shall be transferred to Gujarat Fluorochemicals Limited (earlier known as Inox Fluorochemicals Limited) w.e.f 1st August, 2019

- Mr. Vivek Jain – Managing Director and Chief Executive Officer
- Mr. Manoj Agrawal – Chief Financial Officer
- Mr. Bhavin Desai – Company Secretary and Compliance Officer

Appointment of Key Managerial Personnel

Consequent to the transfer of the existing Key Managerial Personnel to the Resulting Company, the following mentioned persons shall be appointed as Key Managerial Personnel of the Company viz GFL Limited w.e.f 1st August, 2019.

- Mr. Devendra Kumar Jain – Managing Director and Chief Executive Officer
- Mr. Nilesh Pandya – Chief Financial Officer
- Mr. Dhruv Shah – Company Secretary and Compliance Officer

7. Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is uploaded on the Company's website www.gfllimited.co.in. Salient features and objectives of the Policy are as follows:

a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by Nomination and Remuneration Committee and recommend to the Board their appointment and removal.

b. To formulate criteria for determining qualification, positive attributes and Independence of a Director;

c. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel & other employees to work towards the long term growth and success of the Company.

8. Declaration of Independence

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence

9. Familiarisation Programme for Independent Directors

Details of Familiarisation Programme for Independent Directors is given in the Corporate Governance Report.

10. Performance Evaluation

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors and Chairperson of the Company for the Financial Year 2018-19. Further, based on the feedback received by the Company, the Nomination and Remuneration Committee at its Meeting held on 13th February, 2019 had noted that Annual Performance of each of the Directors including Chairman is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

11. Meetings of The Board

During the year under review, the Board met Five times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

12. Directors' Responsibility Statement as per sub-section (5) of Section 134 of the Companies Act, 2013

To the best of their knowledge and belief and according to the information and explanations obtained by your Directors, they make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

i. in the preparation of the annual accounts for the Financial Year ended 31st March, 2019, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit of the Company for that period;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the Directors had prepared the Annual Accounts on a going concern basis;

v. the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls were adequate and were operating effectively and

vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's Operations In future

Demerger of the Chemical Business of the Company

The Scheme of Arrangement between Gujarat Fluorochemicals Limited (now known as GFL Limited) ('The Demerged Company' or 'GFL1') and Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited) ('The Resulting Company' or 'GFL2') and their respective Shareholders ("Scheme") which inter alia, envisaged for the Demerger of Chemical business (collectively called as 'the Chemical Business Undertaking') of GFL1 into the Resulting Company was approved by the Board of Directors of GFL1 and GFL2 in their respective Board meetings held on 14th November, 2018 and 12th December, 2018. The Scheme of Arrangement was also approved by the Equity Shareholders, Secured Creditors and Unsecured Creditors of GFL1 at their meeting held on 11th May, 2019 pursuant to the Order dated 28th March, 2019 of the National Company Law Tribunal, Ahmedabad Bench.

The Scheme, pursuant to the petition filed by GFL1 and GFL 2 received the sanction of the National Company Law Tribunal, Ahmedabad Bench vide its Order dated 4th July, 2019 which was received by the Company on 15th July, 2019 and the Scheme came into effect from 16th July, 2019. Subsequent thereto, the transfer of Chemical Business Undertaking of Demerged Company into the Resulting Company with effect from the Appointed Date, April 1, 2019 has been completed.

Change of Name of the Company

Pursuant to the sanction of the Scheme of Arrangement between Gujarat Fluorochemicals Limited ('The Demerged Company' or 'GFL1') and Inox Fluorochemicals Limited ('The Resulting Company' or 'GFL2') by the National Company Law Tribunal, Ahmedabad Bench vide its Order dated 4th July, 2019 and as the Group has always been known as GFL, the name of the Demerged Company i.e Gujarat Fluorochemicals Limited is changed to GFL Limited w.e.f 17th July, 2019 after according the requisite approvals.

14. Particulars of Loans Given, Investments Made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements of the Company. Please refer to Notes no. 8, 9, 38, 45 and 48 to the Standalone Financial Statements of the Company.

15. Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the year under review with Related Parties are approved by the Audit Committee and/or Board, as per the provisions of Section 188 of the Companies Act, 2013 read with the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations. During the year under review, the Company had not entered into any contract / arrangement / transaction with Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions.

The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: http://www.gfllimited.co.in/pdf/GFL%20-%20Related%20Party%20Transaction%20Policy.pdf

All transactions entered with Related Parties for the year under review were on arm's length basis and hence, disclosure in Form AOC -2 is not required to be annexed to this report.

16. Deposits

The Company has not accepted any deposits covered under Chapter V of the Act.

17. Subsidiaries, Joint Ventures and Associate Companies

A separate statement containing the salient features of financial statements of all Subsidiaries, Associates and Joint Ventures of the Company forms a part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiaries, joint ventures, associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company www.gfllimited.co.in. The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company.

During the Financial Year under review, Inox Fluorochemicals Limited (now known as Gujarat Flurochemicals Limited) was incorporated as a Wholly Owned Subsidiary of the Company on December 06, 2018 with the objects of carrying on business of inter alia manufacturing of Fluoropolymers, Refrigerants, Chemicals, etc. The Report on the performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies of the Company is annexed to this report in Form no AOC-1 pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure B.**

18. Internal Financial Controls

The Company has adequate Internal Financial Controls commensurate with its size and nature of its business. The Board has reviewed Internal Financial Controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company. One of the Internal Auditors of the Company also tests the internal controls independently.

19. Vigil Mechansim

As per the provisions of Section 177(9) of the Act read with Regulation 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for Directors and Employees to report improper acts or genuine concerns or any leak or suspect leak of Unpublished Price Sensitive Information. The Company has accordingly establish a Vigil Mechanism and "Whistle Blower Policy" for all its Employees and Directors to report improper acts. The details of the said mechanism and policy are available on the Company's website www.gfllimited.co.in.

20. Independent Auditor's Report

There are no reservations, qualifications or adverse remarks in the Independent Auditor's Report.

The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under Section 134 (3) (f) of the Companies Act, 2013.

21. Independent Auditors

Members at their 30th Annual General Meeting held on 28th September, 2017 had appointed M/s Kulkarni and Company, Chartered Accountants, Pune as Independent Auditors of the Company from the conclusion of 30th Annual General Meeting until conclusion of 35th Annual General Meeting. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 28th September, 2017.

22. Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2013, the Company has appointed M/s Samdani Shah & Kabra, a firm of Practising Company Secretaries to conduct Secretarial Audit of the Company.

The Secretarial Audit Report given by M/s Samdani Shah & Kabra for the Financial Year 2018-19, is annexed herewith as **Annexure C** in Form no. MR-3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

23. Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations read with para B of Schedule V is presented in a separate Section forming part of this Annual Report.

24. Corporate Governance Report

Pursuant to Regulation 34 read with Para C of Schedule V of Listing Regulations, the Corporate Governance Report of the Company for the year under review and the Auditors' Certificate regarding compliance of conditions of Corporate Governance is annexed to this report as **Annexure H**.

In compliance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from the Managing Director and Chief Financial Officer of the Company, who are responsible for the finance function, was placed before the Board.

All the Board Members and Senior Management Personnel of the Company had affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Managing Director is annexed as a part of the Corporate Governance Report.

25. Business Responsibility Report

Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front forms an integral part of this report. The said report is available on the website of the Company www.gfllimited.co.in

26. Extract of Annual Return

In terms of Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2013, the extract of Annual Return as provided in Form no. MGT -9 is annexed to this report as **Annexure D**.

27. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, in the manner prescribed is annexed to this report as **Annexure E.**

28. Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure F**.

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said rule is annexed to this report.

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

29. Corporate Social Responsibility Activities

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Mr. Shanti Prashad Jain, Independent Director, Mr. Vivek Jain, Director and Mr. Deepak Asher, Non Independent Director of the Company. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at http://www.gfllimited.co.in/pdf/CSR_Policy_Final_05112014.pdf. The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as **Annexure G**.

30. Safety, Health and Environment

Safety, health and environment have been of prime concern to the Company and necessary efforts were made in this direction in line with the safety, health and environment policy laid down by the Company. The Company has achieved certification of ISO: 14001:2004 (Environment Management System), ISO 18001:2007 (Occupational Health and Safety Management System) and ISO 9001:2008 (Quality Management System) for its Ranjitnagar and Dahej Unit. Health of employees is being regularly monitored and environment has been maintained as per statutory requirements.

31. Insurance

The Company's property and assets have been adequately insured.

32. Risk Management

The Board of Directors of the Company at its Meeting held on 10th November, 2017 has approved Enterprise Risk Management (ERM) Framework of the Company which is derived from COSO ERM – Aligning Risk with Strategy and Performance 2016 framework established by committee of sponsoring organizations. According to this, Enterprise Risk Management is "The culture, capabilities, and practices, integrated with strategy-setting and its execution, that organizations rely on to manage risk in creating, preserving, and realizing value". The Company has, therefore, adopted Residual risk approach and the Board of Directors have at its Meeting held on 27th May,2019 approved Risk Reporting and its Monitoring system. In the Board's view, one of the Internal Auditors of the Company have reviewed ERM and reported that there are no material or additional risks identified which may threaten the existence of the Company. For further details, please refer to the Management Discussion and Analysis Report annexed to this report.

33. Reporting of Frauds

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and rules framed thereunder either to the Company or to the Central Government.

34. Information under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has formed an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed of during the year 2018-19.

No. of Complaints Received	Nil
No. of Complaints disposed of	Not Applicable

Hence, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

35. Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year of The Company to which the Financial Statements relate and the date of the Report

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

36. Acknowledgement

Your Directors express their gratitude to all other external agencies for the assistance, co-operation and guidance received. Your Directors place on record their deep sense of appreciation for the dedicated services rendered by the workforce of the Company.

By order of the Board of Directors

Place: Noida
Date: 13th August, 2019

Devendra Kumar Jain
Chairman

Annexure A to the Boards' Report

Dividend Distribution Policy

1. Preface

The Board of Directors ("Board") of GFL Limited ("Company") has adopted this Dividend Distribution Policy ("Policy") in terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") at its Meeting held on 09th February, 2017. This Policy will regulate the process of declaration of Dividend as per the provisions of the Companies Act, 2013 ("Act") read with the relevant Rules made thereunder and also the internal policy of the Company for utilisation of retained earnings for future growth of the Company.

2. Objective of the Policy

The objective of this Policy is to define the procedure, parameters and the factors which the Board may consider at the time of taking the decision for declaration of Interim Dividend or recommendation of Final Dividend and to maintain a balance between appropriately rewarding its Members with cash Dividend and the amount of Profit to be retained for the further growth of the Company.

Any deviation from this Policy, when deemed necessary in the interests of the Company, along with the rationale for such deviation, will be disclosed in the Annual Report by the Board.

3. Definitions

"Act" means The Companies Act, 2013.

"Articles of Association" means Articles of Association of the Company.

"Board" means the Board of Directors of the Company.

"Company" means GFL Limited **("GFL")**.

"Dividend" includes Interim and Final Dividend.

"Financial Year" means the period starting on 1st day of April and ending on the 31st day of March every year in respect whereof Financial Statements of the Company are made up.

"Financial Statements" include:

(i) Balance Sheet as at the end of the Financial Year;

(ii) Profit and Loss Account for the Financial Year;

(iii) Cash Flow Statement for the Financial Year;

"Free Reserves" means such Reserves which, as per the latest audited Balance Sheet of the Company, are available for distribution as Dividend.

"Member" in relation to a Company means every person holding shares of the Company and whose name is entered as a Beneficial Owner in the records of a Depository.

"Paid-up Share Capital" or "Share Capital Paid-up" means such aggregate amount of money credited as paid-up in respect of shares of the Company.

"Profit" means Profit for the Financial Year arrived at after providing for Depreciation in accordance with Schedule II to the Act.

"Rules" mean The Companies (Declaration and Payment of Dividend) Rules, 2014.

"Share" means a share in the Share Capital of the Company.

4. Category of Dividend

The Act provides for two categories of Dividend viz. Interim and Final.

a) Interim Dividend

The Interim Dividend can be declared by the Board one or more times during any Financial Year at its complete discretion in line with this Policy.

Process for approval of Payment of Interim Dividend

The Board may declare and pay Interim Dividend for any Financial Year in line with this Policy, out of surplus in the Profit and Loss Account and out of Profits of the Financial Year based on its quarterly or half yearly Standalone Financial Statements for the period for which such Interim Dividend is sought to be declared.

b) Final Dividend

The Board may recommend Final Dividend for any Financial Year out of surplus in the Profit and Loss Account of the Financial Year based on its Annual Standalone Financial Statements to be approved by the Members at its General Meeting. The Final Dividend can be paid after approval of the Members at the General Meeting.

Process for approval of Payment of Final Dividend

The Board may recommend Final Dividend for any Financial Year in line with this Policy, out of the Profits for the Financial Year arrived at after providing for depreciation in accordance with Schedule II to the Act or out of Profit of any previous Financial Year/s after providing for depreciation in accordance with Schedule II to the Act and remaining undistributed or out of both.

5. Circumstances under which the Members of the Company may or may not expect Dividend

Members may expect Dividend in case the Company has adequate Profit for distribution of Dividend and the Dividend is recommended or declared by the Board in terms of this Policy.

Members may not expect Dividend under following circumstances:

The Company has no Profit or inadequate Profit;

The Company has Profit but the Board decides to retain its Profit for future growth.

6. Factors and Parameters to be considered by the Board

The decision of the Board regarding recommendation and /or declaration of Dividend is a crucial one as it determines the amount of Profit to be distributed amongst the Members and the amount of Profit to be retained for its future growth. However, the Board will take this decision based on the following factors and financial parameters:

Internal Factors

- Profits available during any Financial Year;
- Present and future capital requirements of the Company;
- Long term strategies of the Group and its capital requirements;
- Covenants and restriction, if any, in the agreements with the lenders of the Company from time to time;
- Brand / Business acquisition prospects being considered or likely to be considered;
- Capital expenditure planned or likely to be planned for its existing businesses;
- Board's opinion about sustainability of the Profit of the Company;
- Any other factor as deemed fit by the Board.

External Factors

- Any adverse Economic situations in the Country and across the Globe;
- Capital Market Legislation;
- Money market conditions;
- Changes in Tax Laws from time to time;
- Changes in Government Policies;
- Changes and outlook in market, prices, demand and supply position of the principal products of the Company.

Financial Parameters

- Profit earned during the Financial Year, and expected to be earned in the foreseeable future;
- Overall financial condition of the Company and its cash flow position;
- Estimated volatility of future earnings;
- The cost of fund raised externally.

7. Dividend Pay-out

The Company will endeavour to distribute appropriate level of its Profits earned out of its business activities in form of Dividend to its Members after taking into account, the factors and financial parameters enumerated in this Policy. However, all efforts will be made to maintain a Dividend Pay-out as per the historic trends of the Company.

8. Retained Earnings Utilisation

Considering the factors and financial parameters above, the Board may at its discretion choose to retain Profits of the Company to be used for:

- Company's Investment needs for future growth;
- Building of Net Worth of the Company by creating Reserves;
- Issue of Bonus Shares; or
- Future Dividend pay-outs.

9. This Policy shall not apply to:

- Determination and declaring Dividend on Preference shares, if any, as the same will be as per the terms approved by the Shareholders at the time of Issue of Preference Shares.
- Utilization of Profits of the Company for Issue of Bonus Shares to the Shareholders of the Company.
- Distribution of cash for the Buyback of Equity shares of the Company.

10. Provisions in regard to various class of shares

The Company has presently only one class of shares i.e. Equity Shares. If and when the Company issues any other class of shares, this Policy will be modified accordingly.

11. Communication of this Policy

This Policy is posted on the website of the Company and published in the Annual Report of the Company as required under the Listing Regulations.

12. Amendment

The Board shall have the right to amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. However, in case of any change in the Policy, such changes along with the rationale for the same shall be disclosed in the Annual Report of the Company and the same shall also be put up on the Company's website.

Annexure B to the Boards' Report

FORM NO. AOC 1

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

Part A - Subsidiaries

(₹ in Lakhs)

Sr. No	Inox Leisure Limited 1	Inox Wind Limited 2	Inox Renewables Limited 3	Inox Infrastructure Limited 4	Gujarat Fluorochemicals Americas LLC 5	Gujarat Fluorochemicals Singapore Pte Limited 6	GFL G M Fluorspar (SA) 7	Gujarat Fluorochemicals GmbH 8	Shouri Properties Private Limited 9	Swanston Multiplex Cinemas Pvt Ltd 10	Inox Wind Infrastructure Services Limited 11
The date since when the subsidiary was acquired	09/11/99	09/04/09	11/11/10	27/02/07	02/09/09	25/07/11	15/08/11	19/08/13	24/11/14	05/03/18	11/05/12
Reporting period, if different from the holding Company											
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries					USD @₹ 69.15	USD @₹ 69.15	MAD @₹ 7.16	EURO @₹ 77.57			
Share Capital	10,261	22191.82	337.50	5000.00	1012.28	7671.48	1349.96	21.82	141.00	203.00	5738.95
Reserves and Surplus	86,125	178890.01	12334.57	918.47	2307.12	787.09	(2560.31)	1734.58	(60.86)	(199.66)	(2025.22)
Total Assets	1,47,854	377089.49	65149.35	5940.65	13613.10	8465.43	14105.88	12142.72	208.38	26.34	186147.66
Total Liabilities	51,469	1,76,008	52477.28	22.18	10293.70	6.86	15316.23	10386.32	128.24	23.00	182433.93
Investments	216.60	49,243.66	0.32	5,673.09	-	991.54	-	-	8.39	-	8125.43
Turnover	169218.47	134548.47	2257.89	-	31830.34	187.44	322.51	24994.48	354.12	-	21520.75
Profit/(Loss) before taxation	19907.67	193.50	(2314.88)	146.06	2218.38	170.47	(901.15)	1279.03	3.59	(1.25)	(8898.06)
Provision for taxation	6560.34	67.82	(202.92)	44.93	474.15	18.54	24.15	395.44	0.70	-	(3179.13)
Profit/(Loss) after taxation	13347.33	125.68	(2111.96)	101.13	1744.23	151.93	(925.30)	883.59	2.89	(1.25)	(5718.93)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	51.32	56.98	100.00	100.00	100.00	100.00	74.00 by GFL Singapore Pte Limited	100.00	99.29 by Inox Leisure Limited	100 by Inox Leisure Limited	100.00 by Inox Wind Limited

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

Part A - Subsidiaries

	Marut-Shakti Energy India Limited	Satviki Energy Private Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Vinirrmaa Energy Generation Private Limited	Sarayu Wind Power (Kondapuram) Private Limited	RBRK Investments Limited	Vasuprada Renewables Private Limited
Sr. No	**12**	**13**	**14**	**15**	**16**	**17**	**18**
The date since when the subsidiary was acquired	13/09/13	19/11/15	09/12/15	23/01/16	25/03/16	30/08/2016	27/04/17
Reporting period, if different from the holding Company							
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries							
Share Capital	61.11	83.50	1.00	5.00	1.00	7.00	1.00
Reserves and Surplus	(1717.19)	(7.18)	(108.44)	(118.51)	(44.46)	(1224.39)	(2.20)
Total Assets	3883.33	85.19	295.35	165.46	111.05	765.59	0.71
Total Liabilities	5539.41	8.87	402.79	278.97	154.51	1982.98	1.91
Investments	-	10.27	196.45	1.23	-	-	-
Turnover	424.43	-	-	-	-	-	-
Profit/(Loss) before taxation	(286.11)	(1.42)	(26.81)	(21.89)	(15.83)	(763.00)	(1.02)
Provision for taxation	-	-	-	-	-	0.00	0.00
Profit/(Loss) after taxation	(286.11)	(1.42)	(26.81)	(21.89)	(15.83)	(763.00)	(1.02)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

Part A - Subsidiaries

	Suswind Power Private Limited	Ripudaman Urja Private Limited	Vibhav Energy Private Limited	Haroda Wind Energy Private Limited	Vigodi Wind Energy Private Limited	Aliento Wind Energy Private Limited	Tempest Wind Energy Private Limited	Vuelta Wind Energy Private Limited	Flutter Wind Energy Private Limited	Flurry Wind Energy Private Limited
Sr. No	**19**	**20**	**21**	**22**	**23**	**24**	**25**	**26**	**27**	**28**
The date since when the subsidiary was acquired	27/04/17	28/04/17	10/07/17	16/11/17	20/11/17	17/01/18	17/01/18	17/01/18	18/01/18	18/01/18
Reporting period, if different from the holding Company										
Reporting currency and exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries										
Share Capital	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Reserves and Surplus	(17.93)	(2.08)	(2.32)	(1.43)	(1.40)	(14.33)	(14.34)	(14.24)	(18.87)	(14.34)
Total Assets	88.00	0.79	0.47	0.47	0.78	90.26	90.25	90.35	85.86	90.25
Total Liabilities	104.93	1.87	1.79	0.90	1.18	103.59	103.59	103.59	103.72	103.59
Investments	5.04	-	-	-	-	5.05	5.05	5.05	5.04	5.05
Turnover		-	-	-	-	-	-	-	-	-
Profit/(Loss) before taxation	(16.76)	(0.91)	(1.35)	(0.88)	(0.87)	(13.91)	(13.91)	(13.81)	(18.44)	(13.91)
Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) after taxation	(16.76)	(0.91)	(1.35)	(0.88)	(0.87)	(13.91)	(13.91)	(13.81)	(18.44)	(13.91)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited

The following information shall be furnished at the end of statement

Name of subsidiaries which are yet to commence operations:

1) GFL GM FLUORSPAR (SA)

Names of subsidiaries which have been liquiated or sold during the year: Nil

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

Part A - Subsidiaries

(₹ in Lakhs)

	Khatiyu Wind Energy Private Limited	Ravapar Wind Energy Private Limited	Nani Virani Wind Energy Private Limited	Sri Pavan Energy Private Limited	Waft Energy Private Limited	Inox Fluorochemicals Limited
Sr. No	**29**	**30**	**31**	**32**	**33**	**34**
The date since when the subsidiary was acquired	15/12/18	15/12/18	15/12/18	09/04/18	10/04/18	06/12/18
Reporting period, if different from the holding Company						
Reporting currency and exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries						
Share Capital	1.00	1.00	1.00	10.00	1.00	1.00
Reserves and Surplus	(1.02)	(1.02)	(1.02)	(88.60)	(0.56)	(1.25)
Total Assets	0.37	0.37	0.37	3371.96	5.57	1.00
Total Liabilities	0.39	0.39	0.39	3450.56	5.13	1.25
Investments	-	-	-	-	-	-
Turnover	-	-	-	-	-	-
Profit/(Loss) before taxation	(0.67)	(0.67)	(0.67)	(88.60)	(0.56)	(1.25)
Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) after taxation	(0.67)	(0.67)	(0.67)	(88.60)	(0.56)	(1.25)
Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
% of Shareholding	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	51.00 by Inox Wind infrastructure Services Limited	100.00 by Inox Wind Limited	100.00

The following information shall be furnished at the end of statement
Name of subsidiaries which are yet to commence operations: Nil
Names of subsidiaries which have been liquiated or sold during the year: Nil

Part B - Associates and Joint Ventures

Statement related to Associate Companies and Joint Ventures

(₹ in Lakhs)

Sr. No.	Particulars	Swarnim Gujarat Fluorspar Private Limited	
1	Latest Audited Balance Sheet date	31/03/19	31/03/18
2	Shares of Associates/Joint Ventures held by the Company on the year end		
	Number	11,82,500	10,82,500
	Amount of investment in Associates/ Joint Venture	118.25	108.25
	Extended holding %	49.47*	49.43*
3	Description of how there is significant influence		
4	Reason why the associate/joint venture is not consolidated	NA	NA
5	Net worth attributable to Shareholding as per latest balance sheet	88.33	90.52
6	Profit/Loss for the year		
	considered in consolidation	(2.19)	(2.66)
	Not considered in consolidation		

*As per JV agreement, GFL to hold 25% of the total equity capital of SGFPL. In view the fact that GMDC yet to contribute its equity participation by way of its assets value which is under review, GFL equity contribution has gone up temporarily due to their subscribing to the additional equity in SGFPL.

Name of associates or joint ventures which are yet to commence operations:

1) Swarnim Gujarat Fluorspar Private Limited

Names of associates or joint ventures which have been liquidated or sold during the year: Nil

Annexure C to the Boards' Report

Secretarial Audit Report

For the Financial Year ended March 31, 2019 [Pursuant to Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

The Members,
Gujarat Fluorochemicals Limited
Survey No 16/3 26 & 27,
Ranjitnagar, Ghoghamba,
Tal Panchmahal - 389380
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat Fluorochemicals Limited** (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2019, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   We report that, there were no actions / events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:-

   a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 / 2018;

   b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 / 2018;

vi. Other sector specific laws as follows:

   a. Ozone Depleting Substances (Regulation) Rules, 2000;

   b. The Indian Boilers Act, 1923 (Amended 1960);

   c. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.

   We have also examined compliance with the applicable clauses / regulations of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India; and

ii. The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that;

A. The Board of directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.

B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting.

C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

D. There are adequate systems and processes in place, whereby the Company ensures and monitor compliances of applicable laws, rules, regulations and guidelines.

E. The Compliance Management Tool / System are adequate, commensurate with the size and operations of the Company and operating effectively.

F. During the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

   i. The Company has approved a proposal to demerge the chemical business of the Company pursuant to Scheme of Arrangement between Gujarat Fluorochemicals Limited (GFL) and the Inox Fluorochemcicals Limited (the Resulting Company).

   ii. The Scheme proposes to demerge the entire chemical business undertaking, including all its assets and liabilities in the Resulting Company. There will be no change in the Shareholding Pattern of GFL. The Resulting Company will issue shares to the shareholders of the demerged Company GFL pursuant to the Scheme becoming effective and subject to requisite approvals.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677
CP No. 2863

Vadodara,
May 27, 2019

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

Appendix A

The Members,
Gujarat Fluorochemicals Limited
Survey No 16/3 26 & 27,
Ranjitnagar, Ghoghamba,
Taluka - Panchmahal - 389380
Gujarat, India.

Our Secretarial Audit report of even date is to be read along with this letter, that:

i. Maintenance of Secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

iii. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.

iv. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677,
CP No. 2863

Vadodara,
May 27, 2019

Annexure D to the Boards' Report

FORM NO. MGT- 9

Extract of Annual Return as on the Financial Year ended on 31st March, 2019

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014

I. Registration and other details

i.	Corporate Identification Number	:	L24110GJ1987PLC009362
ii.	Registration Date	:	4th February, 1987
iii.	Name of the Company	:	GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)
iv.	Category/Sub-Category of the Company	:	Commercial and Industrial Undertaking
v.	Address of the Registered Office and Contact Details	:	Survey No 16/3, 26 and 27 Ranjitnagar 389380 Taluka Ghoghamba District Panchmahal Gujarat Tel: +91 2678 248153 Fax: +91 2678 248153
vi.	Whether listed company yes or no	:	Yes
vii.	Name, Address and Contact Details of Registrar and Share Transfer Agents, if any	:	Link Intime India Private Limited B-102 & 103, Shangrila Complex, 1st Floor Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 Tel: +91 265 2356794 Fax: +91 265 2356791

II. Principal Business Acitivites of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1	Refrigerant Gases	24111	18.00%
2	Caustic Soda (Caustic Soda Lye & Flakes)	24111	17.00%
3	Chloromethanes (Methylene Chloride, Chloroform and Carbon Tetrachloride)	24111	13.00%
4	Poly Tetrafluoroethylene (PTFE)	24111	41.00%
5	Other Products	24111	11.00%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
1	U65910MH1995PLC085703 Inox Leasing and Finance Limited, 69, Jolly Maker Chambers II, Nariman Point, Mumbai - 400021	Holding	52.54	2 (46)
2	L92199GJ1999PLC044045 Inox Leisure Limited ABS Towers, Old Padra Road, Vadodara 390 007	Subsidiary	51.32	2 (87)

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
3	L31901HP2009PLC031083 Inox Wind Limited Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal- 174303, District Una, Himachal Pradesh	Subsidiary	56.98	2 (87)
4	U40100GJ2010PLC062869 Inox Renewables Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Subsidiary	100.00	2 (87)
5	U45200DL2007PLC159796 Inox Infrastructure Limited 612-618, 6th Floor, Narayan Manzil, 23, Barakhamba Road, New Delhi 110 001	Subsidiary	100.00	2 (87)
6	U45201MH2002PTC134393 Shouri Properties Private Limited 5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri East Mumbai - 400093	Step-down Subsidiary	99.29 held by Inox Leisure Limited	2 (87)
7	U9213MH2001PTC133639 Swanston Multiplex Cinemas Private Limited 9th Floor, Viraj Towers, Western Express Highway, Andheri East Mumbai - 400093	Step-down Subsidiary	100.00 held by Inox Leisure Limited	2 (87)
8	U45207GJ2012PLC070279 Inox Wind Infrastructure Services Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Limited	2 (87)
9	U04010GJ2000PLC083233 Marut - Shakti Energy India Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
10	U40100AP2013PTC089795 Satviki Energy Private Limited Jai Shakti Enclave, Plot No. 50/A, Kalyan Nagar – II, Kurnool, Hyderabad - 500038	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
11	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
12	U40109TG2007PTC056146 Vinirrmaa Energy Generation Private Limited Plot No. 34, Rao and Raju Colony, Banjara Hills, Kurnool, Hyderabad - 500034	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
13	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
14	U40100TG2005PLC047851 RBRK Investments Limited 6-200/2/1, Boudha Nagar Jeedimetla Village Hyderabad - 500055	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
15	U40106GJ2017PTC097088 Wind One Renergy Private Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step down Subsidiary upto 28.11.2018 (Associate from 29.11.2018)	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
16	U40300GJ2017PTC099831 Khatiyu Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390007	Step-down Subsidiary w.e.f 15.12.2018 (Associate upto 14.12.2018)	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
17	U40300GJ2017PTC099854 Ravapar Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390007	Step-down Subsidiary w.e.f. 15.12.2018 (Associate upto 14.12.2018)	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
18	U40300GJ2017PTC099852 Nani Virani Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390007	Step-down Subsidiary w.e.f. 15.12.2018 (Associate upto 14.12.2018)	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
19	U40300GJ2018PTC101713 Sri Pavan Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390007	Step-down Subsidiary	51.00 held by Inox Wind Infrastructure Services Limited	2 (87)
20	U40200GJ2017PTC096956 Wind Three Renergy Private Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Tower, Second Floor, Old Padra Road, Vadodara 390 007	Step down Subsidiary upto 28.11.2018 (Associate from 29.11.2018)	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
21	U40300GJ2017PTC097140 Ripudaman Urja Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
22	U40300GJ2017PTC097128 Suswind Power Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
23	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
24	U40106GJ2017PTC098230 Vibhav Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
25	U40300GJ2017PTC099818 Haroda Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
26	U40300GJ2017PTC099851 Vigodi Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
27	U40300GJ2018PTC100585 Aliento Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
28	U40106GJ2018PTC100590 Tempest Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
29	U40106GJ2018PTC100591 Vuelta Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
30	U40300GJ2018PTC100609 Flutter Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
31	U40200GJ2018PTC100607 Flurry Wind Energy Private Limited 301, ABS Tower, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
32	U40200GJ2018PTC101752 Waft Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390007	Step-down Subsidiary	100.00 held by Inox Wind Limited	2 (87)
33	U24304GJ2018PLC105479 Gujarat Fluorochemicals Limited (Earlier known as Inox Fluorochemicals Limited) Survey No 16/3, 26 and 27 Ranjitnagar 389380 Taluka Ghoghamba District Panchmahal Gujarat	Subsidiary (Upto 8.8.2019)	100.00	2(87)
34	201117579Z Gujarat Fluorochemicals Singapore Pte Limited 158 Cecil Street, #11-01, Singapore - 069545	Foreign Subsidiary	100.00	2 (87)
35	801165985 Gujarat Fluorochemicals LLC, USA 4200 North Highway 77, Rockdale, Texas 76567, USA	Foreign Subsidiary	100.00	2 (87)
36	HRB 128868 Gujarat Fluorochemicals, GmbH Chilehaus A, Fischertwiete 2, D-20095, Hamburg, Germany	Foreign Subsidiary	100.00	2 (87)
37	404026907 GFL GM Fluorspar SA 219, Boulevard, Zerktouni, Residence E 1, Bardai 20100, Casablanca, Morocco	Step-down Foreign Subsidiary	74.00 held by GFL Singapore Pte Limited	2 (87)

IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of Total Equity)

i. Category-wise Shareholding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	136300	0	136300	0.1241	130300	0	130300	0.1186	-0.0055
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	74928600	0	74928600	68.2099	74928600	0	74928600	68.2099	0.0000
	Sub Total (A)(1)	75064900	0	75064900	68.3340	75058900	0	75058900	68.3285	-0.0055
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**75064900**	**0**	**75064900**	**68.3340**	**75058900**	**0**	**75058900**	**68.3285**	**0.0055**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	2982031	0	2982031	2.7146	4876036	0	4876036	4.4388	1.7242
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	25000	0	25000	0.0228	0.0228
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	4490424	0	4490424	4.0878	5179242	0	5179242	4.7148	0.6270
(f)	Financial Institutions / Banks	67757	2000	69757	0.0635	65778	2000	67778	0.0617	-0.0018
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	7540212	2000	7542212	6.8659	10146056	2000	10148056	9.2381	2.3722

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	**Central Government/ State Government(s)/ President of India**									
	Central Government / State Government(s)	293313	0	293313	0.2670	100	0	100	0.0001	-0.2669
	Sub Total (B)(2)	293313	0	293313	0.2670	100	0	100	0.0001	-0.2669
[3]	**Non-Institutions**									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	6302132	940752	7242884	6.5934	5827663	808500	6636163	6.0411	-0.5523
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	5352168	0	5352168	4.8723	4264078	0	4264078	3.8817	-0.9906
(b)	NBFCs registered with RBI	0	0	0	0.0000	130234	0	130234	0.1186	0.1186
(c)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	IEPF	0	0	0	0.0000	376003	0	376003	0.3423	0.3423
	Trusts	150	0	150	0.0001	150	0	150	0.0001	0.0000
	Foreign Nationals	334	0	334	0.0003	334	0	334	0.0003	0.0000
	Hindu Undivided Family	2600796	0	2600796	2.3676	2577711	0	2577711	2.3466	-0.0210
	Non Resident Indians (Non Repat)	278363	166000	444363	0.4045	288078	126000	414078	0.3769	-0.0276
	Non Resident Indians (Repat)	177205	2000	179205	0.1631	167527	2000	169527	0.1543	-0.0088
	Clearing Member	215102	0	215102	0.1958	258763	0	258763	0.2356	0.0398
	Bodies Corporate	10885573	29000	10914573	9.9359	9789903	26000	9815903	8.9357	-1.0002
	Sub Total (B)(3)	25811823	1137752	26949575	24.5331	23680444	962500	24642944	22.4333	-2.0998
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**33645348**	**1139752**	**34785100**	**31.6660**	**33826600**	**964500**	**34791100**	**31.6715**	**0.0055**
	Total (A)+(B)	**108710248**	**1139752**	**109850000**	**100.0000**	**108885500**	**964500**	**109850000**	**100.0000**	**0.0000**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	**108710248**	**1139752**	**109850000**	**100.0000**	**108885500**	**964500**	**109850000**	**100.0000**	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		No.of Shares Held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No.of Shares Held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Inox Leasing and Finance Ltd	57715310	52.5401	0.0000	57715310	52.5401	0.0000	0.0000
2	Devansh Trademart LLP	6662360	6.0650	0.0000	6662360	6.0650	0.0000	0.0000
3	Siddhapavan Trading LLP	5576440	5.0764	0.0000	5576440	5.0764	0.0000	0.0000
4	Inox Chemicals LLP	2955230	2.6902	0.0000	2955230	2.6902	0.0000	0.0000
5	Siddho Mal Trading LLP	2019260	1.8382	0.0000	2019260	1.8382	0.0000	0.0000
6	Devendra Kumar Jain	20100	0.0183	0.0000	20100	0.0183	0.0000	0.0000
7	Pavan Kumar Jain	20100	0.0183	0.0000	20100	0.0183	0.0000	0.0000
8	Vivek Kumar Jain	20100	0.0183	0.0000	20100	0.0183	0.0000	0.0000
9	Siddharth Jain	20000	0.0182	0.0000	20000	0.0182	0.0000	0.0000
10	Devansh Jain	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
11	Hem Kumari	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
12	Kapoor Chand Jain	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
13	Nandita Jain	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
14	Nayantara Jain	10000	0.0091	0.0000	10000	0.0091	0.0000	0.0000
15	Sita Devi	6000	0.0055	0.0000	0	0.0000	0.0000	-0.0055
	Total	**75064900**	**68.3340**	**0.0000**	**75058900**	**68.3285**	**0.0000**	**-0.0055**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the Company
1	Inox Leasing and Finance Ltd	57715310	52.5401			57715310	52.5401
	At the end of the year					57715310	52.5401
2	Devansh Trademart LLP	6662360	6.0650			6662360	6.0650
	At the end of the year					6662360	6.0650
3	Siddhapavan Trading LLP	5576440	5.0764			5576440	5.0764
	At the end of the year					5576440	5.0764
4	Inox Chemicals LLP	2955230	2.6902			2955230	2.6902
	At the end of the year					2955230	2.6902
5	Siddho Mal Trading LLP	2019260	1.8382			2019260	1.8382
	At the end of the year					2019260	1.8382
6	Pavan Kumar Jain	20100	0.0183			20100	0.0183
	At the end of the year					20100	0.0183
7	Vivek Kumar Jain	20100	0.0183			20100	0.0183
	At the end of the year					20100	0.0183
8	Devendra Kumar Jain	20100	0.0183			20100	0.0183
	At the end of the year					20100	0.0183
9	Siddharth Jain	20000	0.0182			20000	0.0182
	At the end of the year					20000	0.0182
10	Devansh Jain	10000	0.0091			10000	0.0091

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the Company
	At the end of the year					10000	0.0091
11	Nayantara Jain	10000	0.0091			10000	0.0091
	At the end of the year					10000	0.0091
12	Kapoor Chand Jain	10000	0.0091			10000	0.0091
	At the end of the year					10000	0.0091
13	Nandita Jain	10000	0.0091			10000	0.0091
	At the end of the year					10000	0.0091
14	Hem Kumari	10000	0.0091			10000	0.0091
	At the end of the year					10000	0.0091
15	Sita Devi	6000	0.0055			6000	0.0055
	Sale			04 Jan 2019	(6000)	0	0.0000
	At the end of the year					0	0.0000

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of total Shares of the Company	Date of Transaction	Increase / Decrease	No. of Shares	No of Shares Held	% of total Shares of the Company
1	HDFC Small Cap Fund	0	0.0000				0	0.0000
				21 Sep 2018	Purchase	180000	180000	0.1639
				29 Sep 2018	Purchase	182500	362500	0.3300
				05 Oct 2018	Purchase	70100	432600	0.3938
				12 Oct 2018	Purchase	51000	483600	0.4402
				19 Oct 2018	Purchase	512900	996500	0.9071
				26 Oct 2018	Purchase	1001911	1998411	1.8192
				02 Nov 2018	Purchase	136808	2135219	1.9438
				09 Nov 2018	Purchase	2800	2138019	1.9463
				21 Dec 2018	Purchase	10100	2148119	1.9555
				28 Dec 2018	Purchase	33700	2181819	1.9862
				04 Jan 2019	Purchase	46100	2227919	2.0281
				11 Jan 2019	Purchase	231900	2459819	2.2393
				18 Jan 2019	Purchase	94500	2554319	2.3253
				25 Jan 2019	Purchase	27000	2581319	2.3499
				01 Feb 2019	Purchase	87100	2668419	2.4291
				08 Feb 2019	Purchase	14000	2682419	2.4419
				15 Feb 2019	Purchase	337500	3019919	2.7491
				01 Mar 2019	Purchase	87000	3106919	2.8283
				08 Mar 2019	Purchase	131400	3238319	2.9479
				15 Mar 2019	Purchase	96900	3335219	3.0362

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of total Shares of the Company	Date of Transaction	Increase / Decrease	No. of Shares	No of Shares Held	% of total Shares of the Company
				29 Mar 2019	Purchase	52600	3387819	3.0840
	At the end of the year						3387819	3.0840
2	Bhanshali Manek Huf	1354943	1.2334				1354943	1.2334
	At the end of the year						1354943	1.2334
3	Aadi Financial Advisors Llp	1270831	1.1569				1270831	1.1569
	At the end of the year						1270831	1.1569
4	FIL Investments(Mauritius)Ltd	1243605	1.1321				1243605	1.1321
	At the end of the year						1243605	1.1321
5	Blue Daimond Properties Private Limited	1369251	1.2465				1369251	1.2465
				19 Oct 2018	Sale	(50000)	1319251	1.2010
				26 Oct 2018	Sale	(100000)	1219251	1.1099
	At the end of the year						1219251	1.1099
6	Lata Bhanshali	1044907	0.9512				1044907	0.9512
	At the end of the year						1044907	0.9512
7	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund	954504	0.8689				954504	0.8689
				27 Apr 2018	Sale	(1800)	952704	0.8673
				25 May 2018	Sale	(9000)	943704	0.8591
				01 Jun 2018	Sale	(32800)	910904	0.8292
				08 Jun 2018	Purchase	27900	938804	0.8546
				22 Jun 2018	Sale	(58394)	880410	0.8015
				30 Jun 2018	Sale	(84811)	795599	0.7243
				13 Jul 2018	Sale	(52900)	742699	0.6761
				20 Jul 2018	Sale	(20500)	722199	0.6574
				27 Jul 2018	Sale	(50000)	672199	0.6119
				03 Aug 2018	Sale	(43395)	628804	0.5724
				10 Aug 2018	Sale	(7270)	621534	0.5658
				17 Aug 2018	Sale	(26000)	595534	0.5421
				24 Aug 2018	Sale	(3000)	592534	0.5394
				21 Sep 2018	Purchase	76000	668534	0.6086
				29 Sep 2018	sale	(6000)	662534	0.6031
				05 Oct 2018	Purchase	75000	737534	0.6714
				12 Oct 2018	Purchase	11000	748534	0.6814
				26 Oct 2018	Purchase	7600	756134	0.6883
				02 Nov 2018	Purchase	400	756534	0.6887
				23 Nov 2018	Purchase	36940	793474	0.7223
				30 Nov 2018	Purchase	56526	850000	0.7738
				07 Dec 2018	Purchase	100000	950000	0.8648
				14 Dec 2018	Purchase	26000	976000	0.8885
				04 Jan 2019	Purchase	24000	1000000	0.9103
				01 Feb 2019	Purchase	22900	1022900	0.9312

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of total Shares of the Company	Date of Transaction	Increase / Decrease	No. of Shares	No of Shares Held	% of total Shares of the Company
				08 Feb 2019	Purchase	9000	1031900	0.9394
				15 Feb 2019	Purchase	91100	1123000	1.0223
				01 Mar 2019	Sale	(95400)	1027600	0.9355
	At the end of the year						1027600	0.9355
8	Reliance Nippon Life Insurance Co Limited	752562	0.6851				752562	0.6851
				06 Apr 2018	Purchase	9826	762388	0.6940
				13 Apr 2018	Sale	(46679)	715709	0.6515
				20 Apr 2018	Sale	(32553)	683156	0.6219
				27 Apr 2018	Sale	(249)	682907	0.6217
				04 May 2018	Sale	(1167)	681740	0.6206
				11 May 2018	Sale	(397)	681343	0.6202
				18 May 2018	Purchase	1881	683224	0.6220
				01 Jun 2018	Purchase	2876	686100	0.6246
				08 Jun 2018	Sale	(227)	685873	0.6244
				22 Jun 2018	Purchase	74663	760536	0.6923
				30 Jun 2018	Purchase	144026	904562	0.8235
				06 Jul 2018	Purchase	109783	1014345	0.9234
				13 Jul 2018	Purchase	19890	1034235	0.9415
				20 Jul 2018	Purchase	19863	1054098	0.9596
				27 Jul 2018	Purchase	9951	1064049	0.9686
				03 Aug 2018	Purchase	19752	1083801	0.9866
				10 Aug 2018	Sale	(1318)	1082483	0.9854
				17 Aug 2018	Purchase	596	1083079	0.9860
				24 Aug 2018	Sale	(5767)	1077312	0.9807
				31 Aug 2018	Sale	(1659)	1075653	0.9792
				07 Sep 2018	Sale	(14367)	1061286	0.9661
				14 Sep 2018	Sale	(5445)	1055841	0.9612
				21 Sep 2018	Sale	(3526)	1052315	0.9580
				29 Sep 2018	Sale	(3187)	1049128	0.9551
				05 Oct 2018	Sale	(3023)	1046105	0.9523
				19 Oct 2018	Sale	(146195)	899910	0.8192
				26 Oct 2018	Sale	(50266)	849644	0.7735
				16 Nov 2018	Sale	(66)	849578	0.7734
				30 Nov 2018	Sale	(706)	848872	0.7728
				07 Dec 2018	Sale	(403)	848469	0.7724
				14 Dec 2018	Sale	(70)	848399	0.7723
				21 Dec 2018	Sale	(151)	848248	0.7722
				04 Jan 2019	Purchase	23984	872232	0.7940
				25 Jan 2019	Purchase	25000	897232	0.8168
				08 Feb 2019	Purchase	1355	898587	0.8180
				22 Feb 2019	Sale	(11259)	887328	0.8078
				01 Mar 2019	Sale	(32264)	855064	0.7784

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of total Shares of the Company	Date of Transaction	Increase / Decrease	No. of Shares	No of Shares Held	% of total Shares of the Company
				08 Mar 2019	Sale	(155)	854909	0.7783
				15 Mar 2019	Sale	(321)	854588	0.7780
				22 Mar 2019	Sale	(136)	854452	0.7778
				29 Mar 2019	Sale	(40)	854412	0.7778
	At the end of the year						854412	0.7778
9	Bhanshali Vallabh HUF	872200	0.7940				872200	0.7940
				02 Nov 2018	Sale	(70000)	802200	0.7303
	At the end of the year						802200	0.7303
10	Gandhi Securities & Investment Pvt. Ltd.	633563	0.5768				633563	0.5768
				06 Apr 2018	Sale	(1484)	632079	0.5754
				01 Jun 2018	Purchase	25000	657079	0.5982
				15 Jun 2018	Purchase	500	657579	0.5986
				22 Jun 2018	Purchase	20000	677579	0.6168
				30 Jun 2018	Sale	(3623)	673956	0.6135
				06 Jul 2018	Purchase	4990	678946	0.6181
				20 Jul 2018	Purchase	90	679036	0.6181
				27 Jul 2018	Purchase	2475	681511	0.6204
				03 Aug 2018	Sale	(1000)	680511	0.6195
				17 Aug 2018	Purchase	5050	685561	0.6241
				24 Aug 2018	Purchase	11336	696897	0.6344
				31 Aug 2018	Purchase	4156	701053	0.6382
				07 Sep 2018	Sale	(249)	700804	0.6380
				14 Sep 2018	Purchase	130	700934	0.6381
				21 Sep 2018	Purchase	1640	702574	0.6396
				12 Oct 2018	Sale	(10514)	692060	0.6300
				19 Oct 2018	Sale	(5000)	687060	0.6255
				26 Oct 2018	Sale	(5000)	682060	0.6209
				16 Nov 2018	Sale	(4549)	677511	0.6168
				04 Jan 2019	Sale	(8004)	669507	0.6095
				11 Jan 2019	Sale	(2320)	667187	0.6074
				25 Jan 2019	Sale	(14054)	653133	0.5946
				01 Feb 2019	Sale	(33933)	619200	0.5637
				08 Feb 2019	Sale	(2500)	616700	0.5614
				15 Feb 2019	Sale	(24268)	592432	0.5393
				15 Mar 2019	Sale	(1116)	591316	0.5383
				29 Mar 2019	Purchase	100	591416	0.5384
	At the end of the year						591416	0.5384
11	UTI-Mid Cap Fund	1053998	0.9595				1053998	0.9595

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No.of Shares Held	% of total Shares of the Company	Date of Transaction	Increase / Decrease	No. of Shares	No of Shares Held	% of total Shares of the Company
				13 Apr 2018	Purchase	12483	1066481	0.9709
				20 Apr 2018	Purchase	14570	1081051	0.9841
				27 Apr 2018	Purchase	15587	1096638	0.9983
				04 May 2018	Purchase	4104	1100742	1.0020
				11 May 2018	Purchase	17942	1118684	1.0184
				18 May 2018	Purchase	21070	1139754	1.0376
				22 Jun 2018	Sale	(16995)	1122759	1.0221
				30 Jun 2018	Sale	(33740)	1089019	0.9914
				06 Jul 2018	Sale	(40303)	1048716	0.9547
				13 Jul 2018	Sale	(43514)	1005202	0.9151
				20 Jul 2018	Sale	(27480)	977722	0.8901
				03 Aug 2018	Sale	(91137)	886585	0.8071
				10 Aug 2018	Sale	(79885)	806700	0.7344
				17 Aug 2018	Sale	(41607)	765093	0.6965
				14 Sep 2018	Sale	(8459)	756634	0.6888
				16 Nov 2018	Sale	(200057)	556577	0.5067
				15 Feb 2019	Sale	(152240)	404337	0.3681
	At the end of the year						404337	0.3681
12	Akash Bhanshali	933899	0.8502				933899	0.8502
				19 Oct 2018	Sale	(430000)	503899	0.4587
				29 Mar 2019	Sale	(150000)	353899	0.3222
				30 Mar 2019	Sale	(20000)	333899	0.3040
	At the end of the year						333899	0.3040
13	Reliance Capital Trustee Co. Ltd A/C Reliance Equity Opportunities Fund	910654	0.8290				910654	0.8290
				20 Apr 2018	Sale	(310000)	600654	0.5468
				01 Jun 2018	Sale	(124946)	475708	0.4331
				08 Jun 2018	Sale	(39786)	435922	0.3968
				15 Jun 2018	Sale	(45090)	390832	0.3558
				22 Jun 2018	Sale	(390832)	0	0.0000
	At the end of the year						0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01st April, 2018		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2019)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
	Directors						
1	Mr. Devendra Kumar Jain	20100	0.02	Not applicable	NIL Movement	20100	0.02
2	Mr. Pavan Jain	20100	0.02	Not applicable	NIL Movement	20100	0.02
3	Mr. Shailendra Swarup	10000	0.01	Not applicable	NIL Movement	10000	0.01
4	Mr. Vivek Jain, Managing Director	20100	0.02	Not applicable	NIL Movement	20100	0.02
5	Mr. Shanti Prashad Jain	1000	0.00	Not applicable	NIL Movement	1000	0.00
	KMP						
6	Mr. Manoj Agrawal, Chief Financial Officer	0	0.00	Not applicable	NIL Movement	0	0.00
7	Mr. Bhavin Desai, Company Secretary	0	0.00	Not applicable	NIL Movement	0	0.00

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the Financial Year			
Principal Amount	20,374.45	54,596.75	74,971.20
Interest due but not paid	-	-	-
Interest accrued but not due	61.04	107.66	168.70
Total	**20,435.49**	**54,704.41**	**75,139.90**
Change in Indebtedness during the Financial Year			
Addition	10,438.65	2,36,160.39	2,46,599.04
Reduction	-8,502.18	-2,21,411.89	-2,29,914.06
Interest accrued but not due	12.29	160.62	172.90
Net Change	**1,948.76**	**14,909.12**	**16,857.88**
Indebtedness at the end of the Financial Year			
Principal Amount	22,310.93	69,345.21	91,656.18
Interest due but not paid	-	-	-
Interest accrued but not due	73.33	268.32	341.60
Total	**22,384.26**	**69,613.53**	**91,997.78**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Mr. Vivek Jain, Managing Director and CEO	Mr. Dinesh Kumar Sachdeva, Whole- Time Director	Mr. Anand Bhusari, Whole- Time Director	Total Amount (₹ in Lakhs)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act	123.00	19.56	149.70	292.26
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	64.91	2.32	5.22	72.44
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	500.00	0	0	500.00
	- As % of profit				
	- Others, specify				
5.	Others, please specify-Company contribution to PF	14.76	1.92	7.75	24.44
	Total (A)	**702.67**	**23.80**	**162.67**	**889.14**
	Ceiling as per the Act				7,406.67

B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Mr. Shailendra Swarup	Mr. Shanti Prashad Jain	Mr. Rajagopalan Doraiswami	Ms. Vanita Bhargava	Mr. Chandra Prakash Jain	Total Amount (₹ in Lakhs)
1.	**Independent Directors**						
	Fee for attending Board/ Committee Meetings	1.80	1.60	0.40	1.00	1.00	5.80
	Commission	0	0	0	0	0	0
	Others	0	0	0	0	0	0
	Total (1)	**1.80**	**1.60**	**0.40**	**1.00**	**1.00**	**5.80**

Sr. No.	Particulars of Remuneration	Mr. Devendra Kumar Jain	Mr. Pavan Jain	Mr. Deepak Asher	Mr. Om Prakash Lohia	Total Amount (₹ in Lakhs)
2.	**Other Non-Executive Directors**					
	Fee for attending Board/ Committee Meetings	1.00	0.20	1.80	0	3.00
	Commission	740.67	0	0	0	740.67
	Others	0	0	0	0	0
	Total (2)	**741.67**	**0.20**	**1.80**	**0**	**743.67**
	Total of B = (1+2)					**749.47**
	Total (A+B)					**1633.06**
	Overall Ceiling as per the Act					8147.34

C. Remuneration to Key Managerial Personnel (KMP) other than MD/ Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO Mr. Vivek Jain	Company Secretary Mr Bhavin Desai	CFO Mr Manoj Agrawal	Total Amount (₹ in Lakhs)
1.	Gross salary	Please refer to VIA			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		15.56	74.60	90.16
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		0.00	0.00	0.00
2.	Stock Option		0	0	0
3.	Sweat Equity		0	0	0
4.	Commission		0.00	0.00	0.00
	- as % of profit				
	- others, specify…				
5.	Others, please specify – Company contribution to PF		1.09	3.46	4.55
	Total		**16.65**	**78.06**	**94.71**

VII Penalties /Punishments / Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [Rd / NCLT / Court]	Appeal made, if any (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure E to the Boards' Report

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

Conservation of Energy

A. The steps taken or impact on conservation of energy

Ranjitnagar Unit:

- There were two Air Compressors were running to maintain the compressed air system of all plants. Out of these two one compressor is upgraded in size so that now only one compressor is in operation. This has resulted in Power saving from 130 Kw/Hr to 105 Kw/Hr or 18,000 unit per month.
- EDFA operation is improved by Scrubber modification and Batch cycle reduction resulting in specific power reduction from 3500 kw/ton to 1800kw/ton thus saving of 2.04 Lakhs units per month.

Dahej Unit:

- Replacement of Honeycomb PVC fills to improve the Cooling Towers efficiency of CA plants (9-Cells), CMS-2 plants (3 – Cells) & CMS-2 VAM (1 Cell) CT's with Truff Modifications – Achieved drastic improvement in Cooling Efficiency of CCW (Circulating Cooling Water).
- Replacement of existing FRP fans by ENCON Highly Energy Efficient E-Glass Epoxy FRP fans # 4 Sets, of TFE-1 plant & Utilities set up – Achieved Power Savings = 168 MW/Year.
- To increase S.S.F. : Side Stream Filters Efficiency by Media replacement of TFE-1, CPP, CMS-1, CA-Old & CA-New CT's from @ 55% to > 70% – Efficiency & CCW quality improvement project.
- Overall Increase in COC : Cycle Of Concentrations of CW at major 12 Nos. of identified CT's & saving of treated water, thereof – Achieved Water Savings = @ 650 KLD.
- DI : De-Ionization Water Treatment Plants recovery from UF & RO rejects at CT's, Water consumption optimization at various Processes – Achieved Water Savings = 600 KLD.
- Installation & commissioning of ERS : Effluent Recycling Systems & utilization of its treated water as an make up for most of the cooling towers – Achieved Water Savings = 900 KLD.
- Replacement of existing FRP fans by ENCON Highly Energy Efficient E-Glass Epoxy FRP fans # 5 Sets, of A&H Utilities – Achieved Power Savings = 220 MW/Year.
- Replacement of existing FRP fans by ENCON Highly Energy Efficient E-Glass Epoxy FRP fans # 4 Sets, of CMS-1 & Utilities set up – Achieved Power Savings = 180 MW/Year.
- Replacement of existing FRP fans by ENCON Highly Energy Efficient E-Glass Epoxy FRP fans # 1 Set, of CA-Flaker & Utilities set up – Achieved Power Savings = 25 MW/Year.
- Replacement of existing FRP fans by ENCON Highly Energy Efficient E-Glass Epoxy FRP fans # 3 Sets, of TFE-2 & Utilities set up – Achieved Power Savings = 126 MW/Year.
- Integration of CA - DM & CPP - DM water supply piping to increase the overall system reliability – Achieved ZERO failure in DM supply to avoid production cut.
- Installation & Commissioning of SBA & MB units for DM-1 WTP to further enhance the quality throughput from DM-1 WTP – Efficiency & DM quality improvement project.
- Integration of AHF / HCFC Compressed Air Circuit with Complex Compressed Air Circuit, to use during planned S/D – System Improvement & Nearer to ZERO B/D ensure project.
- Sustenance of Instrument Air Dew Point to further improve the reliability of control systems of Complex – Control valves B/D avoidance project.
- Installation & Comm. of 16" RW header instead 12" existing header of u/g pumping station to meet increased RW demand – System Improvement & Nearer to ZERO B/D ensure project.
- Raw Water Storage Capacity Augmentation of the Complex to further improve the Demand Vs Supply ratio of RW from 36'K KL to 60'K KL – System Improvement & Nearer to ZERO B/D ensure project.
- Installation & Commissioning of In-house designed & fabricated online Filter for (-5)^0 C MEG BRINE of TFE-1 Utilities – Efficiency & Brine quality improvement project,

- Integration of 4 Nos. S-PTFE Kettles for $(-15)^0$ C BRINE from TFE3 LP Utilities to meet increased demand & resource utilization – Power savings & max. resources utilization project.
- Supply of $(-35)^0$ C BRINE from TFE1 Uti to New Products by laying down separate header to increase PPVE recovery– Manufacturing Cost Savings project on Raw Materials.
- Installation & Commissioning of Magnetic Elements type online Filter for $(-15)^0$ C $CaCl_2$ BRINE of TFE-1 Utilities – Efficiency & Brine quality improvement project.
- Installation & Commissioning of New 200 TR VCS system at CA plant for Chlorine Liquification – Achieved Power & Steam Savings of @ ₹ 90/- Lakhs / Annum.
- Elimination of Water Dripping Issues at D-PTFE HVAC area during peak season : Particularly Monsoon – System Improvement & Nearer to ZERO B/D ensure project.
- To ensure nearer to ZERO leaks of all the complex Utilities Viz. Steam, Condensate, Comp. Air, Water, N2, Refr. etc. through ULS Programme – Power, Water savings & resources utilization project.
- Further reduction in consumption of DI water filters of various sizes. Viz: 5μ 20" long, 5μ 30" long, 1.2μ, 0.2μ due to consistency in DI water quality – Cost Savings project.

B. The steps taken by the Company for utilising alternate sources of energy:

Ranjitnagar unit: Not Applicable

Dahej unit: Not Applicable

C. Capital Investment on energy conservation equipment's:

Ranjitnagar Unit: ₹ 12 Lakhs

Dahej Unit: Nil

Technology Absorbtion

A. Efforts made towards technology absorption, adaptation and innovation.

Ranjitnagar Unit:

The Company has dedicated professionals working on ongoing development for improvement in process efficiency, product quality, Energy and Emission control and enhancing process of safety. Company has developed and absorbed various technologies related to Fluorospeciality products.

Dahej Unit:

Chemical

- GFL has successfully commissioned FI Plant in 2018. The technology was developed in-house R&D center. The product was produced as per market specification. The plant has installed at a capacity of 34 M.T. and operated @ 25 to 28 TPM with customer requirement. The technology is successfully absorbed.

Polymer

- GFL has successfully ventured into the new fluoropolymers. PFA, FEP & PVDF kind of products have been already got quality acceptance from various customers across the world. Applications are multiple like, coating & lining in tanks, pipes & valves in chemical industries, profound use in wire & cable insulations, solar panels.
- PTFE micro powder is another successful business growth of GFL in various application as additives to multiple industries. PTFE micro powder is used in coating, Ink, lubricant industries. Most interestingly, PTFE micro powder produced by direct polymerization process adopted by GFL has wide spread application across the world due to its unique property for specific application.
- GFL has also successfully absorbed the technology of TFE based fluoro chemicals with phenol & propanol for application in electronic & Pharmaceuticals Industries. DCTFMA is another most successful product by in house technology transfer & built op operate by GFL. Product has been qualified & commercialized.
- GFL has successfully commissioned R125 plant by utilizing TFE vent gases from different plants in Polymer div & membrane separators in TFE plants. This plant has delivered dual purposes. Impure TFE vents have been converted to this refrigerant intermediate to blend with another refrigerant and producing R410 grade of new generation refrigerant, which is value addition by cheaper cost & continuing to sustain the commitment of environment protection.
- GFL has improved the %yield of fluoro surfactant recovery from 75% to close to 80% by continuous efforts taken by operation team.

- More than 25 energy & cost saving projects have been successfully implemented in the tune of cost saving of ₹ 100 Lakhs per month from different ideas generated by the employees.
- GFL has adopted sophisticated simulation software from ASPEN for various efficiency improvement unit operations majorly for Process safety, Product consistency & better productivity.

GFL has been awarded Business excellence award in the year 2018-19 in Performance category & Make quality Happen event by IMC RBNQA, India.

Future scope:

- ISAN, Polymer based product of PTFE with Styrene-Acrylonitrile blend Product has been developed in pilot scale. Samples are under approval. Commercial product shall be made in 2019-20. Application is in premium sector of Electronic industries.
- HFP, another important monomer for Fluoropolymer like PTFE, FKM & FEP. GFL has strategic business plan to set up the monomer plant as feed stock.
- DSS: GFL has hired Dupont Sustainable Solution company for enhancement of Process Safety Management across the GFL site. DSS is ranking no 1 in the world for Process safety.

B. The benefits derived like product improvement, cost reduction, product development, import substitution

- Improvement in operation efficiency
- Cost reduction in all operations
- Product quality improvement and sustenance
- People development by training awareness and interactions
- Clean environment

C. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)

- The details of technology imported: Not applicable
- The year import: Not applicable
- Whether the technology been fully absorbed: Not applicable
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

- **Research and Development**

Dahej Unit

(1) R&D projects executed:

I. High molecular weight dispersion Polytetrafluoroethylene (PTFE) grade for aerospace applications

II. Aqueous PTFE grade for sealing and bearing applications

III. Melt processable Fluorinated Ethylene Propylene (FEP) for high speed extrusion of LAN cables

IV. Emulsion polymerized Polyvinylidene fluoride polymer (PVDF) for CPI & Coating applications

V. Peroxide curable linear fluoroelastomer for extrusion application mainly for the automotive sector

VI. Direct polymerized low molecular weight PTFE as a lubricating additive

VII. FKM based polymer processing additive for film and pipe application

(2) Benefits derived from the above R&D projects:

I. Product approvals leading to business development at various global OEMs in the chemical, coating, automotive, electronics and aerospace sectors

II. Widening GFL's customer database by offering products for newer applications

III. Strengthening customer satisfaction by offering prompt and precise technical assistance

IV. Enhancement of product portfolio to cater to changing customer requirements

(3) Planned future R&D initiatives:

I. Next generation surfactants for environment friendly manufacturing of fluoropolymers

II. Fast curing copolymer fluoroelastomers

III. Copolymer grades of PVDF for wire & cable applications

IV. PVDF based polymer processing additives

Ranjitnagar Unit:

Research and Development

(1) Specific Area in which R &D carried out:

Process Development work of ten Fluorospeciality molecules which are commercially important and required for Pharmaceutical and Agrochemical industry was carried out by R&D during the year.

(2) Benefits derived as a result of the above R & D:

The processes developed in the R&D for five molecules have been taken up for commercialization through outsourcing.

As well as one product has commercialised in-house.

(3) Future Plan of Action:

The Company has identified Fluorospecialty business as a key driver for Company's growth. Consequently, plans are underway to augment the R&D capability in the coming months.

Product pipeline comprising of about 16 molecules will be identified for Process development in the R&D. some of these molecules have been taken up for development in view of interest evinced by Multinational Innovator Companies, with a commitment for long term purchase of these molecules in commercial scale quantities.

Also the capacity augmentation of existing product with improvement in process to meet the market requirement.

- **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign exchange used - ₹ 79,135 Lakhs

Foreign exchange earned - ₹ 1,34,360 Lakhs

By order of the Board of Directors

Place: Noida
Date: 13th August, 2019

Devendra Kumar Jain
Chairman

Annexure F to the Boards' Report

Statement of Disclosure of Remuneration

Disclosures as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19.

Sr. No.	Name of Director / KMP for FY 2018-19	Remuneration of Director / KMP for FY 2018-19 (₹ in Lakhs)	% increase in remuneration in the Financial Year 2018-19	Ratio of Remuneration of each of Director to median remuneration of employees
1	Mr. Devendra Kumar Jain, Non-executive Director*	741.67*	54.51	185.42:1
2	Mr. Pavan Jain, Non-executive Director	0.20*	0.00	0.05:1
3	Mr. Vivek Jain, Managing Director and CEO	687.91	7.10	171.98:1
4	Mr. Shailendra Swarup, Independent Director	1.80*	0.00	0.45:1
5	Mr. Dinesh Kumar Sachdeva, Whole-time Director	21.88	0.00	5.47
6	Mr. Anand Bhusari, Whole-Time Director (Resigned w.e.f 28th April, 2019)	154.91	18.50	38.72:1
7	Mr. Sanath Kumar Muppirala, Whole-Time Director (Appointed w.e.f 28th April, 2019)	Not Applicable	Not Applicable	Not Applicable
8	Mr. Om Prakash Lohia, Independent Director**	0.00	0.00	0.00
9	Mr. Deepak Asher, Director and Group Head (Corporate Finance)	1.80*	12.50	0.45:1
10	Mr. Shanti Prashad Jain, Independent Director	1.60*	-11.11	0.40:1
11	Mr. Rajagopalan Doraiswami , Independent Director	0.40*	-33.33	0.1.:1
12	Ms. Vanita Bhargava, Independent Director	1.00*	0.00	0.25:1
13	Mr. Chandra Prakash Jain, Independent Director	1.00*	150.00	0.25:1
14	Mr. Manoj Agrawal, CFO	74.60	34.80	Not Applicable
15	Mr. Bhavin Desai, Company Secretary	15.56	11.70	Not Applicable

* Including Sitting Fees

** No sitting fees paid.

Note: In accordance with the Clause 1.7 of the Scheme of Arrangement between Gujarat Fluorochemicals Limited (now known as GFL Limited) ('The Demerged Company' or 'GFL 1') and Inox Fluorochemicals Limited (now known as Gujarat Fluorochemicals Limited) ('The Resulting Company' or 'GFL 2') and their respective Shareholders ("Scheme"), the existing Key Managerial Personnel of the Company as mentioned below are transferred to the Resulting Company w.e.f 1st August, 2019.

- Mr. Vivek Jain – Managing Director and Chief Executive Officer
- Mr. Manoj Agrawal – Chief Financial Officer
- Mr. Bhavin Desai – Company Secretary and Compliance Officer

Appointment of Key Managerial Personnel

Consequent to the transfer of the existing Key Managerial Personnel to the Resulting Company the following mentioned persons are appointed as Key Managerial Personnel of the Company w.e.f 1st August, 2019.

- Mr. Devendra Kumar Jain – Managing Director and Chief Executive Officer
- Mr. Nilesh Pandya – Chief Financial Officer
- Mr. Dhruv Shah – Company Secretary and Compliance Officer

2. The percentage increase in the median remuneration of employees for the Financial Year was 6%.
3. The Company had 2083 permanent employees on the rolls of Company as on 31st March 2019.
4. Average percentage increase in remuneration of employees other than the remuneration of managerial personnel was in the tune of 13%.
5. It is affirmed that the remuneration is as per the remuneration policy of the Company.

Disclosures as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Note: In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars as required under Rule 5 (2) and (3) of The Companies Appointment of Managerial Personnel and Remuneration Rules, 2014,as amended, which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

Annexure G to the Boards' Report

Report on Corporate Social Responsibility

1. Brief Outline of the Company's CSR Policy, Including Overview of Projects or Programs Proposed to be Undertaken and a Reference to the web-link to the CSR Policy and Projects or Programs

The CSR Policy adopted by the Company intends to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate. It includes to carry out the projects and activities which are prescribed under Schedule VII of the Companies Act, 2013.

Overview of projects/ programs undertaken:

Some of the key CSR initiatives undertaken during the year include:

- Educational assistance in the form of allocating teachers, providing notebooks, and infrastructure developments in the schools located in the vicinity of Company's Plant.
- Providing infrastructural facilities for the development of villages and village people where the Company's Plants are located.

Web link to the CSR Policy of the Company:

The CSR Policy of the Company can be viewed on website of the Company at http://www.gfllimited.co.in/pdf/CSR_Policy_Final_05112014.pdf

2. Composition of CSR Committee

Mr. Shanti Prashad Jain	-	Independent Director, Chairman of the Committee
Mr. Vivek Jain	-	Non-Independent Director, Member of Committee
Mr. Deepak Asher	-	Non-Independent Director, Member of Committee

3. Average Net Profit of the Company for the last three Financial Years:

₹ 25,457.26 Lakhs

4. Prescribed CSR Expenditure (Two Percent of the Amount as in item 3 Above) :

₹ 509.15 Lakhs

5. Details of CSR Spent During The Financial Year:

- Total amount spent for the Financial Year: **₹ 769.34 Lakhs**
- Amount unspent, if any: **Nil**

Note: During the Financial Year 2018-19, the Company has an overspent amount of ₹ 260.19 Lakhs on its CSR activities than the prescribed expenditure of ₹ 509.15 Lakhs. The overspent amount of ₹ 260.19 Lakhs on CSR activities includes part out of unspent balance of prescribed CSR expenditure of previous Financial Years on CSR activities.

6. Manner in Which The Amount Spent During The Financial Year is Detailed Below:

(1) Sr. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered - Schedule VII	(4) Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	(5) Amount outlay (budget project or programme wise) (₹ in Lakhs)	(6) Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads (₹ in Lakhs)	(7) Cumulative expenditure upto the reporting period (₹ in Lakhs)	(8) Amount spent Direct or through implementing agency
i)	Support to Widows and Mission Mangalam Yojna for Female	(iii)	Ranjitnagar, Nathkuwa, Kankodakui and Jitapur Village - Villages nearby to the Company. Plant	15.25	15.25	15.25	Direct
ii)	Support to Farmers for Crop Protection	(iv)	Ranjitnagar, Nathkuwa, Kankodakui and Jitapur Village - Villages nearby to the Companys' Plant	28.10	28.10	28.10	Direct
iii)	Providing Training and Support to Farmers, Villagers and Handicaps	(ii)	Villages located in the vicinity of Company's Plant.	12.45	12.45	12.45	Direct
iv)	Shri Hon Chief Minister Girls Education -Kanya Kelavani Nidhi	(ii)	Gujarat	0.75	0.75	0.75	Direct
v)	Foundation For Liberal And Management Education Society (FLAME)	(ii)	Maharashtra	500.00	500.00	500.00	Direct
vi)	Providing Education Facilities, Computers, allocating Staff and Infrastructure Support to Schools.	(ii)	Schools located in the villages near by the Company plant	35.86	35.86	35.86	Direct
vii)	Balwadi Project through Baroda Citizen Council	(ii)	Vadodara	4.24	4.24	4.24	Inox Group CSR Trust
viii)	JITO Administrative Training Foundation	(ii)	Maharashtra	5.00	5.00	5.00	Inox Group CSR Trust
ix)	Providing infrastructure support for development of Villages	(x)	Villages near by the Company plant	62.06	62.06	62.06	Direct
x)	Healthcare Facility in Remote Area	(i)	Himachal Pradesh	25.00	25.00	25.00	Inox Group CSR Trust

(1) Sr. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered - Schedule VII	(4) Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	(5) Amount outlay (budget project or programme wise) (₹ in Lakhs)	(6) Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads (₹ in Lakhs)	(7) Cumulative expenditure upto the reporting period (₹ in Lakhs)	(8) Amount spent Direct or through implementing agency
xi)	Contribution for Promoting Rural Sports	(vii)	Dahej	0.65	0.65	0.65	Direct
xii)	Panchmahotsav 2018 through Panch Ind Samajik Sanskrutik Welfare Society Godhra	(v)	Pavagadh	8.00	8.00	8.00	Direct
xiii)	Lake Project Halol	(x)	Halol	3.96	3.96	3.96	United Way of Baroda
xiv)	Support to Old Age Home – Jagriti Dham	(iii)	Kolkata	50.00	50.00	50.00	Jeevan Sadhana Foundation
xv)	Support for the Kerela Floods through contribution to Chief Minister Disaster Relief Fund	(viii)	Kerela	5.00	5.00	5.00	Direct
xvi)	Contribution for Mass Marriage	(iii)	Dahej	0.42	0.42	0.42	Direct
xvii)	Construction of toilets and organising Programs for promoting cleanliness and hygiene in and for eradication of hunger in School and in Villages	(i)	Villages and Schools located nearby the Company plant	11.02	11.02	11.02	Direct
xviii)	Treatment of Cattles and support for agricultural allied activities	(iv)	Villages near by the Company plant	0.58	0.58	0.58	Direct
xix)	Donation for clean environment-maintaining Environmental Sustainability	(iv)	Gujarat	1.00	1.00	1.00	Direct
	Total			**769.34**	**769.34**	**769.34**	

7. Reasons for Not Spending The Amount Specified in 5 Above:

Not Applicable

8. Subject to the Above, The CSR Committee of The Company Hereby Confirms That The Implementation and Monitoring of CSR Policy Is In Compliance With CSR Objectives And Policy of The Company

Annexure H to the Boards' Report

Corporate Governance Report

In compliance with Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) ('the Company') is pleased to submit this Report on Corporate Governance for the matters listed in Para C of Schedule V of the Listing Regulations and the practices followed by the Company in this regard for the year ended 31st March, 2019.

1. A Brief Statement on the Company's Philosophy on Code of Governance

GFL Limited believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, the Company has initiated significant measures for compliance with Corporate Governance and has constantly strived towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its Shareholders, Customers, Employees, other associated persons and the society as a whole.

2. Board of Directors

(a) Composition , Category of Directors and List of core Skills/ Expertise/ Competencies:

The Board of Directors of the Company consisted of 12 Directors at the end of the Financial Year i.e. 31st March, 2019 drawn from diverse fields, of which 3 were Executive Directors and 9 were Non-Executive Directors, including one Woman Independent Director. Hence, the composition of the Board of Directors consisted of optimum combination of Executive and Non-Executive Directors including one Woman Independent Director. The Board consisted of 6 Independent Directors and 6 Non-Independent Directors during the Financial Year 2018-19. Thus, the composition of the Board, as on 31st March, 2019, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations in this respect.

The Board of Directors of the Company has identified the following core skills / expertise / competencies fundamental to for the effective functioning of the Company which are available with the Board:

- Chemical sector, particularly fluoropolymers and fluorospeciality chemicals.
- Environment, health and safety
- Sales and marketing, international and domestic
- Accounts and finance, financial management, taxation
- Corporate Governance, Administration
- Legal and compliance
- Business strategy and management

(b) Number of Meetings of the Board of Directors held with the dates, attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting, disclosure of relationships between Directors inter-se and number of shares and convertible instruments held by Non- Executive Directors:

The Meetings of the Board have been held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the Financial Year 2018-19, five (5) Board Meetings were held on 25th May, 2018, 26th July, 2018, 14th August, 2018, 14th November, 2018 and 13th February, 2019.

The following tables gives details of Directors, their attendance at the Meetings of the Board, Annual General Meeting, Disclosure of Relationship between Directors inter-se and Number of shares held by Non-Executive Directors as at 31st March, 2019:

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last AGM	Relationship between Directors inter-se	Number of shares held by Non-Executive Director
Mr. Devendra Kumar Jain	Promoter, Non-Independent and Non – Executive Director	5	No	Father of Mr. Pavan Jain and Mr. Vivek Jain	20,100
Mr. Shailendra Swarup	Independent and Non-Executive Director	4	No	No inter-se relationship between Directors	10,000
Mr. Vivek Jain	Promoter and Managing Director	5	No	Son of Mr. Devendra Kumar Jain and brother of Mr. Pavan Jain	Not Applicable
Mr. Dinesh Kumar Sachdeva (Resigned w.e.f 14.8.2019)	Executive Director - Whole-time Director	1	Yes	No inter-se relationship between Directors	Not applicable
Mr. Pavan Jain	Promoter, Non-Independent and Non – Executive Director	1	No	Son of Mr. Devendra Kumar Jain and brother of Mr. Vivek Jain	20,100
Mr. Om Prakash Lohia	Independent and Non-Executive Director	3	No	No inter-se relationship between Directors	0
Mr. Deepak Asher	Non-Independent and Non – Executive Director	5	Yes	No inter-se relationship between Directors	0
Mr. Shanti Prashad Jain	Independent and Non-Executive Director	4	No	No inter-se relationship between Directors	1,000

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last AGM	Relationship between Directors inter-se	Number of shares held by Non-Executive Director
Mr. Rajagopalan Doraiswami (Resigned w.e.f 14.8.2019)	Independent and Non-Executive Director	2	No	No inter-se relationship between Directors	0
Mr. Anand Bhusari (Resigned w.e.f 28.4.2019)	Executive Director - Whole-time Director	1	No	No inter-se relationship between Directors	Not applicable
Ms. Vanita Bhargava	Independent and Non-Executive Director	2	No	No inter-se relationship between Directors	0
Mr. Chandra Prakash Jain (Resigned w.e.f 14.8.2019)	Independent and Non-Executive Director	4	No	No inter-se relationship between Directors	0
Mr. Sanath Kumar Muppirala (Resigned w.e.f 14.8.2019)	Executive Director - Whole-time Director	Not Applicable	Not Applicable	No inter-se relationship between Directors	Not applicable

The Company has not issued any Convertible Instruments and hence, the details in respect of such Convertible Instruments held by non-executive directors are not provided.

(c) Number of Directorships and Committees Membership / Chairmanship:

Name of the Director	Number of other Directorships / Committee Memberships / Chairmanships			List of Directorship held in Other Listed Companies and Category of Directorship
	Other Directorship (**)	Committee(*)		
		Membership of Public Limited Companies	Chairpersonship of Listed Companies	
Mr. Devendra Kumar Jain	5	0	1	0
Mr. Shailendra Swarup	9	3	0	J K Paper Limited (Independent Director) Subros Limited (Independent Director) Bengal and Assam Company Limited (Independent Director)
Mr. Vivek Jain	9	2	0	Inox Leisure Limited (Non – Executive Director)
Mr. Dinesh Kumar Sachdeva	1	0	0	0
Mr. Pavan Jain	9	1	1	Inox Leisure Limited (Non – Executive Director)
Mr. Om Prakash Lohia	4	1	0	Indo Rama Synthetics (India) Limited (Chairman and Managing Director)

Name of the Director	Number of other Directorships / Committee Memberships / Chairmanships			List of Directorship held in Other Listed Companies and Category of Directorship
	Other Directorship (**)	Committee(*)		
		Membership of Public Limited Companies	Chairpersonship of Listed Companies	
Mr. Deepak Asher	7	8	1	Inox Leisure Limited (Non – Executive Director) Inox Wind Limited (Non – Executive Director) (Resigned w.e.f 01st April, 2019)
Mr. Shanti Prashad Jain	7	1	2	Inox Wind Limited (Independent Director)
Mr. Rajagopalan Doraiswami	1	0	0	0
Mr. Anand Bhusari	1	0	0	0
Ms. Vanita Bhargava	1	1	0	0
Mr. Chandra Prakash Jain	9	6	0	Jai Prakash Associates Limited (Independent Director) Inox Wind Limited (Independent Director)
Mr. Sanath Kumar Muppirala	1	0	0	0

(*) Committee means Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the Listing Regulations.
(**) Other Directorship excludes directorship of Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

During the Financial Year 2018-19, none of the Directors were Directors in more than 10 Public Limited Companies or acted as an Independent Director in more than 7 Listed Companies. Further, none of the Directors was as a Member of more than 10 Committees or acted as a Chairman of more than 5 Committees across all Listed Companies.

(d) Web link of Familiarization Programmes imparted to Independent Directors

Details of Familiarization Programme imparted to Independent Directors have been disclosed on the Company's website. The same can be viewed at http://www.gfllimited.co.in/familiarization_programme.php

(e) Independent Directors Meeting

As stipulated under Section 149 of the Companies Act, 2013 read with Schedule IV pertaining to the Code of Independent Directors and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 13th February, 2019 with the following agenda:

- to review performance of Non-Independent Directors and the Board as a whole,
- to review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors of the Company
- to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

(f) Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

3. Audit Committee

(a) Brief description of Terms of Reference

The Role and the Terms of Reference of Audit Committee were defined by the Board of Directors in their meeting which are in accordance with the requirements of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations, which are mainly as follows:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013

  b. Changes, if any, in accounting policies and practices and reasons for the same

  c. Major accounting entries involving estimates based on the exercise of judgment by management

  d. Significant adjustments made in the financial statements arising out of audit findings

  e. Compliance with listing and other legal requirements relating to financial statements

  f. Disclosure of any related party transactions

  g. Qualifications in the draft audit report

v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors of any significant findings and follow up thereon;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of dewclared dividends) and creditors;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision i.e. 1.4.2019;

xxi. Review the following information:-

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant Related Party Transactions, (as defined by the Audit Committee), submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses;

e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee

f. statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

xxii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(b) Composition, Name of Members and Chairperson and Meetings and Attendance

The Audit Committee comprises of Four Directors with Mr. Shanti Prashad Jain as the Chairman of the Committee. The composition of Audit Committee as mentioned herein below is in compliance with Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations.

During the Financial Year 2018-19, the Audit Committee met 5 (Five) times on following dates, namely, 25th May, 2018, 14th August, 2018, 1st November, 2018, 14th November,2018 and 13th February, 2019.

The details of composition of Audit Committee and the Meetings attended by the Directors during Financial Year 2018-19 are given below:

Name	Position	Number of Meetings Attended during the year
Mr. Shanti Prashad Jain, Independent Director	Chairman	4
Mr. Deepak Asher, Non Independent Director	Member	4
Mr. Shailendra Swarup, Independent Director	Member	4
Ms. Vanita Bhargava, Independent Director	Member	2

Mr. Shanti Prashad Jain, Chairman of the Audit Committee was unable to attend the Annual General Meeting held on 31st August, 2018 due to prior professional engagements of the Company.

4. Nomination and Remuneration Committee

(a) Brief description of Terms of Reference

The Terms of Reference of Nomination and Remuneration Committee (NR Committee) were defined by the Board of Directors in their meeting held 29th May, 2014 which are in accordance with the requirements of Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations, which are mainly as follows:.

a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by NR Committee and recommend to the Board their appointment and removal.

b. To lay down criteria to carry out evaluation of every Director's performance.

c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;

d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel & other employees to work towards the long term growth and success of the Company.

(b) Composition, Name of Members and Chairperson and Meetings and Attendance

The composition of Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations. During the Financial Year 2018-19, the Nomination and Remuneration Committee met 2 (Two) times on following dates, namely, 26th July, 2018 and 11th February, 2019.

The details of composition of Nomination and Remuneration Committee and the Meetings attended by the Directors during the Financial Year 2018-19 are given below:

Name of Director	Position	Number of Meetings Attended during the year
Mr. Shanti Prashad Jain, Independent Director	Chairman	2
Mr. Om Prakash Lohia, Independent Director	Member	0
Mr. Deepak Asher, Non-Independent Director	Member	2

(c) Performance Evaluation Criteria for Independent Directors

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors and Chairperson of the Company for the Financial Year 2018-19. Further, based on the feedback received by the Company, the Nomination and Remuneration Committee at its Meeting held on 11th February, 2019 had noted that the Annual Performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

5. Remuneration of Directors

(a) Remuneration to Executive Directors:

The Board of Directors on the recommendations of Nomination and Remuneration Committee of Directors is authorised to decide the remuneration of the Managing Director, Whole-Time Directors, subject to the approval of the Members and Central Government, if required. The remuneration structure comprises of Salary, Perquisites, Retirement Benefits as per the law / rules and commission.

Details of the remuneration paid / payable to the Executive Directors of the Company for the Financial Year 2018 – 19 is as follows:

(₹ in Lakhs)

Name and Designation of Director	Mr. Vivek Jain, Managing Director	Mr. Dinesh Kumar Sachdeva, Whole-time Director	Mr. Anand Bhusari, Whole-time Director
Salary & Allowances	123.00	19.56	149.70
Perquisites	64.91	2.32	5.22
Contribution to PF	14.76	1.92	7.75
Commission	500.00	0.00	0.00
Stock Options	Nil	Nil	Nil
Total	**702.67**	**23.80**	**162.67**
Service Contract	1.1.2018 to 31.12.2022	29.11.2018 to 28.11.2019	Resigned w.e.f 28.4.2019
Notice Period	3 months	3 months	3 months

(b) Remuneration to Non -Executive Directors:

As per Shareholders' approval accorded in the 27th Annual General Meeting of the Company held on 10th September, 2014, Mr. Devendra Kumar Jain , Chairman of the Company is paid remuneration by way of Commission for an amount equal to one percent of the net profit of the Company computed in accordance to the provisions of Section 198 of the Act. The criteria for making payment to Non-Executive Directors of the Company is disclosed on the Company's website. The same can be viewed at http://www.gfllimited.co.in/Criteria_for_making_payments_to_Non_executive_Directors.pdf

Details of the remuneration paid / payable to the Non - Executive Directors of the Company for the Financial Year 2018 – 19 is as follows:

(₹ in Lakhs)

Name of the Director	Sitting Fees for attending Board / Committee Meetings	Commission	Total	Stock Options
Mr. Devendra Kumar Jain	1.00	740.67	741.67	Nil
Mr. Pavan Jain	0.20	Nil	0.20	Nil
Mr. Shailendra Swarup	1.80	Nil	1.80	Nil
Mr. Deepak Asher	1.80	Nil	1.80	Nil
Mr. Shanti Prashad Jain	1.60	Nil	1.60	Nil
Mr. Rajagopalan Doraiswami	0.40	Nil	0.40	Nil
Ms. Vanita Bhargava	1.0	Nil	1.0	Nil
Mr. Chandra Prakash Jain	1.0	Nil	1.0	Nil
Mr. Om Prakash Lohia	Nil	Nil	Nil	Nil

During the Financial Year 2018-19, the Company has not issued stock options at discount.

Non-Executive Directors with materially significant related party transactions, pecuniary or business relationship with the Company.

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors during the Financial Year 2018 – 19 that may have potential conflict with the interests of the Company at large.

Apart from drawing sitting fees none of the independent directors have any other pecuniary relationship or transactions with the Company which in the judgment of the Board would affect the independence or judgment of Directors.

6. Stakeholders' Relationship Committee

(a) Name of Non-Executive Director heading the Committee	Mr. Devendra Kumar Jain
(b) Name and designation of Compliance Officer:	Mr Bhavin Desai, Company Secretary
(c) Number of Shareholders complaints received during the Financial Year 2018-19	15
(d) Number of Complaints not resolved to the satisfaction of Shareholders	Nil
(e) Number of pending complaints	Nil

The Chairman of Stakeholders' Relationship Committee, Mr. Devendra Kumar Jain was unable to attend last Annual General Meeting held on 31st August, 2018 due to prior professional engagements, so he had authorised Mr. Deepak Asher, Director and Group Head (Corporate Finance) to answer to the queries of the Shareholders at the Annual General Meeting of the Company held on 31st August, 2018.

7. General Body Meetings

The particulars of last 3 (Three) Annual General Meetings of the Company and details of Special Resolutions passed, if any, at these Meetings are given hereunder:

Financial Year	Location, Date and Time	Details of Special Resolution passed
2015-16	26th September, 2016 at 12 noon Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	Re-appointment of Mr. Dinesh Kumar Sachdeva as a Whole-time Director for a period of one year from 29th November, 2016 to 28th November, 2017.
2016-17	28th September, 2017 at 4:00 pm Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	Re-appointment of Mr. Dinesh Kumar Sachdeva as a Whole-time Director for a period one year from 29th November, 2017 to 28th November, 2018.
2017-18	31st August,2018 at 3:00 pm Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	- Re-appointment of Mr. Shailendra Swarup as Independent Director of the Company from 1st April 2019 to 31st March 2024. - Re-appointment of Mr. Om Prakash Lohia as Independent Director of the Company from 1st April 2019 to 31st March 2024. - Re-appointment of Mr. Chandra Prakash Jain as Independent Director of the Company from 1st April 2019 to 31st March 2024. - Re-appointment of Mr. Shanti Prashad Jain as Independent Director of the Company from 1st April 2019 to 31st March 2024. - Re-appointment of Mr. Dinesh Kumar Sachdeva as Whole-time Director of the Company and approve payment of remuneration to him for a period of one year from 29th November, 2018. - Approval of payment of remuneration for a period of five Financial Years commencing from the Financial Year 2019-20 to Mr. Devendra Kumar Jain. - Approval to give loan to the person in whom the Director of the Company is interested under Section 185 of the Companies Act, 2013.

During the Financial Year ended 31st March, 2019, no Special Resolution was passed by the Company's Members through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot at the current Annual General Meeting of the Company.

8. Means of Communication

The Quarterly / Annual Financial Results as also Annual Report of the Company/Subsidiaries during / for the Financial Year ended 31st March, 2019 were submitted with the Stock Exchanges immediately after they were approved by / taken on record by the Board and published in well-circulated Gujarati (Vadodara Samachar) and English dailies (Business Standard) as well. The said results along with official news releases and presentations made to the investors / analysts have been submitted to the Stock Exchanges and also posted on the Company's website viz www.gfllimited.co.in. The Company organizes investor earnings calls to discuss its financial results every quarter where investors' queries are answered by the executive management of the Company. The Investor Presentations and the Transcripts of the call are also uploaded on the Stock Exchanges and also on the website of the Company.

9. General Shareholder Information

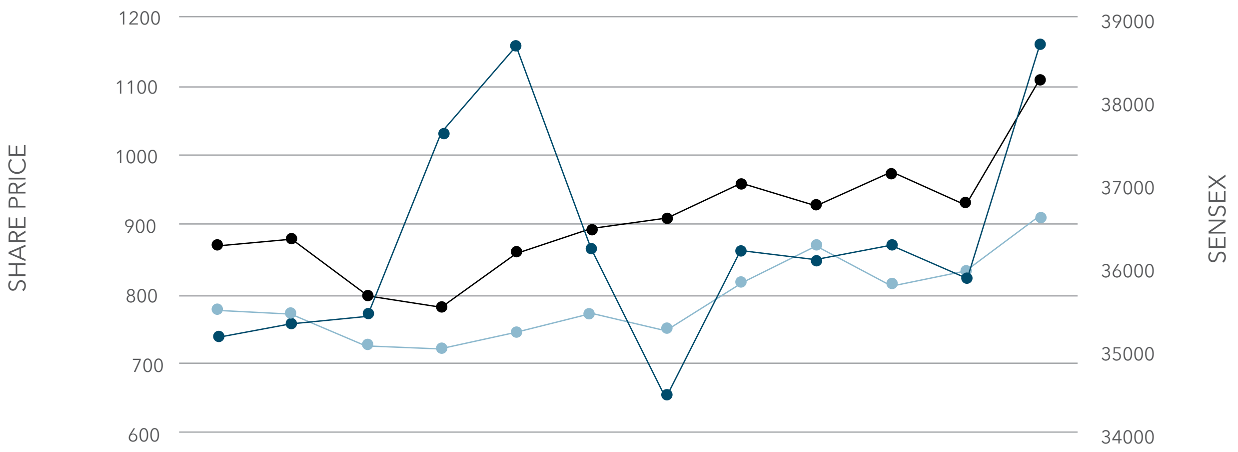
9.1	Annual General Meeting	
	Date	Wednesday,18th September, 2019
	Time	3.00 PM
	Venue	Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
9.2	Financial Year	April 2018 to March 2019
9.3	Book Closure Date	13.9.2019 to 18.9.2019
9.4	Dividend Payment Date	On or before 17th October, 2019
9.5	Listing of Equity Shares on Stock Exchanges	National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051 BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Calcutta Stock Exchange Association Limited. 7, Lyons Range, Kolkata 700 001 (The Company's application for voluntarily delisting of its equity shares with The Calcutta Stock Exchange Association Limited is pending with the stock exchange since 2004).
	Listing Fees	The Company has paid the Annual Listing Fees for the Financial Year 2018-19 to the NSE and BSE on which the securities are listed.
9.6	Stock Code	
	BSE Limited	500173
	National Stock Exchange of India Limited (symbol)	GFLLIMITED
	Demat ISIN Number in NSDL and CDSL	INE538A01037

9.7 Market Price Data: High, Low during each month in the Financial Year 2018-19 and Comparison to broad-based indices viz. Nifty 500 and BSE Sensex.

Month	BSE Monthly Low Price (in ₹)	BSE Monthly High Price (in ₹)	SENSEX	NSE Monthly Low Price (in ₹)	NSE Monthly High Price (in ₹)	NIFTY 500
April, 2018	778	872	35,160	785	875	9,497
May, 2018	770	880	35,322	770	884	9,315
June, 2018	727	799	35,423	723	790	9,162
July, 2018	722	780	37,607	721	780	9,651
August, 2018	747	860	38,645	746	858	9,992
September, 2018	772	893	36,227	775	892	9,116
October, 2018	750	910	34,442	751	909	8,753
November, 2018	818	958	36,194	862	960	9,109
December, 2018	868	929	36,068	866	929	9,170
January, 2019	814	975	36,257	815	975	9,004
February, 2019	831	932	35,867	836	928	8,956
March, 2019	912	1,111	38,673	909	1,107	9,664

Share performance of the Company in graphical comparison at BSE (Sensex):

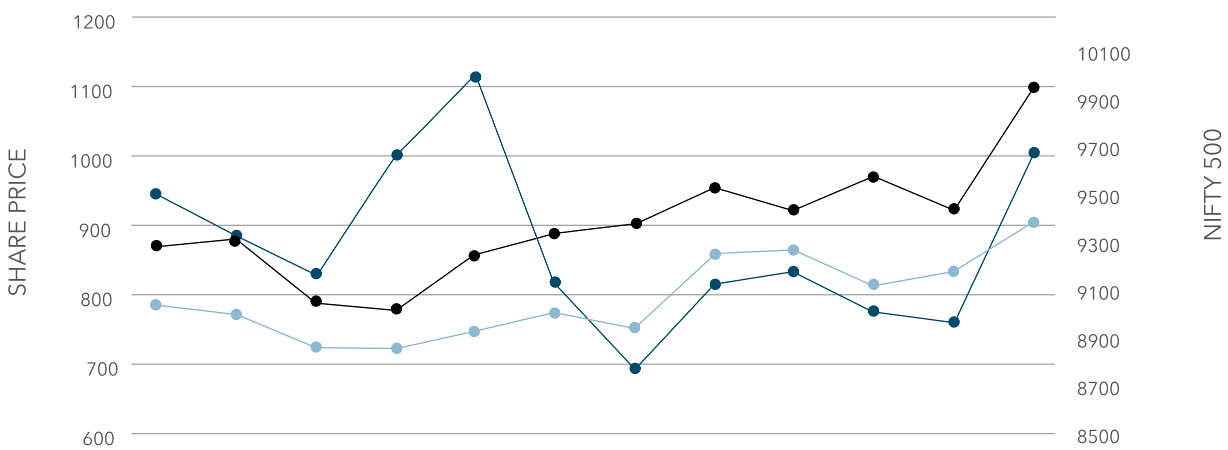
Share Price at BSE for the year 2018-19



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
BSE HIGH	872	880	799	780	860	893	910	958	929	975	932	1111
BSE LOW	778	770	727	722	747	772	750	818	868	814	831	912
SENSEX	35160	35322	35423	37607	38645	36227	34442	36194	36068	36257	35867	38673

Share performance of the Company in graphical comparison at NSE (Nifty):

Share Price at NSE for the year 2018-19



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
NSE HIGH	875	884	790	780	858	892	909	960	929	975	928	1107
NSE LOW	785	770	723	721	746	775	751	862	866	815	836	909
NIFTY 500	9497	9315	9162	9651	9992	9116	8753	9109	9170	9004	8956	9664

9.8 Suspension from Trading	The Equity Shares of the Company were not suspended from Trading during the Financial Year 2018-19
9.9 Registrar and Transfer Agents	Link Intime India Private Limited B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020. Phone : +91 265 2356573, 6136011 Fax : 2356791. E-mail : vadodara@linkintime.co.in
9.10 Share Transfer System	In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories.

9.11 Distribution of Shareholding as on 31st March, 2019:

No. of shares ranging From - To	Number of shareholders	% to total shareholders	Number of shares	Amount in ₹	% to total
1 to 500	9643	75.27	8,48,130	8,48,130	0.77
501 to 1000	1889	14.75	17,48,772	17,48,772	1.59
1001 to 2000	449	3.50	7,47,005	7,47,005	0.68
2001 to 3000	171	1.33	4,61,769	4,61,769	0.42
3001 to 4000	101	0.79	3,70,684	3,70,684	0.34
4001 to 5000	122	0.95	5,85,692	5,85,692	0.53
5001 to 10000	171	1.33	13,02,102	13,02,102	1.19
10001 and above	265	2.07	10,37,85,846	10,37,85,846	94.48
Total	**12811**	**100.00**	**10,98,50,000**	**10,98,50,000**	**100.00**

9.12 Dematerialization of shares as on 31st March, 2019:

Particulars	No. of Shares	% to Total Share Capital
No of Shares Dematerialised		
- NSDL	10,45,99,329	95.22
- CDSL	42,86,171	3.90
No. of Shares in Physical Form	9,64,500	0.88
Total	**10,98,50,000**	**100**

9.13 Shareholding pattern of the Company as on 31st March, 2019 is as under:

Sr. No.	Category	Number of shares held	% of total share holding
A	**Shareholding of Promoters and Promoters' Group**		
1	Indian Promoters	7,50,58,900	68.33
	Sub-Total of A	**7,50,58,900**	**68.33**
B	**Shareholding of Non Promoters**		
1	Institutions		
a	Mutual Funds and UTI	48,76,036	4.44
b	Banks, Financial Institutions, Insurance Companies	67,778	0.06
c	Central / State Government	100	-
d	Foreign Institutional Investors and Foreign Portfolio Investors	51,79,242	4.71
e	Alternate Investment Funds	25,000	0.02
	Sub-Total of B (1)	**1,01,48,156**	**9.23**
2	Non-Institutions		
a	Bodies Corporate	98,15,903	8.94
b	Individual	1,09,00,241	9.92
c	Non-Resident	5,83,605	0.53
d	Clearing Member	2,58,763	0.24
e	IEPF	3,76,003	0.34
f	Others	27,08,429	2.47
	Sub-Total B (2)	**2,46,42,944**	**22.44**
	Sub-Total of B (1) + B (2)	**3,47,91,100**	**31.67**
	Grand Total (A+B)	**10,98,50,000**	**100.00**

9.14 Outstanding GDRs/ADRs/Warrants	The Company has not issued GDRs/ADRs/Warrants or any convertible instruments.
9.15 Commodity price risk or foreign exchange risk and hedging activities	The Company has approved "Risk Assessment and Minimisation Procedure" pursuant to which the Company enters into Forward Contracts on foreign currencies depending on its assessment of the market situation, to counter the risk of foreign exchange fluctuations
9.16 Plant Locations	**Ranjitnagar Plant** Survey No. 16/3, 26 and 27, Ranjitnagar 389 380, Taluka Ghoghamba, District Panchmahal, Gujarat State. **Dahej Plant** Plot No 12-A, GIDC, Dahej Industrial Estate, Taluka Vagra, District Bharuch, Gujarat State.
9.17 Address for Investor Correspondence	Link Intime India Private Limited B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020. Phone : +91 265 2356573, 6136011 Fax : 2356791. E-mail : vadodara@linkintime.co.in

10. Other Disclosures

(a) Materially significant Related Party Transactions:

There were no transactions with related parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure of Related Party Transactions as required by the Accounting Standards (Ind AS 24) has been made in the Note No. 45 to the Standalone Financial Statements and in the Board's Report as required under Section 134 of the Companies Act, 2013.

The Board has also approved a policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such policy has been put up on the Company's Website. The same can be viewed at http://www.gfllimited.co.in/pdf/Gujarat%20Fluorochemicals%20Limited%20-%20Related%20Party%20Transaction%20Policy%20-%20clean-25032019.pdf

(b) Details of non-compliance:

During the last three years, there were no instances of non-compliance, penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

(c) Whistle Blower Policy:

The Company has adopted Whistle Blower Policy at its Board Meeting held on 29th May 2014 to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. Adequate safeguards have been provided in the Policy to prevent victimization of Directors/ Employees. No personnel has been denied access to the Audit Committee. A copy of Company's Whistle Blower Policy has been put up on Company's Website. The same can be viewed at http://www.gfllimited.co.in/pdf/GFL-Whistleblower_Policy-31032019-FINAL.pdf

(d) The Company has formulated a policy for determining 'Material' Subsidiaries' and such policy has been disclosed on the Company's Website. The same can be viewed at http://www.gfllimited.co.in/pdf/Gujarat%20Fluorochemicals%20Limited%20-%20Material%20Subsidiary%20Company%20Policy%20-%2025-03-2019%20-%20clean.pdf

(e) The Company has complied with the Corporate Governance Requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of the Listing Regulations.

(f) Disclosure of commodity price risks and commodity hedging activities: Not Applicable since the Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): During the year under review, the Company has not raised any funds through preferential allotment or through qualified institutions placement.

(h) Certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.: Certificate received form M/s Samdani Shah and Kabra for the same is enclosed herewith.

(i) During the Financial Year 2018-19, there were no instances, wherein the recommendations by any of the Committees of the Board were not accepted by the Board of Directors of the Company.

(j) The Company and its subsidiaries have paid total fees of ₹ 82.75 Lakhs for all services, on a consolidated basis, to the Statutory Auditors M/s. Kulkarni & Company, Statutory Auditors (Firm Registration no. 140959W).

(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. : The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 is given in the Directors' report.

(l) Management Discussion and Analysis Report: Management Discussion and Analysis Report is forming part of the Annual Report.

(m) All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied by the Company.

(n) Adoption of Non Mandatory requirement: The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- Shareholders rights: The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.
- Modified opinion(s) in audit report: For the Financial Year ended 31st March, 2019, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.
- Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

11. CEO / CFO Certification

The Company has obtained a certificate from the Managing Director and Chief Financial Officer in respect of matters stated in Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

12. Code of Conduct

The Board of Directors of the Company had laid down a Code of Conduct for all the Board Members and Senior Management of the Company which was amended at its meeting held on 21st October, 2014 by including duties of Independent Directors. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. The Code of Conduct is placed on the website of the Company at http://www.gfllimited.co.in/corporate_governance.php

13. Declaration by Chief Executive Officer:

Declaration signed by Mr. Vivek Jain, Managing Director and Chief Executive Officer of Gujarat Fluorochemicals Limited, stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed to this Report at **Annexure – A.**

14.Compliance Certificate from the Auditors:

Compliance Certificate from the independent auditors of the Company regarding compliance of conditions of Corporate Governance is annexed with the Board's Report.

By Order of the Board of Directors

Date: 13th August, 2019
Place Noida

Devendra Kumar Jain
Chairman

Annexure A

DECLARATION BY THE CEO UNDER CLAUSE D OF SCHEDULE V OF THE LISTING REGULATIONS:

I, Vivek Kumar Jain, Managing Director and Chief Executive Officer of Gujarat Fluorochemicals Limited, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel for the Financial Year ended 31st March, 2019.

Date 13th August, 2019
Place Noida

Vivek Kumar Jain
Managing Director and Chief Executive Officer of Gujarat Fluorochemicals Limited

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of,
GFL Limited (earlier known as Gujarat Fluorochemicals Limited)

This report contains details of compliance of conditions of Corporate Governance by GFL Limited (earlier known as Gujarat Fluorochemicals Limited) ('the Company') for the year ended 31st March, 2019 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2019.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations in all material respect except that the Chairman of the Audit Committee had not attended the last Annual General Meeting of the Company for the reasons mentioned in paragraph 3(b) of the Corporate Governance Report prepared by the Company.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Kulkarni and Company,**
Chartered Accountants
Firm's Registration Number: 140959W

(A D Talavlikar)
Partner
UDIN: 19130432AAAAAH3434
Membership Number: 130432

Place: Pune
Date: 13th August 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) and Schedule V Part C Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of,
GFL Limited

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of Gujarat Fluorochemicals Limited (the Company), having CIN: L24110GJ1987PLC009362, situated at Survey No 16/3, 26 and 27, Ranjitnagar, Ghoghamba, Tal - Panchmahal – 389380 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr.#	Name of the Director	DIN	Date of Appointment
1.	*Anand Rambhau Bhusari	07167198	28/04/2015
2.	Chandra Prakash Jain	00011964	11/08/2016
3.	Deepak Ranjit Asher	00035371	22/01/2008
4.	Devendra Kumar Jain	00029782	01/01/1988
5.	Dinesh Kumar Sachdeva	00050740	29/11/2009
6.	Om Prakash Lohia	00206807	29/09/2007
7.	Pavan Kumar Jain	00030098	04/02/1987
8.	Shailendra Swarup	00167799	01/01/1988
9.	Shanti Prashad Jain	00023379	22/05/2009
10.	Rajagopalan Doraiswami	07013468	08/11/2014
11.	Vanita Bhargava	07156852	28/04/2015
12.	Vivek Kumar Jain	00029968	04/02/1987

*As on Date of Certificate, Mr. Anand Bhusari, Director had resigned w.e.f 28/04/2019 and Mr. Sanath Kumar Muppirala was appointed as a Whole time Director of the Company w.e.f 28/04/2019.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677.CP No. 2863

Vadodara, May 27, 2019

Business Responsibility Report

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended by Securities and Exchange Board of India (Listing, Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 read with SEBI circular dated 04th November, 2015 has mandated that with effect from the Financial Year 2016 -17, the annual report of top 500 listed companies should include a Business Responsibility Report (BRR) in the format prescribed by SEBI. Since Gujarat Fluorochemicals Limited (hereinafter referred to as GFL or the Company) is a part of top 500 listed companies (based on market capitalisation as on 31st March, 2019) as per the list hosted on the websites of the BSE and NSE, it is required to publish a BRR in its Annual Report for Financial Year 2018-19. This report is in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

The BRR of the Company in the format prescribed at **Annexure I** of the said SEBI circular is given hereunder and it describes initiatives taken by the Company during the Financial Year 2018-19:

Section A	General Information about the Company	
1	Corporate Identification Number	L24110GJ1987PLC009362
2	Name of the Company	GFL Limited (Earlier known as Gujarat Flurochemicals Limited)
3	Registered Address	Survey Number 16/3, 26 & 27, Ranjitnagar - 389380, Taluka Ghoghamba, District Panchmahal, Gujarat
4	Website	www.gfllimited.co.in
5	Email Address	bvdesai@gfl.co.in
6	Financial year reported	2018-19
7	Sector(s) that the Company is engaged in	Refrigerant Gases - 24111
		Caustic Soda (Caustic Soda Lye & Flakes) - 24111
		Chloromethanes - 24111 (Methylene Chloride and Carbon Tetrachloride)
		Poly Tetrafluoroethylene (PTFE) - 24111
8	3 key products/services manufactured/ provided by the Company	Refrigerant gases, Caustic Soda (Lye & Flakes), Chloromethane, Poly Tetrafluoroethylene (PTFE)
9	Total number of locations where business activity is undertaken by the Company	
a	Number of International Locations (Provide details of major 5)	1) Gujarat Fluorochemicals Americas LLC, USA; 2) Gujarat Fluorochemicals Singapore Pte Ltd; 3) Gujarat Fluorochemicals GmbH; 4) GFL GM Fluorspar SA
b	Number of National Locations	8
		Plants - Dahej and Ranjitnagar
		Branch Offices - Vododara, Mumbai, Delhi, Chennai and Thane
		Corporate Office - Noida
10	Markets served by the Company	National & International

Section B	**Financial details of the Company**	
1	Paid up capital (₹)	1098.50 Lakhs
2	Total turnover (₹)	2,73,054.85 Lakhs
3	Total profit after tax (₹)	1,27,730.78 Lakhs
4	Total spending on CSR as percentage of PAT (%)	0.60%
5	List of the activities in which expenditure in 4 above has been incurred	Health care, Education, Protection of Art, Vocational skills, Rural Development etc.

Section C	**Other details**	
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No

1	Details of Director(s) responsible for BR			
(a)	Details of the Director/Directors responsible for implementation of the BR policy/policies:			
1	DIN Number	00029782	00029968	00035371
2	Name	Devendra Kumar Jain	Vivek Kumar Jain	Deepak Asher
3	Designation	Chairman	Managing Director of Gujarat Fluorochemicals Limited	Director and Group Head (Corporate Finance)
(b)	Details of the BR head:			
1	DIN Number (if applicable)	0008425540	00050740	
2	Name	Mr Sanath Kumar Muppirala- Dahej	Mr Dinesh Kumar Sachdeva- Ranjitnagar	
3	Designation	Whole-time Director	Whole-time Director	
4	Telephone number	02641-618060	02678-248127	
5	E-mail id	sanath.kumar@gfl.co.in	dksachdeva@gfl.co.in	

2. Principle-wise (as per NVGs) BR policy/policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for....	Y	Y	N	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y		Y		Y		Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y (ISO, OHSAS)		Y		Y (ISO, OHSAS)		Y	Y(ISO)
4.	Has the policy being approved by the Board?	Y	Y		Y		Y		Y	Y
	If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y		Y		Y		Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y		Y		Y		Y	Y
6.	Indicate the link for the policy to be viewed online?	#	#		#		#		#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y		Y		Y		Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y		Y		Y		Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	N	N		N		N		N	N
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N		N		N		N	N

- www.gfl.co.in

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)			1				2		

1) While the Company does not have a specific policy for this principle, it has an HR Operations Manual that provides guidance for governing various aspects related to its employees, including employee grievance redressal.

2) As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy.

3.	Governance related to BR:	
a)	Indicate frequency with which the Board of Directors, Committees of the Board or CEO to assess the BR performance of the Company.	The business responsibility performance of the Company is assessed annually by the BRR Committee constituted by the Board of Directors of the Company at its meeting held on 16th May, 2016.
a)	Does the Company publish BR or Sustainability Report? What is hyperlink of viewing this report? How frequently it is published?	BRR of Financial Year 2018-19 is placed on the website of the Company: www.gfllimited.co.in

Section E Principle – wise performance

Certain key principles to assess fulfilment of the requirement by the Company and a description of core elements under the principles as detailed in **Annexure II** of the referred SEBI circular are narrated below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

GFL has formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises, at offsite locations, at the Company's sponsored business and social events, and / or at any other place where they represent the Company. Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by the Company. The Company also has a Whistle Blower Policy which is a mechanism to reinforce implementation of the Company's CoC which encourages each and every Director and officer of the Company to take positive actions which not only commensurate with the Company's belief but are also perceived to be so. This Policy provides all employees and Directors of the Company and its subsidiaries a mechanism to report improper acts and provides adequate safeguards against victimization.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

   Yes, the policy relating to ethics, bribery and corruption covers the Company and its Subsidiary Companies (refer to para 1 a of Whistle Blower Policy for subsidiary companies).

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the Financial Year 2018-19, the Company had received 15 complaints from its investors related to non- receipt of dividend; shares etc. and all the 15 complaints were resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Integrated Management Systems Policy for the Ranjitnagar plant and the Policies for Quality and Environment, Health & Safety for the Dahej plant are the Company's guiding documents for protection of environment and ensuring safety of its employees. These policies demonstrate the Company's commitment towards Improving its Environmental, Health and Safety performance in a continual manner.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   a. AHCl: The design of AHCl cylinders has incorporated safety measures that ensure no leakage occurs during transportation. Also, a special cage has been designed for the cylinders so that they do not get damaged in case of any accident.

   b. AHF storage facility: As hydrogen fluoride is a health hazard, an automatic sprinkler system has been installed around AHF bullets to prevent it from spreading, in case of any leakage.

   c. R-22: The R-22 production process is designed in such a way that it eliminates organic effluents by recycling them.

   In addition to these, regular safety trainings are conducted for all the drivers. Also, there is an established procedure for pre-loading inspection of all containers, racks and vehicles used to transport the chemicals.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   Atmospheric emission of Volatile Organic Components is being continuously monitored to be well within the limit specified GPCB.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   While GFL manufactures products that are not directly used by end consumers but are used as raw materials in the production of other goods, it makes continuous efforts to improve the environmental attributes of its products.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof in 50 words or so.

   The Company has proper procedures in place for sustainable sourcing and procures more than 75% of inputs directly from the manufacturer. The Company continuously re-designs its activities to better manage the procurement process and works closely with its suppliers. To decrease the fuel consumption and emissions due to transportation, GFL is gradually shifting to 20-30 MT capacity vehicles from 10-16 MT ones. Also, the import consignments are now being received at nearer ports like Dahej and Hazira, instead of distant ones like Kandla and Mumbai.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Yes, at the Ranjitnagar plant, services are being procured from local producers/ contractors for construction of new projects. At the Dahej plant, the Company has taken a lead in helping a local vendor set up a drum manufacturing unit which supplies drums to various industrial plants in the area.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   The Ranjitnagar plant is a zero effluent discharge plant where around 90% of the wastewater is recycled. This has been achieved by installation of Single Effect Evaporator (SEE) and Multiple Effect Evaporator (MEE). The plant also turns all of its canteen waste to compost, thereby reducing the burden on landfill sites. The Dahej plant has a well-developed Environment Management Plan (EMP) in place which mainly focusses on reduction, reuse and recycling of resources. This plant also has well defined targets for reduction of water usage and to achieve these targets, a water recycling plan has been implemented within each area in the plant.

Principle 3: Businesses should promote the well-being of all employees

The Company has an HR Operations Manual that provides guidance and policies for governing various aspects related to its employees. It includes guidelines on employee evaluation and performance management, training and development, employee/contractor grievance redressal and employee relationship management. It also includes guidelines on prevention, prohibition and redressal of sexual harassment of women at workplace.

1. Please indicate the Total number of employees.

   The Company has a total of 2083 employees.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

   A total of 2408 employees have been hired on temporary/contractual/casual basis.

3. Please indicate the Number of permanent women employees.

   The Company has 40 permanent women employees.

4. Please indicate the Number of permanent employees with disabilities

   The Company has 11 permanent employees with disabilities.

5. Do you have an employee association that is recognized by management?

   The Company does not have any employee association recognized by its management.

6. What percentage of your permanent employees is members of this recognized employee association?

   Not applicable since the Company does not have a recognized employee association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year.

S. No.	Category	No of complaints filed during the Financial Year	No of complaints pending as on end of the Financial Year
1.	Child labour / forced labour / involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Permanent Employees	Safety - 100 %; Skill Upgradation - 85%
Permanent Women Employees	Safety - 100 %; Skill Upgradation - 70 %
Casual/Temporary/Contractual Employees	Safety - 100 %; Skill Upgradation - 85%
Employees with Disabilities	Safety - 100 %; Skill Upgradation - 50%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company has a Corporate Social Responsibility (CSR) Policy, which is guided by the philosophy of GFL and delineates its responsibility as a responsible corporate citizen. The CSR Policy of the Company lays down the guidelines and mechanism to undertake programmes for social welfare and sustainable development of the community at large. The objective of the Policy is to enhance value creation by the Company in the communities in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community. The Company ensures that its business is conducted in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

1. Has the company mapped its internal and external stakeholders? Yes/No

   GFL takes into account the wellbeing of all individuals directly or indirectly associated with it, though a formal mapping of the internal and external stakeholders has not been conducted.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   While there has not been any formal identification of the disadvantaged stakeholders, the Company's primary welfare activities are focussed on children, women, elderly, the differently abled, farmers, and socially & economically backward groups in the communities in the areas surrounding the Company's operations.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in 50 words or so.

   Some of the initiatives undertaken by the Company include:

   - Financial assistance to students from poor families for covering education related expenses.
   - Honorary payment to government school teachers in the absence of sanctioned grant from the government.
   - Support to development of social infrastructure in neighbouring villages in order to provide access to better education and health facilities to the local populace.
   - Financial assistance to poor patients and provision of Mobile Medical Unit to the locals.

Principle 5: Businesses should respect and promote human rights

1. The HR Operations Manual of the Company contains detailed guidelines on protection of human rights and is committed to respect human rights of workforce, communities and those affected by the operations of the Company wherever the Company does its business including the Company's contractors and suppliers Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

   The policy extends to Contract Labour, Vendors and all other stakeholders.

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?

   No stakeholder complaint has been received in the past Financial Year and none are pending as on 31st March 2019.

Principle 6: Business should respect, protect, and make efforts to restore the environment

The Integrated Management Systems Policy for the Ranjitnagar plant and the policies for Quality and Environment, Health & Safety for the Dahej plant are GFL's guiding documents for protection of the environment and ensuring safety of its employees. These policies demonstrate the Company's commitment towards Improving its Environmental, Health and Safety performance in a continual manner.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

   While the policy also only covers its own operations, the Company, encourages its suppliers to adopt environment friendly practices in their operations.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   In its effort to do its bit towards fighting climate change, GFL has adopted a number of initiatives to increase its energy efficiency, thereby reducing its carbon emissions.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes, the Dahej plant regularly conducts risk assessment to identify risks related to environment and safety. To this end, the plant has a well-defined Management of Change (MOC) procedure and HIRA & HAZOP processes. These procedures ensure that environmental risks are identified and addressed on a timely basis.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   No, the Company currently does not have any project related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The Company has undertaken a number of energy efficiency initiatives like installation of variable frequency drives and LEDs, which decrease electricity consumption. At the Ranjitnagar plant, a co-generation plant has been installed to increase efficiency of the power plant to about 80%, by the usage of waste heat from exhaust gas and jacket water. This plant has also installed a groundwater recharge system that includes filter modules for removing suspended solids and total dissolved solids from the water. This system enables the replenishment of almost 450 m3 water each year. Besides these initiatives, the Company's Dahej plant procures renewable power generated by wind turbines.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?

   Yes, the Emissions/Waste generated by the company are within the permissible limits given by CPCB/SPCB for FY 2018-19.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   No show cause/ legal notices from CPCB/SPCB are pending as on 31st March 2019.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy. However it will continue to assess the evolving business and regulatory environment in future in this regard.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

   The Company is a member of the following trade associations:

   - Federation of Indian Chamber of Commerce and Industries
   - Baroda Management Association
   - Federation of Gujarat Industries

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No, the Company has not advocated/lobbied through the above associations.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR policy of GFL aims to enhance value creation in the society and in the community in which it operates. It aims to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof

   Some of the CSR programmes of the Company are:

   - Maintenance of Balwadis
   - Financial support for development of infrastructure in local schools
   - Monetary help for setting up a Health Centre
   - Empanelment of a renowned agricultural expert to impart agricultural know-how to the nearby villagers, which will enable them to increase their productivity.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

   The programmes are undertaken through in-house teams as well as through NGOs.

3. Have you done any impact assessment of your initiative?

   The Company follows a systematic five step approach towards releasing funds for a project. The fifth step in this process includes a provision for seeking information regarding the impact of money spent, on the life of the beneficiary.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken: ₹ 769.34 Lakhs. Details of projects undertaken is given in the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

   The Company regularly engages with the local communities in the areas surrounding its plants, since they are the prime and direct beneficiaries of its welfare activities. Through these interactions it ensures that its CSR initiatives are adopted by the local community and fulfil the needs of the target population.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Integrated Management Systems Policy for the Ranjitnagar plant and the Quality Policy for the Dahej plant enable the Company's employees to adhere to set Quality Standards in all products and services. The objective of these policies is to guide employees in providing quality products to the customers in a stipulated time frame. This can be achieved by incorporating customer feedback and improving on a continual basis.

1. What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year.

   Less than 2 % of customer complaints/ consumer cases are pending as on 31st March 2019.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

   The Company displays all product information on the product label as mandated by the local laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year. If so, provide details thereof, in about 50 words or so.

   There was no pending stakeholder complaint against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour as on 31st March 2019.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   The Company conducts an annual customer satisfaction survey for all its customers in India and abroad. The outcome of this survey helps the Company in identifying steps to further improve its performance.

Standalone Financial Statement

Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Gujarat Fluorochemicals Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
1 Evaluation of direct tax position The amount of taxation pertaining to earlier years credited in the statement of profit and loss includes amount of ₹ 82,852 Lakhs in respect of certain tax position taken by the Company, as disclosed in Note 36 to the financial statements. This has been identified as a key audit matter due to magnitude of the amount involved and the matter requires significant judgement and estimation by the management to determine the possible outcome of the tax position.	To address this key audit matter, our audit procedures included the following: • Obtained understanding of the tax position taken by the Company. • Discussed the matter with the senior management and the external tax consultants. • Assessed the management's judgement of the possible outcome of the tax position with reference to the precedence in the Company's own cases and other judicial pronouncements. • Checked the calculations made by the management in this regard for mathematical accuracy and also the reasonableness of the assumptions used in the calculations. • Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and the position taken by the Company. Based on our procedures performed we are satisfied that the treatment in respect of the direct tax position is appropriate and we conclude that the related disclosures are appropriately presented in the financial statements.

Independent Auditor's Report to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 (Contd..)

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, for example, Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance etc., but does not include the standalone financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 (Contd..)

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Independent Auditor's Report to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 (Contd..)

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kulkarni and Company
Chartered Accountants
Firm's Registration No. 140959W

A.D. Talavlikar
Partner
Membership No. 130432

Place: Noida
Date: 27th May, 2019

Annexure I to Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In term of the Companies (Auditor's Report) Order, 2016 ("the Order"), on the basis of information and explanation given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. The title deeds of all immovable properties are held in the name of the Company.

2. The inventories were physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on physical verification of inventories as compared to book records.

3. The Company has granted unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of the said loans are not, prima facie, prejudicial to the interest of the Company. The said parties are regular in repayment of principal and payment of interest, as stipulated, and there are no overdue amounts except that in case of one party, interest of ₹ 994.60 Lakhs is overdue for more than ninety days and the Company is taking reasonable steps for recovery of the same.

4. The Company has complied with the provisions of section 185 and section 186 of the Act in respect of investments made or loans given or guarantee or security provided.

5. The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 for activities of the Company to which the said Rules are made applicable, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.

7. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods & service tax, duty of customs, cess and other material statutory dues applicable to it. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31 March 2019 for a period of more than six months from the date they become payable.

Particulars of dues of service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of disputes are as under:

Name of the Statute	Nature of dues and the period to which the amount relates	Amount (₹ in Lakhs)	Forum where dispute is pending
Central Excise Act, 1944	Availment of Cenvat Credit on various items, including interest and penalty a) April 2009 to July 2009 b) April 2011 to June 2017 c) May 2010 to November 2010	 0.24 214.05 9.04	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
	Cenvat Credit on inter unit transactions	845.98	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
	Availment of Cenvat Credit on various items June 2016 to June 2017	9.97	Commissioner of Central GST (Appeals), Vadodara
	Availment of Cenvat Credit on various items, including interest and penalty January 2013 to September 2014 July 2015 to March 2017 July 2012 to March 2014	 6.39 5.62 13.85	Commissioner (Appeals-II), Central Excise, Customs and Service tax, Vadodara

Annexure I to Independent Auditor's report to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 (Contd..)

Name of the Statute	Nature of dues and the period to which the amount relates	Amount (₹ in Lakhs)	Forum where dispute is pending
	Service tax on reverse charge basis May 2008 to June 2017	247.46	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Service Tax (Finance Act, 1994)	Service tax on collection of cylinder rent	5.73	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Customs Act, 1962	Differential duty on high seas import March 2012 to May 2013	973.57	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Gujarat Value Added Tax Act, 2003	Proportionate ITC on Capital goods - F.Y. 2011-2012	52.33	Gujarat Value Added Tax Tribunal, Ahmedabad
	Proportionate ITC on Capital goods F.Y. 2012-2013 F.Y. 2013-2014	 35.88 58.97	Joint Commissioner of Commercial Tax (Appeal)

8. The Company has not defaulted in repayment of dues to banks or financial institutions and the Company did not have any borrowings from Government or by way of debentures.

9. The Company has applied the moneys raised by way of term loans for the purpose for which these loans were raised. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments).

10. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. The Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.

15. The Company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of clause 3(xv) of the Order are not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For Kulkarni & Company
Chartered Accountants
Firm's Registration No. 140959W

A.D. Talavlikar
Partner
Membership No. 130432

Place: Noida
Date: 27th May, 2019

Annexure II to Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Gujarat Fluorochemicals Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Annexure II to Independent Auditor's Report to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2019 (Contd..)

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Kulkarni and Company
Chartered Accountants
Firm's Registration No. 140959W

A.D. Talavlikar
Partner
Membership No. 130432

Place: Noida
Date: 27th May, 2019

Standalone Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	2,15,682.99	1,86,456.26
(b) Capital work-in-progress		22,867.56	34,364.56
(c) Investment property	6	1,032.00	1,053.27
(d) Intangible assets	7	2,628.95	3,379.54
(e) Financial assets			
(i) Investments	8		
a) Investments in subsidiaries	8(a)	54,143.76	36,024.56
b) Investments in joint venture	8(b)	118.25	108.25
c) Other investments	8(c)	34,085.24	38,697.41
(ii) Loans	9	683.88	16,914.70
(iii) Other non current financial assets	10	746.19	657.09
(f) Deferred tax assets (net)	22	31,526.01	-
(g) Income tax assets (net)	11	20,505.88	11,892.62
(h) Other non-current assets	12	34,839.14	17,275.47
Sub-total		**4,18,859.85**	**3,46,823.73**
(2) Current assets			
(a) Inventories	13	53,031.36	34,616.32
(b) Financial assets			
(i) Investments	8(c)	18.85	6,753.01
(ii) Trade receivables	14	65,729.56	55,513.15
(iii) Cash and cash equivalents	15	3,122.74	1,996.88
(iv) Bank balances other than (iii) above	16	175.91	177.31
(v) Loans	9	50,800.14	27,557.28
(vi) Other current financial assets	10	1,382.78	439.00
(c) Other current assets	12	10,451.11	11,285.45
Sub-total		**1,84,712.45**	**1,38,338.40**
Total Assets		**6,03,572.30**	**4,85,162.13**
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	17	1,098.50	1,098.50
(b) Other equity	18	4,69,799.70	3,46,813.87
Sub-total		**4,70,898.20**	**3,47,912.37**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	15,896.54	11,966.58
(ii) Other non current financial liabilities	20	149.70	256.72
(b) Provisions	21	1,960.02	1,935.92
(c) Deferred tax liabilities (net)	22	-	20,418.68
Sub-total		**18,006.26**	**34,577.90**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	69,345.21	58,096.75
(ii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises	24	0.85	10.34
b) total outstanding dues of creditors other than micro enterprises and small enterprises	24	21,908.02	20,390.64
(iii) Other current financial liabilities	20	20,977.77	20,918.66
(b) Other current liabilities	25	919.43	1,202.71
(c) Provisions	21	1,254.19	676.39
(d) Current tax liabilities (net)	26	262.37	1,376.37
Sub-total		**1,14,667.84**	**1,02,671.86**
Total Equity & Liabilities		**6,03,572.30**	**4,85,162.13**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Standalone Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Note No.	2018-2019	2017-2018
I Revenue from operations	27	2,73,054.85	2,08,431.03
II Other Income	28	13,219.41	10,302.37
III Total Income (I+II)		**2,86,274.26**	**2,18,733.40**
IV Expenses			
Cost of materials consumed	29	93,394.64	53,937.90
Purchases of stock-in-trade	30	58.32	-
Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	31	(11,747.58)	3,841.79
Excise duty	27.1	-	2,872.56
Employee benefits expense	32	16,512.40	13,835.29
Finance costs	33	5,570.67	4,761.97
Depreciation and amortisation expense	34	16,161.73	15,213.56
Other expenses	35	96,476.99	76,043.03
Total expenses (IV)		**2,16,427.17**	**1,70,506.10**
V Profit before exceptional items and tax (III-IV)		**69,847.09**	**48,227.30**
VI Exceptional items	46	(824.00)	15,402.58
VII Profit before tax (V+VI)		**69,023.09**	**63,629.88**
VIII Tax expense	36		
(1) Current tax		22,510.00	13,901.00
(2) Deferred tax		1,634.40	1,004.39
(3) Taxation pertaining to earlier years		(82,852.09)	(6.60)
Total tax expense		**(58,707.69)**	**14,898.79**
IX Profit for the year (VII-VIII)		**1,27,730.78**	**48,731.09**
X Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurement of the defined benefits plans		(89.51)	105.76
(ii) Tax on above		31.28	(36.96)
B. Items that will be reclassified to profit or loss			
(i) Gains and (loss) on effective portion of hedging instruments in a cash flow hedge		(79.43)	152.72
(ii) Tax on above		27.76	(53.56)
Total other comprehensive income		**(109.90)**	**167.96**
XI Total comprehensive income for the year (IX+X)		**1,27,620.88**	**48,899.05**
Earnings per equity share of ₹ 1 each			
Basic and Diluted (in ₹)	41	116.28	44.36

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Standalone Statement of Changes in Equity

for the year ended 31st March, 2019

A. Equity Share Capital	(₹ in Lakhs)
Balance as at 1st April, 2017	1098.50
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	**1098.50**
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	**1098.50**

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus				Items of other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Cash flow hedge reserve	
Balance as at 1st April, 2017	**12,827.46**	**59.30**	**2,80,000.00**	**9,618.02**	**37.49**	**3,02,542.27**
Profit for the year				48,731.09		48,731.09
Other comprehensive income for the year, net of income tax (*)				68.80	99.16	167.96
Payment of dividend (including dividend distribution tax)				(4,627.45)		(4,627.45)
Total comprehensive income for FY 2017-18	**-**	**-**	**-**	**44,172.44**	**99.16**	**44,271.60**
Transfer to general reserve			20,000.00	(20,000.00)		-
Balance as at 31st March, 2018	**12,827.46**	**59.30**	**3,00,000.00**	**33,790.46**	**136.65**	**3,46,813.87**
Profit for the year				1,27,730.78		1,27,730.78
Other comprehensive income for the year, net of income tax (*)				(58.23)	(51.67)	(109.90)
Payment of dividend (including dividend distribution tax)				(4,635.05)		(4,635.05)
Total comprehensive income for FY 2018-19	**-**	**-**	**-**	**1,23,037.50**	**(51.67)**	**1,22,985.83**
Transfer to general reserve			20,000.00	(20,000.00)		-
Balance as at 31st March, 2019	**12,827.46**	**59.30**	**3,20,000.00**	**1,36,827.96**	**84.98**	**4,69,799.70**

(*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

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(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Standalone Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
A Cash flow from operating activities		
Profit for the year	1,27,730.78	48,731.09
Adjustments for :		
Tax expense	(58,707.69)	14,898.79
Depreciation and amortisation expense	16,161.73	15,213.56
Gain on retirement /disposal of property, plant and equipment (net)	(0.30)	(0.10)
Allowance for doubtful advances	-	72.09
Allowance for doubtful trade receivables and expected credit losses (net of reversal)	(73.06)	130.34
Bad debts and remissions (net)	0.14	32.99
Liabilities and provisions no longer required, written back	(351.43)	(15.33)
Amounts written-off	274.88	0.12
Unrealised foreign exchange (gain)/loss (net)	(331.21)	76.26
Unrealised MTM (gain)/loss on financial assets and derivatives	(674.84)	(70.50)
Income in respect of investing activities	(3,841.56)	(22,245.89)
Finance costs	5,570.67	4,761.97
	(41,972.67)	**12,854.30**
Operating profit before working capital changes	85,758.11	61,585.39
Movements in working capital:		
Increase/(decrease) in provisions	512.39	443.09
Increase/(decrease) in trade payables	1,507.89	12,904.81
Increase /(decrease) in other financial liabilities	(639.07)	3,025.37
Increase /(decrease) in other liabilities	(105.34)	(159.98)
(Increase)/decrease in loans	741.52	(1,105.99)
(Increase)/decrease in inventories	(18,415.04)	(3,026.01)
(Increase)/decrease in trade receivables	(10,736.77)	(17,816.56)
(Increase)/decrease in other financial assets	(943.78)	(144.62)
(Increase)/decrease in other assets	790.16	(4,681.71)
	(27,288.04)	**(10,561.60)**
Cash generated from operations	58,470.07	51,023.79
Income-tax paid (net)	(2,943.22)	(15,859.88)
Net cash generated from operating activities	**55,526.85**	**35,163.91**
B Cash flow from investing activities		
Purchase of property, plant and equipment (including changes in capital work-in-progress and capital creditors/capital advances)	(50,961.89)	(41,342.46)
Proceeds from disposal of property, plant and equipment	4.85	4.78
Investment in shares of subsidiary company	(18,119.20)	(3,399.98)
Proceeds from partial disinvestment in subsidiary	-	15,807.53
Purchase of other investments	(54,118.76)	(1,00,616.40)
Redemption/sale of investments	64,631.07	93,758.54
Inter-corporate deposits/loans given	(29,002.80)	(15,625.09)
Inter-corporate deposits/loans received back	23,473.01	11,580.00
Interest and dividend received	2,441.80	3,632.72
Movement in other bank balances	(0.24)	(0.70)
Net cash used in investing activities	**(61,652.16)**	**(36,201.06)**

Standalone Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
C Cash flow from financing activities		
Proceeds from non-current borrowings	10,165.59	-
Repayment of non-current borrowings	(4,991.21)	(4,825.45)
Proceeds from/(repayment of) current borrowings (net)	12,071.56	15,782.87
Finance costs	(5,359.72)	(4,422.20)
Dividend paid (including tax on dividend)	(4,635.05)	(4,627.45)
Net cash generated from financing activities	**7,251.17**	**1,907.77**
Net increase/(decrease) in cash and cash equivalents	1,125.86	870.62
Cash and cash equivalents as at the beginning of the year	1,996.88	1,126.26
Cash and cash equivalents as at the end of the year	**3,122.74**	**1,996.88**

Changes in liabilities arising from financing activities during the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings
Opening balance	58,207.32	16,932.58
Cash flows	12,071.56	5,174.38
Interest expense	3,295.01	1,206.08
Interest paid	(3,137.26)	(1,190.88)
Foreign exchange adjustment	(823.10)	262.10
Closing balance	**69,613.53**	**22,384.26**

Changes in liabilities arising from financing activities during the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings
Opening balance	41,551.02	21,747.55
Cash flows	15,782.87	(4,825.45)
Interest expense	1,932.13	1,524.80
Interest paid	(1,880.82)	(1,541.34)
Foreign exchange adjustment	822.12	27.02
Closing balance	**58,207.32**	**16,932.58**

Notes:

(a) Components of cash and cash equivalents are as per Note 15.

(b) The above Standalone Statement of cash flows has been prepared under the indirect method.

(c) The accompanying notes are an integral part of the standalone financial statements.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D.TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

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Director & Group Head
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DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

1. Company information

Gujarat Fluorochemicals Limited ("the Company") is a public limited company incorporated in India. The Company is engaged in manufacturing and trading of refrigerant gases, caustic soda, chloromethane, Polytetrafluoroethylene (PTFE), fluoropolymers, fluoromonomers, specialty fluorointermediates, specialty chemicals and allied activities. The Company caters to both domestic and international markets. The Company's parent company is Inox Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Survey No. 16/3, 26 & 27, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380, and the particulars of its other offices and plants are disclosed in the annual report.

The Board of Directors of Gujarat Fluorochemicals Limited (GFL) has approved, subject to approval of its Shareholders, Creditors and other regulatory authorities as may be required, including those of the Stock Exchanges, Securities Exchange Board of India (SEBI) and the National Company Law Tribunal (NCLT), a Scheme for the demerger of its chemical business w.e.f. 1st April, 2019, into its wholly owned subsidiary company, Inox Fluorochemicals Limited (IFL), a company incorporated on 6th December, 2018 under the Companies Act, 2013. On approval of the Scheme of demerger by NCLT, all the Shareholders of GFL, will be issued one fully paid-up equity share of ₹ 1 each in IFL, for every one fully paid up equity share of ₹ 1 each held by them in GFL, and the shareholding of GFL in IFL would stand cancelled. IFL therefore will be a mirror image company of GFL, and both companies will be separately listed.

The Stock Exchanges, based on the comments offered by SEBI on the draft scheme, have issued a 'no objection'/'no adverse observation letter' in relation to the said Scheme. In accordance with the NCLT's order dated 28th March, 2019, GFL has convened Meeting of its Shareholders, Secured Creditors and Unsecured Creditors on 11th May, 2019 and obtained their approvals for the said Scheme. On the basis of the said approvals, GFL and IFL have now filed a Petition before the NCLT for approving the said Scheme and Order of the NCLT is awaited.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

2.2 Basis of measurement

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

2.3 Basis of preparation and presentation

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Following accounting standards and amendments were applicable to the Company for the first time in the annual reporting period commencing from 1st April, 2018:

a) New Accounting Standard - Ind AS 115: Revenue from Contracts with Customers

The Ministry of Corporate Affairs (MCA) has notified Ind AS 115: Revenue from Contracts with Customers, on 28th March, 2018, which is effective for accounting periods beginning on or after 1st April, 2018. The Company has transitioned to Ind AS 115 with effect from 1st April, 2018 using cumulative catch-up transition method. The Company has changed its accounting policies following the adoption of Ind AS 115. However, in view of the nature of business and the revenue streams of the Company, the adoption of Ind AS 115 did not have any impact on the revenue recognition and measurement in respect of its revenue from operations.

b) Amendments to existing accounting standards applicable to the Company

i. Amendments to Ind AS 12: Recognition of deferred tax assets for unrealized losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments do not have any impact on the Company as the Company does not have any deductible temporary differences or assets that are in the scope of the amendments.

ii. Amendments to Ind AS 20: Government Grants related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. These amendments do not have any impact on the financial statements.

iii. Appendix B: Foreign Currency Transactions and Advance Consideration to Ind AS 21: Effects of changes in foreign exchange rates

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Company's financial statements.

iv. Amendments to Ind AS 38: Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's financial statements.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

v. **Amendments to Ind AS 40: Transfers of Investment Property**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Company's financial statements.

vi. **Amendments to Ind AS 28: Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice**

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, then it may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Company's financial statements.

The financial statements have been prepared on accrual and going concern basis.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/ settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/ settled within twelve months after the reporting period:
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

These financial statements were authorized for issue by the Company's Board of Directors on 27th May, 2019.

2.4 Particulars of investments in subsidiaries and joint venture as at 31st March, 2019 are as under:

Name of the investee	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
a) Subsidiaries		
Inox Wind Limited	India	56.98%
Inox Leisure Limited (*)	India	51.32%
Inox Renewables Limited	India	100%
Inox Infrastructure Limited	India	100%
Inox Fluorochemicals Limited (see Note 1)	India	100%
Gujarat Fluorochemicals Americas, LLC	USA	100%
Gujarat Fluorochemicals GmbH	Germany	100%
Gujarat Fluorochemicals Singapore Pte. Ltd.	Singapore	100%
b) Joint Venture		
Swarnim Gujarat Fluorspar Private Limited	India	25%

*During the current year, the Company has acquired 64,00,000 additional equity shares in Inox Leisure

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Limited (ILL). These shares are allotted by ILL, by way of a preferential allotment, after taking necessary approvals, at a price of ₹ 250 per equity share (including share premium of ₹ 240 per equity share), aggregating to ₹ 16,000 Lakhs. Consequently, the shareholding of the Company in ILL has increased from 48.09% to 51.32%. Even prior to the said preferential allotment, ILL was a subsidiary of GFL since the shareholders of ILL had passed a resolution at the Annual General Meeting held on 23rd August, 2013 amending its Articles of Association entitling GFL to appoint majority of directors on the Board of ILL if GFL holds not less than 40% of the paid-up equity capital of ILL and accordingly, GFL was having control over ILL.

3. Significant Accounting Policies

3.1 Revenue recognition

Revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

Sale of products: Revenue from sale of products is recognized when the control of the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as per the terms of the contract.

No element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term of less than 90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money.

Contract balances:

The Company classifies the right to consideration in exchange for deliverables as trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities are presented as 'Advances from customers'.

3.1.1 Other income

Dividend income from investments is recognized when the right to receive payment is established. Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.2 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants.

Government grants that compensate the Company for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.3 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The leasing transaction of the Company comprise of only operating leases.

3.3.1 The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.3.2 The Company as lessee

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

3.4 Foreign currency transactions and translation

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- as permitted by para D13AA of Ind AS 101, the Company has continued the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, exchange differences on conversion and on settlement of long term foreign currency monetary items, where the long-term foreign currency monetary items relate to the acquisition of a depreciable capital asset (whether purchased within or outside India), is adjusted to the cost of the asset, and depreciated over the balance life of the assets;
- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 3.15 below for hedging accounting policies); and

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.6 Employee benefits

3.6.1 Retirement benefit costs

Recognition and measurement of defined contribution plans:

Payments to defined contribution benefit plan viz. government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

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Recognition and measurement of defined benefit plans:

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Remeasurements comprising actuarial gains and losses are recognized in other comprehensive income and are not reclassified to profit or loss in the subsequent periods.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

3.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave, bonus, etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible and tax incentives. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.7.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with

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such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets include Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an deferred tax assets in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period specified for utilization of such credit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.7.3 Presentation of current and deferred tax:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

3.8 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised. In respect of accounting period commencing on or after 1st April, 2011, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP (refer Note 3.4).

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of a PPE at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's

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estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.9 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

Depreciation is recognised so as to write off the cost of investment properties less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of investment properties at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Investment properties are depreciated over estimated useful life as per Part C of Schedule II to the Companies Act, 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.10 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;

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- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

• Technical know-how	10 years
• Product development cost	5 years
• Operating software	3 years
• Other software	6 years

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.11 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.12 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis. Cost of inventories comprises all costs of materials, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of finished goods and work-in-progress includes the cost of

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materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of finished goods and imported materials include excise duty and customs duty payable thereon, wherever applicable. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.13 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i. The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Company's business model objective for managing the financial asset is to

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hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

This category does not apply to any of the financial assets of the Company other than derivative instruments for cash flow hedges.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company excluding investments in subsidiaries and joint ventures. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

e) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset.

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In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f) Impairment of financial assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ income in the Statement of Profit and Loss under the head 'Other expenses' / 'Other income'.

B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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ii. **Financial Liabilities:-**

a) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability as at FVTPL other than derivative instrument.

c) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

d) Derecognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.15 Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 44.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives, as either fair value hedges, or cash flow hedges.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 44 sets out details of the fair values of the derivative instruments used for hedging purposes.

a) Fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted

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to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

b) **Cash flow hedges:**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'Other income' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3.16 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.17 Recent accounting pronouncements

a) **New Accounting Standard - Ind AS 116 Leases:**

On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to profit or loss. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after 1st April, 2019. The standard permits two possible methods of transition:

- **Full retrospective -** Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- **Modified retrospective -** Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but

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discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116: the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116. Under this approach, the Company proposes to record the right of use asset at its carrying amount as if the standard had been applied since the commencement date, but discounted at its incremental borrowing rate at the date of initial application and take the cumulative adjustment to retained earnings, net of deferred tax, on the date of initial application (1st April, 2019). Accordingly, comparatives for the year ended 31st March, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition. The effect of adoption as on transition date would not be significant.

b) Amendments to existing accounting standards applicable to the Company:

- **Appendix C: Uncertainty over Income Tax Treatments to Ind AS 12: Income Taxes**

  On March 30, 2019, Ministry of Corporate Affairs has notified Appendix C: Uncertainty over Income-Tax Treatments. The interpretation addresses the accounting income taxes when tax treatment involves uncertainty that affects the application of Ind AS 12. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Company will adopt the standard on 1st April, 2019 and is not likely to have significant impact on the Company's financial statements.

- **Amendment to Ind AS 12: Income Taxes**

  The amendments to Ind AS 12 clarify that the income tax consequences of dividend are linked more directly to past transactions or events that generated distributable profits than to distribution to owners. Therefore, an entity recognises income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. These amendments are applicable from annual periods beginning on or after 1st April, 2019. These amendments will not have any impact on the Company's financial statements.

- **Amendment to Ind AS 19: Employee Benefits**

  The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. These amendments apply to plan amendments, curtailments, or settlements occurring from annual periods beginning on or after 1st April, 2019 and will apply only to any future plan amendments, curtailments, or settlements.

- **Amendment to Ind AS 23: Borrowing Costs**

  The amendment clarifies that any borrowing originally made to develop a qualifying asset should be treated as a part of general borrowings when substantially all the activities necessary to prepare that asset for its intended use or sale are completed. This amendment will be applicable to the borrowing costs incurred from 1st April, 2019. The Company is currently evaluating the effect of this amendment and the impact is not likely to be significant.

- **Amendment to Ind AS 28: Investment in Associates and Joint Ventures**

  The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 before applying the loss allocation and impairment requirements in Ind AS 28. These amendments will not have any impact on the Company's financial statements.

4. Critical accounting judgements and use of estimates

In application of Company's accounting policies, which are described in Note 3, the Directors of the Company are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that

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for the year ended 31st March, 2019

are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

4.1 Following is the critical judgement that has the most significant effect on the amounts recognised in these financial statements:

a) Leasehold land

In respect of leasehold lands, considering the terms and conditions of the leases, particularly the transfer of the significant risks and rewards, it is concluded that they are in the nature of operating leases.

4.2 Following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Useful lives of Property, Plant & Equipment (PPE), Investment property and Intangible assets

The Company has adopted useful lives of PPE, Investment property and Intangible assets as described in Note 3.8, 3.9 and 3.10 above. The Company reviews the estimated useful lives of PPE, Intangible assets and Investment property at the end of each reporting period.

b) Fair value measurements and valuation processes

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Where necessary, the Company engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 44.10.

c) Other assumptions and estimation uncertainties, included in respective notes are as under:

- Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits - see Note 36 and Note 22
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 43
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 21 and Note 38
- Impairment of financial assets – see Note 44

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for the year ended 31st March, 2019

5. Property, Plant & Equipment

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Freehold land	46.86	46.86
Buildings	20,784.81	20,161.90
Plant and equipment	1,93,735.22	1,65,204.04
Furniture and fixtures	463.53	544.05
Vehicles	196.26	90.49
Office equipment	456.31	408.92
	2,15,682.99	**1,86,456.26**

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
I. Cost or Deemed Cost							
Balance as at 1st April, 2017	**46.86**	**22,603.64**	**1,88,647.79**	**764.46**	**207.94**	**863.75**	**2,13,134.44**
Additions	-	411.71	14,276.82	195.97	13.38	153.44	**15,051.32**
Disposals	-	-	(0.84)	-	(22.63)	(0.75)	**(24.22)**
Effect of foreign currency exchange differences	-	-	(25.78)	-	-	-	**(25.78)**
Balance as at 31st March, 2018	**46.86**	**23,015.35**	**2,02,897.99**	**960.43**	**198.69**	**1,016.44**	**2,28,135.76**
Additions	-	1,622.82	42,259.85	35.41	148.51	254.19	**44,320.78**
Disposals	-	-	(5.35)	-	-	(26.01)	**(31.36)**
Effect of foreign currency exchange differences	-	-	251.14	-	-	-	**251.14**
Balance as at 31st March, 2019	**46.86**	**24,638.17**	**2,45,403.63**	**995.84**	**347.20**	**1,244.62**	**2,72,676.32**

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
II. Accumulated depreciation							
Balance as at 1st April, 2017	**-**	**1,879.30**	**24,681.25**	**287.29**	**90.57**	**401.21**	**27,339.62**
Eliminated on disposal of assets	-	-	(0.61)	-	(18.22)	(0.71)	**(19.54)**
Depreciation expense for the year	-	974.15	13,013.31	129.09	35.85	207.02	**14,359.42**
Balance as at 31st March, 2018	**-**	**2,853.45**	**37,693.95**	**416.38**	**108.20**	**607.52**	**41,679.50**
Eliminated on disposal of assets	-	-	(0.85)	-	-	(25.96)	**(26.81)**
Depreciation expense for the year	-	999.91	13,975.31	115.93	42.74	206.75	**15,340.64**
Balance as at 31st March, 2019	**-**	**3,853.36**	**51,668.41**	**532.31**	**150.94**	**788.31**	**56,993.33**

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for the year ended 31st March, 2019

5. Property, Plant & Equipment (Contd..)

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
III. Net carrying amount							
Balance as at 31st March, 2018	**46.86**	**20,161.90**	**1,65,204.04**	**544.05**	**90.49**	**408.92**	**1,86,456.26**
Balance as at 31st March, 2019	**46.86**	**20,784.81**	**1,93,735.22**	**463.53**	**196.26**	**456.31**	**2,15,682.99**

Note:

Assets mortgaged/pledged as security for borrowings are as under:

(₹ in Lakhs)

Assets at Carrying Value	As at 31st March, 2019	As at 31st March, 2018
Building	2,482.44	2,592.55
Plant and equipment	63,944.72	46,701.53
Vehicles	129.30	-
Total	**66,556.46**	**49,294.08**

6. Investment Property

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Building	1,032.00	1,053.27
Total	**1,032.00**	**1,053.27**

(₹ in Lakhs)

Particulars	Building
I. Cost or Deemed Cost	
Balance as at 1st April, 2017	**1,117.08**
Balance as at 31st March, 2018	**1,117.08**
Balance as at 31st March, 2019	**1,117.08**

(₹ in Lakhs)

Particulars	Building
II. Accumulated depreciation	
Balance as at 1st April, 2017	**42.54**
Depreciation expense for the year	21.27
Balance as at 31st March, 2018	**63.81**
Depreciation expense for the year	21.27
Balance as at 31st March, 2019	**85.08**

(₹ in Lakhs)

Particulars	Building
III. Net carrying amount	
Balance as at 31st March, 2018	**1,053.27**
Balance as at 31st March, 2019	**1,032.00**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

6. Investment Property (Contd..)

6.1 Fair Value of Investment Properties

Fair valuation of Investment Properties as at 31st March, 2019 and 31st March, 2018 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and
2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition.

The fair value hierarchy for all investment properties is Level 3 and the fair values are as under:

(₹ in Lakhs)

Particulars	Amount
Fair value as at 31st March, 2019	10,071.33
Fair value as at 31st March, 2018	9,799.16

6.2 Amounts recognized in profit or loss in respect of investment properties

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Rental income	630.73	638.63
Direct operating expenses in respect of properties that generated rental income	196.92	143.00
Depreciation	21.27	21.27

7. Intangible Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Product Development	81.32	228.16
Technical Know How	2,464.62	3,082.58
Software	83.01	68.80
	2,628.95	**3,379.54**

(₹ in Lakhs)

Particulars	Product Development	Technical Know How	Software	Total
I. Cost or Deemed Cost				
Balance as at 1st April, 2017	**695.80**	**5,205.80**	**117.75**	**6,019.35**
Additions	-	-	53.25	**53.25**
Balance as at 31st March, 2018	**695.80**	**5,205.80**	**171.00**	**6,072.60**
Additions	-	-	49.23	**49.23**
Balance as at 31st March, 2019	**695.80**	**5,205.80**	**220.23**	**6,121.83**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

7. Intangible Assets (Contd..)

(₹ in Lakhs)

Particulars	Product Development	Technical Know How	Software	Total
II. Accumulated amortization				
Balance as at 1st April, 2017	**320.80**	**1,469.27**	**70.12**	**1,860.19**
Amortisation expense	146.84	653.95	32.08	**832.87**
Balance as at 31st March, 2018	**467.64**	**2,123.22**	**102.20**	**2,693.06**
Amortisation expense	146.84	617.96	35.02	**799.82**
Balance as at 31st March, 2019	**614.48**	**2,741.18**	**137.22**	**3,492.88**

(₹ in Lakhs)

Particulars	Product Development	Technical Know How	Software	Total
III. Net Carrying amount				
Balance as at 31st March, 2018	**228.16**	**3,082.58**	**68.80**	**3,379.54**
Balance as at 31st March, 2019	**81.32**	**2,464.62**	**83.01**	**2,628.95**

8. Investments

8 (a). Investment in Subsidiaries (measured at cost)

(₹ in Lakhs)

Particulars	Face Value	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non - Current, fully paid-up					
I. Quoted Investments					
Investments in Equity Instruments					
Inox Leisure Limited	₹ 10	52786467	25,012.47	46386467	9,012.47
Inox Wind Limited (see note below)	₹ 10	126438669	2,528.77	126438669	2,528.77
Total Quoted Investments			**27,541.24**		**11,541.24**
II. Unquoted Investments					
Investments in Equity Instruments					
Inox Infrastructure Limited	₹ 10	50000000	5,000.00	50000000	5,000.00
Inox Renewables Limited	₹ 10	3375000	12,895.94	3375000	12,895.94
Inox Fluorochemicals Limited	₹ 1	100000	1.00	-	-
Gujarat Fluorochemcials Singapore Pte. Limited (see note below)	USD 1	12091000	7,671.48	9091000	5,553.28
Gujarat Fluorochemicals GmbH	Par value		21.82		21.82
Gujarat Fluorochemicals Americas LLC	Par value		1,012.28		1,012.28
Total Unquoted Investments			**26,602.52**		**24,483.32**
Total investment in subsidiaries (a)			**54,143.76**		**36,024.56**

Note: The Company has provided undertakings to the various lenders of it's subsidiaries, not to dilute its stake below 51%, in Inox Wind Limited & its stake below 100% in Gujarat Fluorochemicals Singapore Pte. Limited.

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for the year ended 31st March, 2019

8. Investments (Contd..)

8 (b). Investment in Joint Venture (measured at cost)

(₹ in Lakhs)

Particulars	Face Value ₹	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non - Current, fully paid-up					
Unquoted Investment					
Investments in Equity Instruments					
Swarnim Gujarat Fluorspar Private Limited	10	1182500	118.25	1082500	108.25
Total investment in joint ventures (b)			**118.25**		**108.25**

8 (c). Other Investments (measured at FVTPL)

(₹ in Lakhs)

Particulars	Face Value ₹	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non-current investments					
I. Quoted Investments (fully paid up)					
Investments in Mutual Funds					
ICICI Prudential FMP Series 76-1134 Days Plan Y Cumulative	10	-	-	10000000	1,258.18
ICICI Prudential FMP Series 76-1135 Days Plan Z Cumulative	10	-	-	10000000	1,249.48
ICICI Prudential FMP Series 77-1132 Days Plan A Cumulative	10	-	-	10000000	1,239.76
IDFC Fixed term Plan Series 108 -Regular Plan-Growth (1144 Days)	10	-	-	10000000	1,223.63
SBI Debt Fund Series B-16 (1100 Days)-Regular Plan Growth	10	-	-	10000000	1,243.11
Franklin India Fixed Maturity Plans - Series 1- Plan B - Direct Growth	10	5000000	570.34	5000000	529.94
Kotak FMP Series 204-Direct-Growth	10	10000000	1,138.51	10000000	1,057.50
Reliance Fixed Horizon Fund - XXXIV Series 2 - Direct Growth Plan	10	10000000	1,140.06	10000000	1,057.91
Reliance Fixed Horizon Fund - XXXIV Series 3 - Direct Growth Plan	10	5000000	569.65	5000000	528.47
Reliance Fixed Horizon Fund - XXXIV Series 7 - Direct Growth Plan	10	15000000	1,690.08	15000000	1,570.37
DHFL Pramerica Fixed Duration Fund - Series AH - Direct Plan - Growth	1000	100000	1,115.87	100000	1,038.62
Aditya Birla Sun Life Fixed Term Plan - Series QU (1100 Days) Regular Growth	10	10000000	1,062.37	-	-
HDFC FMP 1105D - Regular - Growth	10	10000000	1,058.93	-	-
Kotak FMP - Series 240 - Growth (Regular Plan)	10	10000000	1,064.73	-	-
Reliance Fixed Horizon Fund XXXVIII Series 12 - Growth	10	10000000	1,066.27	-	-
L&T FMP Series XVII - Plan C (1114 Days) - Regular - Growth	10	10000000	1,063.15	-	-

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for the year ended 31st March, 2019

8. Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value ₹	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
UTI Fixed Term Income Fund Series XXX-V (1135 Days) - Regular Growth Plan	10	5000000	533.16	-	-
HDFC FMP 1120D Series 44	10	15000000	1,503.80	-	-
Total			**13,576.92**		**11,996.97**
Less: current portion of Non current investments disclosed under current investments			-		(6,214.16)
Total quoted Investments			**13,576.92**		**5,782.81**
II. Unquoted Investments (fully paid up)					
Investments in Equity Instruments					
Kaleidoscope Entertainment Private Limited	1	562500	60.75	562500	60.75
Less : Provision for impairment loss			(60.75)		(60.75)
Investments in Mutual Funds					
HDFC Regular Savings Fund - Regular Plan - Growth	10	-	-	3677863	1,266.45
Aditya Birla Sun Life Short Term Opportunities Fund-Growth -Regular Plan	10	-	-	4355989	1,256.59
DSP Black Rock Short Term Fund - Regular Plan - Growth	10	-	-	4174494	1,231.29
Franklin India Short Term Income Plan-Retail Plan -Growth	1000	-	-	34670	1,272.49
DHFL Pramerica Short Maturity Fund - Growth	10	-	-	3958860	1,258.95
SBI Blue Chip Fund - Regular Plan - Growth	10	3692780	1,447.91	3692780	1,374.55
Kotak Select Focus Fund - Growth (Regular Plan)	10	4634850	1,644.34	4634850	1,474.67
Principal Emerging Blue Chip Fund - Regular Plan Growth	10	1327857	1,382.96	1327857	1,378.85
L&T India Value Fund - Growth	10	1246296	450.40	1246296	448.08
Aditya Birla Sun Life India Reforms Fund - Growth - Regular Plan	10	-	-	2828815	551.05
Franklin Build India Fund - Growth	10	3891078	1,666.32	3891078	1,537.38
Franklin India Smaller Companies Fund - Growth	10	411175	226.29	411175	242.06
Reliance Large Cap Fund - Growth Plan Growth Option	10	2896402	1,026.81	2896402	898.56
Reliance Vision Fund-Gowth Plan-Growth option	10	-	-	80083	427.61
Tata Equity P/E Fund Regular Plan-Growth	10	697682	944.19	697682	937.04
Kotak Infrastructure & Economic Reform Fund Standard Growth (Regular Plan)	10	4289636	855.57	4289636	912.83
L&T Infrastructure Fund-Growth	10	-	-	5260389	901.63
L&T Midcap Fund-Growth	10	-	-	331301	460.48
Investments in venture capital funds					
Kshitij Venture Capital Fund	7.54 (PY:215.54)	250000	18.85	250000	538.85
Less: current portion of Non current investments disclosed under current investments			(18.85)		(538.85)
Investments in Alternate Investment Fund					
Varanium Dynamic Fund	100	15503388	10,863.53	14557500	15,084.04
Total Unquoted Investments			**20,508.32**		**32,914.60**
Total non-current investments (I + II)			**34,085.24**		**38,697.41**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

8. Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value ₹	As at 31st March, 2019 Nos.	As at 31st March, 2019 Amounts	As at 31st March, 2018 Nos.	As at 31st March, 2018 Amounts
Current investments					
I. Quoted Investments (fully paid up)					
Current portion of Non current investments					
Investments in Mutual Funds			-		6,214.16
Total quoted Investments			**-**		**6,214.16**
II. Unquoted Investments (fully paid up)					
Investments in venture capital funds					
(current portion of Non current investments)					
Kshitij Venture Capital Fund	7.54 (PY:215.54)	250000	18.85		538.85
Total Unquoted Investments			**18.85**		**538.85**
Total current investments (I + II)			**18.85**		**6,753.01**
Total other investments (c)			**34,104.09**		**45,450.42**
Total investments (a + b + c)			**88,366.10**		**81,583.23**
Non-current investments			88,347.25		74,830.22
Current investments			18.85		6,753.01
			88,366.10		**81,583.23**
Category - wise other investments - as per Ind AS 109 classification:					
Investments carried at cost or deemed cost			54,262.01		36,132.81
Investments carried at fair value through profit or loss			34,104.09		45,450.42
			88,366.10		**81,583.23**
Aggregate amount of quoted investments			41,118.16		23,538.21
Aggregate market value of quoted investments			2,71,726.92		2,72,130.26
Aggregate amount of unquoted investments			47,247.94		58,045.02
Aggregate amount of impairment in value of investments			60.75		60.75

Note:

The Company has pledged certain FMPs against the borrowings of a step down subsidiary. See Note 37

9. Loans

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Loans to related parties (see Note 45)		
- Inter-corporate deposits to subsidiary company	-	16,249.00
Security deposits	683.88	665.70
Total	**683.88**	**16,914.70**
Current		
Loans to related parties (see Note 45)		
- Inter-corporate deposits to subsidiary companies	46,795.24	23,694.60

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

9. Loans (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Inter-corporate deposits/loans to others (see Note 48(b))		
- Considered good	3,664.90	2,762.98
- Which have significant increase in credit risk	-	725.29
- Credit impaired	-	-
	3,664.90	**3,488.27**
Allowance for expected credit losses	-	(725.29)
	3,664.90	**2,762.98**
Security deposits	340.00	1,099.70
Total	**50,800.14**	**27,557.28**

10. Other financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Non-current bank balances (from Note 16)	3.53	3.29
Derivative financial assets	742.66	653.80
Total	**746.19**	**657.09**
Current		
Other receivables		
- From related parties	1,291.33	345.48
- From others	91.45	93.52
Total	**1,382.78**	**439.00**

11. Income tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Income tax paid (net of provisions)	20,505.88	11,892.62
Total	**20,505.88**	**11,892.62**

12. Other assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Capital advances		
- To related parties	26,945.00	9,760.00
- To others	3,143.29	2,808.79
	30,088.29	**12,568.79**
Security deposits with Government authorities	311.48	239.51
Prepayments - leasehold land	4,409.98	4,460.54
Prepayments - others	29.39	6.63
Total	**34,839.14**	**17,275.47**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

12. Other assets (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Advances to related parties (see Note 45)	863.98	392.05
Advance to suppliers		
Considered good	6,152.88	6,810.35
Considered doubtful	59.04	59.04
	6,211.92	**6,869.39**
Allowance for doubtful advances	(59.04)	(59.04)
	6,152.88	**6,810.35**
Electricity duty and custom duty refund claimed	1,597.73	1,620.60
Balance with government authorities:		
Balance in excise, service tax ,VAT and GST accounts	1,329.40	1,992.66
Other advances	122.35	85.59
Prepayments - leasehold land	50.57	50.57
Prepayments - others	334.20	333.63
Total	**10,451.11**	**11,285.45**

13. Inventories

(at lower of cost and net realizable value)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw materials	17,528.80	11,554.35
Work-in-progress	7,855.11	3,207.97
Finished goods	16,846.64	9,767.90
Stock in trade	17.90	10.22
Stores and spares	9,323.41	7,484.95
Others		
- Fuel	443.46	1,797.24
- Packing materials	850.07	641.74
- By products	165.97	151.95
Total	**53,031.36**	**34,616.32**

Notes:

(i) The cost of inventories recognised as an expense includes ₹ 1340.14 Lakhs (during FY 2017-18: ₹ 600.46 Lakhs) in respect of write downs of inventory to net realisable value.

(ii) Entire Inventories were hypothecated against working capital facilities from banks, see Note 37 for security details.

(iii) The mode of valuation of inventories has been stated in Note 3.12

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

14. Trade receivables

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Considered good	65,729.56	55,513.15
Trade receivables which have significant increase in credit risk	19.01	10.13
Trade receivables - credit Impaired	377.31	459.25
	66,125.88	55,982.53
Provision for expected credit loss and Impairment	(396.32)	(469.38)
Total	**65,729.56**	**55,513.15**

15. Cash & cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with banks in current accounts	3,117.39	1,993.26
Cash on hand	5.35	3.62
Total	**3,122.74**	**1,996.88**

16. Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance in unclaimed dividend accounts	175.91	177.31
Bank deposits with original maturity of more than 12 months	3.53	3.29
	179.44	180.60
Amount disclosed under Note 10 - Other non-current financial assets	(3.53)	(3.29)
Total	**175.91**	**177.31**

17. Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorized		
20,00,00,000 (31st March, 2018: 20,00,00,000) equity shares of ₹ 1 each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
10,98,50,000 (31st March, 2018: 10,98,50,000) equity shares of ₹ 1 each	1,098.50	1,098.50
Total	**1,098.50**	**1,098.50**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

17. Equity share capital (Contd..)

17.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	Nos.	(₹ in Lakhs)
As at 31st March, 2019		
At the beginning of the year	10,98,50,000	1,098.50
At the end of the year	10,98,50,000	1,098.50
As at 31st March, 2018		
At the beginning of the year	10,98,50,000	1,098.50
At the end of the year	10,98,50,000	1,098.50

17.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

17.3 Particulars of dividend paid to shareholders

On 4th September, 2018, final dividend of ₹ 3.50 per share (Total dividend of ₹ 4,635.05 Lakhs including dividend distribution tax (DDT) of ₹ 790.30 Lakhs) for FY 2017-18 was paid to holders of equity shares.

In respect of financial year ended 31st March, 2019, the Board of Directors propose that a dividend of ₹ 3.50 per share be paid on equity shares. The equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these Standalone financial statements. The total estimated equity dividend (including dividend distribution tax of ₹ 790.30 Lakhs) to be paid is ₹ 4,635.05 Lakhs.

17.4 Shares held by holding company

Particulars	Nos.	(₹ in Lakhs)
As at 31st March, 2019		
Inox Leasing and Finance Limited	5,77,15,310	577.15
As at 31st March, 2018		
Inox Leasing and Finance Limited	5,77,15,310	577.15

17.5 Details of shareholders holding more than 5% shares in the Company

Particulars	Nos.	holding %
As at 31st March, 2019		
Inox Leasing and Finance Limited	5,77,15,310	52.54%
Devansh Trademart LLP	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%
As at 31st March, 2018		
Inox Leasing and Finance Limited	5,77,15,310	52.54%
Devansh Trademart LLP	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

18. Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital reserves	12,827.46	12,827.46
Capital redemption reserve	59.30	59.30
General reserve	3,20,000.00	3,00,000.00
Cash flow hedge reserve	84.98	136.65
Retained Earnings	1,36,827.96	33,790.46
Total	**4,69,799.70**	**3,46,813.87**

18.1 Capital reserves

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	12,827.46	12,827.46
Movement during the year	-	-
Balance at the end of the year	**12,827.46**	**12,827.46**

Capital reserves represents compensation received for phased reduction and cessation of CFC production and dismantling of plant, unless otherwise used, as stipulated.

18.2 Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	59.30	59.30
Movement during the year	-	-
Balance at the end of the year	**59.30**	**59.30**

In FY 2008-09, the Company has bought back and extinguished 59,30,000 equity shares of ₹ 1 per share at an average price of ₹ 103.48 per share from open market, and accordingly the face value of ₹ 1 per share is reduced from the paid up equity share capital and correspondingly the amount of ₹ 59.30 Lakhs was transferred to Capital Redemption Reserve from Statement of Profit and Loss.

18.3 General reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	3,00,000.00	2,80,000.00
Add: Transfer from Surplus in the Statement of Profit and Loss	20,000.00	20,000.00
Balance at the end of the year	**3,20,000.00**	**3,00,000.00**

General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

18. Other equity (Contd..)

18.4 Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	136.65	37.49
Other comprehensive income for the year, net of income tax	(51.67)	99.16
Balance at the end of the year	**84.98**	**136.65**

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedge. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non -financial hedged item, or when it becomes ineffective.

18.5 Retained Earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	33,790.46	9,618.02
Profit for the year	1,27,730.78	48,731.09
Other comprehensive income for the year, net of income tax	(58.23)	68.80
Payment of dividend on equity shares (including tax on dividend) - see Note 17.3	(4,635.05)	(4,627.45)
Amount transferred to general reserve	(20,000.00)	(20,000.00)
Balance at the end of the year	**1,36,827.96**	**33,790.46**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined after considering the requirements of the Companies Act, 2013 and subject to levy of dividend distribution tax, if any. Thus, the amounts reported above may not be distributable in entirety.

19. Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
(a) From banks		
- Foreign currency loans	12,737.93	16,932.58
- Rupee loans	9,530.28	-
(b) From others		
- Vehicle loan	116.05	-
	22,384.26	**16,932.58**
Less: Disclosed under Note 20 : Other current financial liabilities		
(i) Current maturities	6,414.39	4,907.87
(ii) Interest accrued	73.33	58.13
Total	**15,896.54**	**11,966.58**

Notes:

(i) There is no default on repayment of principal or interest on borrowings.

(ii) For terms of repayment and securities etc. (see Note 37).

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

20. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Premium payable on option contracts (see Note (i) below)	149.70	256.72
Total	**149.70**	**256.72**
Current		
Current maturities of long term borrowings (see Note 19)	6,414.39	4,907.87
Interest accrued	341.65	168.70
Creditors for capital expenditure	4,768.17	5,348.52
Derivative financial liabilities (see Note (ii) below)	107.51	614.07
Security deposits	531.91	533.62
Employees dues payable	2,904.12	3,057.46
Expenses payables	5,627.09	5,975.91
Unclaimed dividend (see Note (iii) below)	175.91	177.31
Premium payable on option contracts (see Note (i) below)	107.02	135.20
Total	**20,977.77**	**20,918.66**

(i) The Company has taken Foreign Currency loan in form of ECB from ICICI Bank Limited on 13th February, 2012. Subsequently the Company has entered into call spread option contract to hedge the foreign currency risk and interest risk, wherein interest rate was fixed at 10.55% p.a. out of which 4.20% p.a. is payable quarterly as Premium on Option Contract.

(ii) The Company has taken Foreign Currency loan in form of Buyer's Credit from ICICI Bank Limited and Yes Bank Limited. Subsequently Company has entered into forward contract with ICICI Bank Limited and Yes Bank Limited to hedge the foreign currency risk. The Company has also entered into forward contracts with Kotak Mahindra Bank to hedge the foreign currency risk associated with cash flows expected from foreign currency trade receivables. These derivative instruments are fair valued as on balance sheet date.

(iii) In respect of unclaimed dividends, the actual amount to be transferred to the Investor Education and Protection Fund is determined on the due date. Consequently, during the current year, final unclaimed dividends of ₹ 19.60 Lakhs and interim unclaimed dividend ₹ 14.75 Lakhs in respect of FY 2010-2011 and FY 2011-2012 respectively, are transferred to the Investor Education and Protection Fund (IEPF).

21. Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Provision for employee benefits (see Note 43)		
- for Gratuity	1,346.67	1,341.08
- for Compensated absences	613.35	594.84
Total	**1,960.02**	**1,935.92**
Current		
Provision for employee benefits (see Note 43)		
- for Gratuity	493.19	109.19
- for Compensated absences	761.00	567.20
Total	**1,254.19**	**676.39**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

22. Deferred tax assets/(liabilities)

Year ended 31st March, 2019

22.1 The major components of deferred tax assets/(liabilities) in relation to :

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(33,116.71)	(3,298.64)	-	-	(36,415.35)
Expenses allowable on payment basis	120.00	59.06	-	-	179.06
Allowance for doubtful trade receivables and expected credit losses	160.18	(25.53)	-	-	134.65
Effect of measuring financial instruments at fair value	(818.75)	697.25	-	-	(121.50)
Effect of measuring derivative instruments at fair value	(86.22)	(35.68)	27.76	-	(94.14)
Gratuity and Leave Benefits	912.84	179.05	31.28	-	1,123.17
	(32,828.66)	**(2,424.49)**	**59.04**	**-**	**(35,194.11)**
MAT Credit Entitlement	12,409.98	59,745.24	-	(5,435.10)	66,720.12
Net Deferred tax liabilities	**(20,418.68)**	**57,320.75**	**59.04**	**(5,435.10)**	**31,526.01**

Year ended 31st March, 2018

22.2 The major components of deferred tax assets/(liabilities) in relation to :

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(31,886.30)	(1,230.41)	-	-	(33,116.71)
Expenses allowable on payment basis	81.87	38.13	-	-	120.00
Allowance for doubtful trade receivables and expected credit losses	117.34	42.84	-	-	160.18
Effect of measuring financial instruments at fair value	(678.93)	(139.82)	-	-	(818.75)
Effect of measuring derivative instruments at fair value	(10.65)	(22.01)	(53.56)	-	(86.22)
Gratuity and Leave Benefits	787.33	162.47	(36.96)	-	912.84
	(31,589.34)	**(1,148.80)**	**(90.52)**	**-**	**(32,828.66)**
MAT Credit Entitlement	12,567.00	-	-	(157.02)	12,409.98
Net Deferred tax liabilities	**(19,022.34)**	**(1,148.80)**	**(90.52)**	**(157.02)**	**(20,418.68)**

Notes to Standalone Financial Statements
for the year ended 31st March, 2019

22.3 As at 31st March, 2019, the company has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

Nature of tax loss	Financial Year	Gross amount (₹ in Lakhs)	Expiry date
Long term capital losses	2011-12	606.63	31-03-2020
Long term capital losses	2012-13	95.99	31-03-2021
Long term capital losses	2013-14	243.44	31-03-2022
Long term capital losses	2014-15	239.47	31-03-2023
Long term capital losses	2015-16	120.09	31-03-2024
Long term capital losses	2016-17	1,816.62	31-03-2025

23. Current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
From banks		
Rupee loan		
- Short term working capital demand loans	-	3,502.91
	-	3,502.91
Unsecured		
(a) From banks		
(i) Foreign currency loans		
- Packing credit /Buyers credit	32,302.58	28,874.11
(ii) Rupee loan		
- Short term working capital demand loans	16,071.91	1,501.05
- Commercial papers	12,388.11	14,429.39
	60,762.60	44,804.55
(b) From others		
- Commercial papers	8,850.93	9,899.86
	8,850.93	9,899.86
	69,613.53	54,704.41
Less: Interest accrued disclosed under Note 20 : Other current financial liabilities	268.32	110.57
Total	**69,345.21**	**58,096.75**

Notes:

(i) There is no default on repayment of principal or interest on borrowings.

(ii) For terms of repayment and securities etc. (see Note 37).

24. Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	0.85	10.34
- total outstanding dues of creditors other than micro enterprises and small enterprises	21,908.02	20,390.64
Total	**21,908.87**	**20,400.98**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

The particulars of dues to micro, small and medium enterprises under Micro, Small and Medium Enterprises Development Act,2006:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount due to suppliers under MSMED Act, 2006 at the year end	0.85	10.34
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end	-	0.03
Payment made to suppliers (other than interest) beyond the appointed date during the year	90.30	12.87
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	0.25	-
Interest due and payable to suppliers under MSMED Act for payments already made	2.36	0.11
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end	2.36	0.20

The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.

25. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances from customers	318.22	626.15
Statutory dues and taxes payable	601.21	576.56
Total	**919.43**	**1,202.71**

26. Current tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current tax liabilities (net of payments)	262.37	1,376.37
Total	**262.37**	**1,376.37**

27. Revenue from operations

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Revenue from contracts with customers		
Sale of products	2,72,384.34	2,07,833.54
(b) Other operating revenue	670.51	597.49
Total	**2,73,054.85**	**2,08,431.03**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

27. Revenue from operations (Contd..)

27.1 Revenue from operations for the year ended 31st March, 2018 was reported inclusive of excise duty. Goods and Services Tax ("GST") was implemented with effect from 1st July, 2017, which subsumed excise duty. Revenue from operations for the current year is reported net of GST and hence not comparable with corresponding amount of previous year. Comparable revenue from operations included in Total Income above has been computed by adjusting excise duty from the revenue from operations of previous year, on like-to-like basis and same is tabulated below:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operations (A)	2,73,054.85	2,08,431.03
Excise duty on sale (B)	-	2,872.56
Revenue from operations excluding excise duty on sale (A-B)	**2,73,054.85**	**2,05,558.47**

27.2 Disaggregated revenue information

For FY 2018-19

(₹ in Lakhs)

Particulars	India	Europe	USA	Rest of the world	Total
Revenue from contracts with customers					
Refrigerant Gases	15,264.96	1,138.77	2,751.23	29,954.66	**49,109.62**
Caustic Soda	46,021.38	-	-	39.41	**46,060.79**
Chloromethane	35,119.56	-	-	8.88	**35,128.44**
Poly Tetrafluoroethylene (PTFE)	29,086.65	40,960.15	28,038.61	13,693.37	**1,11,778.78**
Other products	12,446.68	9,032.67	5,173.24	3,654.12	**30,306.71**
Total	**1,37,939.23**	**51,131.59**	**35,963.08**	**47,350.44**	**2,72,384.34**

27.3 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2019
Trade receivables	65,729.56
Contract liabilities	318.22

During the year ended 31st March, 2019, the Company has recognized revenue of ₹ 343.59 Lakhs arising from opening contract liabilities.

27.4 Performance obligation

There are no remaining performance obligations as at the end of the year. For this purpose, as permitted under Ind AS 115, the transaction price allocated to contracts for original expected duration of one year or less are not considered.

27.5 Reconciliation of gross revenue with revenue from contracts with customers

(₹ in Lakhs)

Particulars	2018-2019
Gross revenue	2,73,585.94
Less: Discounts, rebates etc.	1,201.60
Net revenue recognised from contracts with customers	2,72,384.34

27.6 Additional disclosures on transition to Ind AS 115

There is no impact on account of applying Ind AS 115: Revenue from contract with customers, instead of the erstwhile Ind AS 18: Revenue, on the financial statement of the Company for the year ended as at 31st March, 2019.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

28. Other income

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Interest income		
(I) On financial assets using effective interest method:		
- on fixed deposits with banks	21.81	6.22
- on Inter-corporate deposits and loans		
(i) subsidiary companies	4,283.09	3,919.16
(ii) others	309.25	190.13
(II) Other interest income		
- on income tax refunds	3,609.97	428.59
- other interest	9.14	9.65
	8,233.26	4,553.75
(b) Dividend received	-	39.32
(c) Other non-operating income		
Allowance for doubtful trade receivables reversed	18.64	-
Liabilities and provisions no longer required, written back	351.43	15.33
Rental income from operating leases	634.10	639.23
Miscellaneous income	736.20	279.77
	1,740.37	934.33
(d) Other gains and losses		
Net gain on investments carried at FVTPL	-	3,109.78
Net gain on foreign currency transactions and translation	3,245.48	1,665.09
Net gain on retirement/disposal of property, plant and equipment	0.30	0.10
	3,245.78	4,774.97
Total	**13,219.41**	**10,302.37**
Note:		
Realised gain on sale of investments	2,643.24	4,017.27

29. Cost of materials consumed

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Raw materials consumed	83,980.42	46,653.43
Packing materials consumed	9,414.22	7,284.47
Total	**93,394.64**	**53,937.90**

30. Purchases of stock in trade

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Purchases of stock-in-trade	58.32	-
Total	**58.32**	**-**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

31. Changes in inventories of finished goods, work-in-progress and stock-in-trade & by products

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Opening stock		
Finished goods	9,767.90	13,583.40
Stock-in-trade	10.22	203.78
Work-in-progress	3,207.97	3,488.60
By-products	151.95	157.14
	13,138.04	**17,432.92**
Less : Closing stock		
Finished goods	16,846.64	9,767.90
Stock-in-trade	17.90	10.22
Work-in-progress	7,855.11	3,207.97
By-products	165.97	151.95
	24,885.62	**13,138.04**
Excise duty on stock of finished goods (net)	-	(453.09)
(Increase) / Decrease in stock	**(11,747.58)**	**3,841.79**

32. Employee benefits expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Salaries and wages	14,873.57	12,420.80
Contribution to provident and other funds	664.44	581.55
Gratuity	351.12	321.38
Staff welfare expenses	623.27	511.56
Total	**16,512.40**	**13,835.29**

33. Finance Costs

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Interest on financial liabilities		
Interest on borrowings	4,501.09	3,456.93
Net foreign exchange loss on borrowings (considered as finance costs)	855.19	895.17
	5,356.28	4,352.10
(b) Other interest		
Interest on income tax	38.00	305.00
Other interest expenses	125.04	78.55
	163.04	383.55
(c) Other borrowing costs	51.35	26.32
Total	**5,570.67**	**4,761.97**

34. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Depreciation of property, plant and equipment	15,340.64	14,359.42
Amortisation of intangible assets	799.82	832.87
Depreciation of Investment property	21.27	21.27
Total	**16,161.73**	**15,213.56**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

35. Other expenses

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Stores and spares consumed	9,183.81	7,994.71
Power and fuel	50,078.74	41,002.14
Freight	7,898.71	5,758.70
Insurance	600.22	458.82
Excise duty, custom duty, sales tax and GST	289.77	512.71
Production labour charges	2,651.92	2,117.94
Processing charges	492.93	121.43
Factory expenses	837.66	653.81
Repairs to		
- Buildings	489.14	401.08
- Plant and equipments	5,083.65	4,177.78
- Others	562.18	376.14
	6,134.97	4,955.00
Directors' sitting fees	8.80	8.20
Commission to non-executive director	740.67	479.21
Rates and taxes	548.61	550.18
Travelling and conveyance	1,876.84	1,675.98
Communication expenses	172.62	185.52
Legal and professional fees and expenses	4,040.68	3,801.99
Rent, lease rentals and hire charges	1,527.06	977.65
Net loss on investments carried at FVTPL	3,664.33	-
Allowance for doubtful trade receivables and expected credit loss	-	130.34
Allowance for doubtful advances	-	72.09
Bad debts and remission (net of provision for doubtful debts of ₹ 87.14 Lakhs adjusted (FY 2017-18: Nil))	0.14	32.99
Corporate Social Responsibility (CSR) expenses (see Note 49)	769.34	97.50
Commission	230.06	498.71
Royalty	1,110.73	785.83
Miscellaneous expenses	3,618.38	3,171.58
Total	**96,476.99**	**76,043.03**

Donation to Electoral Trust and political party

During the year the Company has given a donation of ₹ 100 Lakhs to a Electoral Trust and ₹ 11 Lakhs to Bhartiya Janata Party. The same is included in miscellaneous expenses above.

36. Tax Expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(i) Income tax recognized in Statement of Profit and Loss		
Current Tax:		
In respect of current year	22,510.00	13,901.00
In respect of earier years	(23,896.94)	(151.01)
	(1,386.94)	13,749.99

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

36. Tax Expense (Contd..)

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Deferred Tax		
In respect of current year	1,634.40	1,004.39
In respect of earier years	(58,955.15)	144.41
	(57,320.75)	1,148.80
	(58,707.69)	**14,898.79**
(ii) Income tax recognized in Other Comprehensive Income		
Deferred tax on remeasurement of defined benefit plans	(31.28)	36.96
Deferred tax on Effective portion of gains and (loss) on hedging instruments in a cash flow hedge	(27.76)	53.56
	(59.04)	90.52
Total Tax Expense	**(58,766.73)**	**14,989.31**

36.1 The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Profit before tax	69,023.09	63,629.88
Income tax using the Company's domestic tax rate @ 34.944% (2017-18: 34.608%)	24,119.43	22,021.03
Effect of expenses that are not deductible in determining taxable profits	689.08	389.99
Effect of tax incentives	(1,269.47)	(1,566.65)
Effect of income that is exempted from tax	-	(13.61)
Effect of income that is taxed at special rates	(1,217.24)	(6,239.68)
Effect of loss on fair vaue of investments on which deferred tax asset is not recognised	1,817.70	-
Effect on deferred tax balances due to the change in income tax rate from 34.608% to 34.994%	-	315.66
Others (net)	4.90	(1.35)
	24,144.40	14,905.39
Taxation pertaining to earlier years	(82,852.09)	(6.60)
Tax expense as per the Statement of Profit and Loss	**(58,707.69)**	**14,898.79**

The tax rate used for the years ended 31st March, 2019 and 31st March, 2018 in reconciliations above is the corporate tax rate of 34.944% and 34.608% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

36.2 During the year, the Company has received appellate orders from Income-tax Appellate Tribunal ("ITAT") for two years (viz. assessment years 2012-13 and 2013-14) favourably upholding certain contentions raised by the Company, including, on the basis of decision of the jurisdictional Gujarat High Court, holding that net proceeds from sale of carbon credits by the Company is a capital receipt. The consequential reduction in tax liability of ₹ 34,936.89 Lakhs in respect of these two years is recognized as 'tax pertaining to earlier years' and interest of ₹ 3,609.83 Lakhs on such income-tax refunds is included in other income. The Income-tax Department has filed an appeal before the Hon'ble Gujarat High Court against these ITAT orders.

Further, in the respect of earlier years, the matter has already been heard by ITAT on 25th April, 2019 and the appellate orders are awaited. Considering the relief already granted by the ITAT in above two years, on the basis of decision of the jurisdictional Gujarat High Court in respect of taxability of carbon credit receipts, the Company has computed the amount of relief for the balance years also and the reduction in tax liability of ₹ 47,915.20 Lakhs in respect of these years is recognized as 'tax pertaining to earlier years'.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

36. Tax Expense (Contd..)

(₹ in Lakhs)

Particulars	2018-2019
MAT credit entitlement	(58,165.06)
Income Tax	(23,896.94)
Deferred tax	(790.09)
Net credit	**(82,852.09)**

37. Nature of securities and terms of repayment

37.1 The terms of repayment of secured term loans and working capital loans are stated as under:

As at 31st March, 2019

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest	Security Note
1	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	3,073.28	Half yearly repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a. with Call Spread Option	(a)
2	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	1,490.54	Half yearly repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3	The Hong Kong and Shanghai Banking Corporation Limited	External Commercial Borrowing	4,065.95	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4	Mizuho Bank Limited	External Commercial Borrowing	4,065.95	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)
5	Kotak Mahindra Bank Limited	Term Loan	9,500.00	Quarterly repayment, final maturity on 19th March, 2027	6M MCLR + 0.15% p.a.	(e)
6	Daimler Financial Services India Pvt. Ltd	Vehicle Loan	115.21	Monthly repayment, final maturity on 7th August, 2021	11.2502% p.a.	(f)

As at 31st March, 2018

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest	Security Note
1.	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	3,620.96	Half yearly repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a. with Call Spread Option	(a)
2.	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	1,756.17	Half yearly repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3.	The Hong Kong and Shanghai Banking Corporation Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4.	Mizuho Bank Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)
5.	HDFC Bank Limited	Working Capital demand Loan	3,500.00	Bullet repayment on 28th May, 2018	8.50% p.a.	(d)

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

37. Nature of securities and terms of repayment (Contd..)

Notes:-

a) **ICICI Bank Limited:-** The foreign currency term loan from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/mortgage/hypothecation on movable and immovable assets including cash flow receivables and escrow account of 14 MW Wind Power Project at Mahidad. Further, the lender has exclusive first charge on movable fixed assets of AHF & HCFC plant located at Survey No 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal, Gujarat.

b) **The Hongkong and Shanghai Banking Corporation Limited:-** The foreign currency term loan from The Hongkong and Shanghai Banking Corporation, is secured by way of first charge on pari-passu basis with Mizuho Bank Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat, and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with Mizuho Bank Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.

c) **Mizuho Bank Limited:-** The foreign currency term loan from Mizuho Bank Limited, is secured by way of first charge on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.

d) **HDFC Bank Limited:-** The Working capital demand Loan facility from HDFC Bank Limited was secured by first pari-passu charge in favour of the bank by way of hypothecation over the borrower's stock and receivables, both present and future, of the Company's unit located at Plot No. 12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. Security charge was released on 28th March, 2019.

e) **Kotak Mahindra Bank Limited:-** The term loan from Kotak Mahindra Bank Limited, is secured by way of first and exclusive charge by way of hypothecation of movable fixed assets pertaining to Chloralkali Plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat.

f) **Daimler Financial Services India Pvt. Ltd:-** The vehicle loan from Daimler Financial Services India Pvt. Ltd, is secured by way of hypothecation of vehicle.

37.2 The terms of repayment of unsecured working capital loans are as under:

As at 31st March, 2019

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
1.	ICICI Bank Limited	Commercial Paper	4,957.09	Bullet repayment on 13th May, 2019	7.60% p.a.
2.	ICICI Bank Limited	Commercial Paper	7,431.02	Bullet repayment on 16th May, 2019	7.60% p.a.
3.	Invesco Mutual Fund	Commercial Paper	8,850.93	Bullet repayment on 20th June, 2019	7.70% p.a.
4.	Yes Bank Limited	Foreign Currency Loan- Import Finance	13,529.83	Repayment range from 2nd April, 2019 to 20th September, 2019	Interest range from 6M LIBOR + 0.32% to 6 M LIBOR + 0.87%
5.	ICICI Bank Limited	Foreign Currency Loan- Import Finance	6,374.43	Repayment range from 2nd April, 2019 to 23rd September, 2019	Interest range from 6M LIBOR + 0.40% to 6 M LIBOR + 0.90%
6.	HSBC Limited	Foreign Currency Loan- Import Finance	1,962.42	Repayment range from 5th April, 2019 to 24th June, 2019	Interest range from 6M LIBOR + 1.00%

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

37. Nature of securities and terms of repayment (Contd..)

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
7.	IndusInd Bank Limited	Foreign Currency Loan- Import Finance	970.17	Repayment range from 11th July, 2019 to 27th August, 2019	Interest range from 6M LIBOR + 0.48%
8.	Emirates NBD Bank (P.J.S.C)	Packing Credit in Foreign Currency	7,717.97	Repayment range from 9th April, 2019 to 13th August, 2019	Interest range from 6M EURIBOR + 0.50% to 6M EURIBOR + 0.80%
9.	HSBC Limited	Packing Credit in Foreign Currency	1,551.35	Bullet repayment on 10th April, 2019	Interest range from 6M EURIBOR + 0.65%
10.	HDFC Bank Limited	Short Term Loan	3,000.00	Bullet repayment on 24th April, 2019	8.55% p.a.
11.	HDFC Bank Limited	Short Term Loan	2,500.00	Bullet repayment on 10th June, 2019	8.65% p.a.
12.	Kotak Mahindra Bank Limited	Working Capital Demand Loan	3,000.00	Bullet repayment on 26th April, 2019	8.28% p.a.
13.	Kotak Mahindra Bank Limited	Working Capital Demand Loan	4,000.00	Bullet repayment on 19th July, 2019	8.75% p.a.
14.	IDBI Bank Limited	Working Capital Demand Loan	2,500.00	Bullet repayment on 6th April, 2019	8.60% p.a.
15.	IDBI Bank Limited	Working Capital Demand Loan	1,000.00	Bullet repayment on 26th April, 2019	8.30% p.a.

As at 31st March, 2018

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
1.	HDFC Bank Limited	Commercial Paper	5,972.08	Bullet repayment on 26th April, 2018	6.95% p.a.
2.	HDFC Bank Limited	Commercial Paper	2,478.44	Bullet repayment on 17th May, 2018	7.00% p.a.
3.	Kotak Mahindra Bank Limited	Commercial Paper	5,978.87	Bullet repayment on 19th April, 2018	7.27% p.a.
4.	Invesco Mutual Fund	Commercial Paper	9,899.86	Bullet repayment on 21st May, 2018	7.40% p.a.
5.	Kotak Mahindra Bank Limited	Buyer's Credit	8,376.58	Repayment range from 6th April, 2018 to 18th December, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 1.10%
6.	Yes Bank Limited	Buyer's Credit	2,737.06	Repayment range from 3rd April, 2018 to 31st August, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
7.	ICICI Bank Limited	Buyer's Credit	3,502.14	Repayment range from 4th May, 2018 to 12th September, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
8.	BNP Paribas	Packing Credit in Foreign Currency	14,151.72	Repayment range from 4th April, 2018 to 19th September, 2018	Interest range from 6M EURIBOR + 0.29% to 6M EURIBOR + 0.52%, & 6M LIBOR + 0.70% p.a.
9.	HDFC Bank Limited	Short term Loan	1,500.00	Bullet repayment on 28th May, 2018	8.50% p.a.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

37. Nature of securities and terms of repayment (Contd..)

Maximum balance of commercial papers:

Maximum balance during the F.Y. 2018- 2019 was ₹ 24,500 Lakhs.

Maximum balance during the F.Y. 2017- 2018 was ₹ 24,500 Lakhs.

38. Contingent Liabilities:

a. In respect of Income tax matters – ₹ Nil (as at 31st March, 2018: ₹ 32,389.97 Lakhs). This included:

   i. On account of disallowance under Section 14A and reduction in the claim of deduction under Section 80IA.

   ii. On account of slump sale of wind energy business by substituting estimated market value in place of actual consideration received.

   During the year, the Company has received favourable appellate orders in respect of above matters.

b. In respect of Service tax matters – ₹ 387.04 Lakhs (as at 31st March, 2018: ₹ 328.28 Lakhs). This includes:

   i. Amount of ₹ NIL (as at 31st March, 2018: ₹ 6.16 Lakhs) in respect of collection of cylinder rent charged from customers.

   ii. Amount of ₹ 387.04 Lakhs (as at 31st March, 2018: ₹ 322.12 Lakhs) in respect of service tax on Import of services relating to supply of tangible goods, online information database access or retrieval services.

   The Company has filed appeals before CESTAT and the matters are pending.

c. In respect of Excise duty matters – ₹ 3,794.67 Lakhs (as at 31st March, 2018: ₹ 3,661.78 Lakhs). This includes:

   i. Amount of ₹ 950.02 Lakhs (as at 31st March, 2018: ₹ 2,169.49 Lakhs) for which the Company has received various show cause notices regarding input credit on certain items and freight charges recovered from buyers for supply of goods at buyers' premises. The Company has filed the replies or is in the process of filing replies.

   ii. Amount of ₹ 42.05 Lakhs (as at 31st March, 2018: ₹ 211.55 Lakhs) is in respect of demand on account of cenvat credit availed on certain items. The Company has filed appeals or is in the process of filing appeals before Commissioner of Central Excise and Service tax (Appeals).

   iii. Amount of ₹ 2,802.60 Lakhs (as at 31st March, 2018: ₹ 1,280.74 Lakhs) in respect of demand on account of cenvat credit availed on certain items, levy of excise duty on freight recovered from customers and credit transfer to Dahej Unit on inter unit transactions. The Company has filed appeals before CESTAT.

d. In respect of Custom duty matter – ₹ 1,312.79 Lakhs (as at 31st March, 2018: ₹ 1,241.64 Lakhs).

   Amount of ₹11.82 Lakhs (as at 31st March, 2018: ₹ 11.82 Lakhs) for which the Company had received show cause notices regarding inadmissible EPCG benefit on consumables imported. The Company has filed replies in this regard.

   Amount of ₹ 1,300.97 Lakhs (as at 31st March, 2018: ₹ 1,229.82 Lakhs). The Company has received demands on account of differential custom duty on imported material on high seas basis. The Company has filed appeals before CESTAT and the matters are pending.

   In respect of above Service tax, Excise and Customs matters, the Company has paid an amount of ₹ 187.00 Lakhs (as at 31st March, 2018: ₹ 148.84 Lakhs) and not charged to Statement of Profit and Loss.

e. In respect of Sales tax matters - VAT ₹ 101.64 Lakhs (as at 31st March, 2018: ₹ 101.64 Lakhs) & CST ₹ 69.54 Lakhs (as at 31st March, 2018: ₹ 69.54 Lakhs).

   The Company has received VAT & CST assessment orders in respect of disallowance of proportionate Input tax credit reduced on capital goods at the rate of 2% of ratio of Out of Gujarat sales (OGS) to gross turnover of sales levying VAT demand of ₹ 101.64 Lakhs & CST demand of ₹ 69.54 Lakhs for the F.Y. 2011-2012, F.Y. 2012-2013 & F.Y. 2013-2014.

   The Company has filed appeal before appropriate appellate authorities.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

38. Contingent Liabilities: (Contd..)

f. Claims in respect of labour matters- amount is not ascertainable.

g. Details of corporate guarantees given to banks/financial institutions/lenders for loans taken by step down subsidiaries, lien on investments of the Company and working capital facilities of the Company used by step down subsidiaries of ₹ 55,435.10 Lakhs (as at 31st March, 2018 ₹ 41,206.31 Lakhs) are as under:

Sr. No.	Name of step down subsidiary	Amount of outstanding loans (₹ in Lakhs)	
		As at 31st March, 2019	As at 31st March, 2018
1	GFL GM Fluorspar SA – Morocco	5,051.94	6,150.15
2	Inox Wind Infrastructure Services Ltd	50,383.16	35,056.16
	Total	**55,435.10**	**41,206.31**

h. In respect of the Supreme Court judgement dated 28th February, 2019 on applicability of Provident Fund on certain components of employees' remuneration, clarifications/notification from the Government authorities is awaited as regard implementation of the same. Hence, additional liability, if any, in respect of earlier period cannot be ascertained. The Company has made a provision on a prospective basis from the date of the said order.

In respect of above matters, no additional provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Company to estimate the timing and amounts of further cash outflows, if any, in respect of these matters

39. Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 50,813.14 Lakhs (as at 31st March, 2018: ₹ 27,082.60 Lakhs).

40. Segment information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on single business segment of 'Chemicals' -comprising of Refrigeration gases, Caustic soda, Chloromethane, Polytetrafluoroethylene (PTFE), Fluoropolymers, Fluoromonomers, Specialty Fluorointermediates, Specialty Chemicals and allied activities. Electricity generated by captive power plant is consumed in chemical business and not sold outside. Hence the Company is having only one reportable business segment under Ind AS 108 on "Operating segment." The information is further analysed based on the different classes of products.

40.1 Revenue from major products

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Refrigerant Gases	49,109.62	40,702.27
Caustic Soda (Caustic Soda Lye & Flakes)	46,060.79	47,025.45
Chloromethane (Methylene Chloride, Chloroform, and Carbon Tetrachloride)	35,128.44	27,084.45
Poly Tetrafluoroethylene (PTFE)	1,11,778.78	75,623.58
Other products	30,306.71	17,397.79
Total	**2,72,384.34**	**2,07,833.54**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

40.2 Geographical Information

The Company's revenue from external customer by location of operations are detailed below

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
India	1,37,939.23	1,18,177.08
Europe	51,131.59	31,460.22
USA	35,963.08	21,657.52
Rest of world	47,350.44	36,538.72
Total	**2,72,384.34**	**2,07,833.54**

40.3 Information about major customers

There are no single external customers who contributed more than 10% to the Company's revenue for both FY 2018-2019 and FY 2017-2018.

41. Earning Per Share

Particulars	2018-2019	2017-2018
Profit for the year (₹ in Lakhs)	1,27,730.78	48,731.09
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	109850000	109850000
Nominal value of each share (in ₹)	1.00	1.00
Basic and Diluted Earnings per share (in. ₹)	116.28	44.36

42. Leasing arrangements

42.1 As a Lessee

(a) General description of operating Lease

Operating leases relate to leases of plants taken on operating lease are for initial non-cancellable period of 10 years which can be further extended at the mutual option of both the parties. The future minimum lease payments under these lease arrangements are as under:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Payments recognized as an expense	64.40	64.40

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Cancellable Operating Lease commitments		
not later than one year	64.40	64.40
later than one year and not later than five years	105.21	169.61
later than five years	-	-

b) Interest in land taken on lease and classified as operating lease:

The leasehold lands are taken for the period of 83 to 99 years. The entire lease premium is already paid and future rentals are nominal. Amortisation of such lease payments is included in 'Rent' in Statement of Profit and Loss and the balance remaining amount to be amortised is included in balance sheet as 'Prepayments Leasehold land'.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

42.2 As a Lessor

General description of operating Lease

Operating leases relate to Investment Properties owned by the Company with lease terms between 11 to 60 months and are usually renewable by mutual consent on mutually agreeable terms. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. Lessee does not have an option to purchase the property at the expiry of the lease period.

Rental Income earned by the Company from its Investment Properties and direct operating expenses arising on the investment properties for the year are set out in Note 28 and Note 35 respectively.

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Cancellable Operating Lease Receivable		
not later than one year	283.82	527.94
later than one year and not later than five years	-	283.82
later than five years	-	-

43. Employee Benefits:

(a) Defined Contribution Plans:

The Company contributes to the Government managed provident & pension fund for all qualifying employees.

Contribution to Provident fund of ₹ 662.71 Lakhs (31st March, 2018: ₹ 579.95 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other funds' in the Statement of Profit and Loss.

(b) Defined Benefit Plans:

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of services and salary at retirement age. The company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the company.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31st March, 2019 by Mr. G N Agarwal, fellow member of the institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Movement in the present value of the defined benefit obligation	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Opening defined benefit obligation	1,450.27	1,307.93
Current Service Cost	242.34	236.08
Interest cost	108.78	85.30
Actuarial gains / (losses) on obligation:		
a) arising form changes in financial assumptions	4.24	(110.26)
b) arising form experience adjustments	85.27	4.50
Benefits Paid	(51.04)	(73.28)
Present value of obligation as at year end	**1,839.86**	**1,450.27**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

43 Employee Benefits: (Contd..)

(ii) Components of amount recognized in profit and loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Current Service Cost	242.34	236.08
Interest expense	108.78	85.30
Amount recognized in profit & loss	**351.12**	**321.38**
Actuarial gains / (losses):		
a) arising form changes in financial assumptions	4.24	(110.26)
b) arising form experience adjustments	85.27	4.50
Components of defined benefit costs recognized in other comprehensive income	**89.51**	**(105.76)**
Total	**440.63**	**215.62**

(iii) The principal assumptions used for the purposes of the actuarial valuation of gratuity are as follows.

Particulars	Valuation (Gratuity)	
	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.60%	7.63%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5%	5%
Mortality	IALM(2006-08) Ultimate Mortality Table	

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

This plan typically expose the company to actuarial risks such as interest rate risk and salary risk

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

(iv) Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

43. Employee Benefits: (Contd..)

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Impact on Present Value of defined benefit obligation if discount rate increased by 1%	(116.38)	(100.96)
Impact on Present Value of defined benefit obligation if discount rate decreased by 1%	134.92	117.32
Impact on Present Value of defined benefit obligation if salary escalation rate increased by 1%	129.56	112.70
Impact on Present Value of defined benefit obligation if salary escalation rate decreased by 1%	(113.92)	(98.86)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(v) Expected contribution to the defined benefit plan in future years

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Expected outflow in 1st Year	493.19	109.19
Expected outflow in 2nd Year	135.81	150.58
Expected outflow in 3rd Year	93.15	114.24
Expected outflow in 4th Year	106.79	104.96
Expected outflow in 5th Year	89.37	99.67
Expected outflow in 6th to 10th Year	736.04	579.87

The average duration of the defined benefits plan obligation at the end of the reporting period is 12.54 years

(c) Other short term and long term employment benefits:

Annual leave and short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31st March, 2019 based on actuarial valuation carried out by using Projected Accrued Benefit Method resulted in increase in liability by ₹ 204.14 Lakhs (31st March, 2018: ₹ 154.13 Lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation (Leave Encashment)	
	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.60%	7.63%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5%	5%
Mortality	IALM (2006-08) Ultimate Mortality Table	

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments:

44.1 Capital management

The Company manages its capital structure with a view that it will be able to continue as going concern while maximising the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of Company consists of net debt (borrowings as detailed in Note 19 and Note 23 offset by cash and bank balance) and total equity of the Company.

The Company is not subject to any externally imposed capital requirement. However, under the terms of the major borrowings the Company is required to keep the gearing ratio of debt to equity not more than 300% and the ratio of debt to EBITDA must not be more than 300%. The Company has complied with these covenants throughout the reporting period. As at 31st March, 2019, the ratio of debt to EBITDA is 113% (31st March, 2018 was 126%)

The Company's risk management committee reviews the capital structure of the Company. As part of this review, the committee considers the cost of capital and risk associated with each class of capital. The Company has a target gearing ratio of less than 100 % determined as the proportion of net debt to equity.

44.1.1 The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total debt	91,997.79	75,139.90
Cash & bank balance	(3,302.18)	(2,177.48)
Net debt	**88,695.61**	**72,962.42**
Total equity	**4,70,898.20**	**3,47,912.37**
Net debt to equity Ratio	**18.84%**	**20.97%**

44.2 Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) mandatorily measured as at FVTPL		
(i) Investments in mutual funds	23,221.71	29,827.53
(ii) Investments in venture capital funds	18.85	538.85
(iii) Investments in alternate investment fund	10,863.53	15,084.04
(b) Derivative instruments designated as Fair value hedge in hedge accounting	612.03	428.36
Sub total	**34,716.12**	**45,878.78**
Measured at amortised cost		
(a) Cash and bank balances	3,302.18	2,177.48
(b) Other financial assets at amortised cost		
(i) Trade receivables	65,729.56	55,513.15
(ii) Loans	51,484.02	44,471.98
(iii) Others	1,382.78	439.00
Sub total	**1,21,898.54**	**1,02,601.61**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44 Financial instruments: (Contd..)

44.2 Categories of financial instruments (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Measured at Fair Value Through Other Comprehensive Income (FVTOCI)		
Derivative instruments designated as cash flow hedge in hedge accounting	130.62	225.44
Sub total	**130.62**	**225.44**
Total financial assets	**1,56,745.28**	**1,48,705.83**
b) Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Derivative instruments in designated hedge accounting relationship	107.51	598.68
Sub total	**107.51**	**598.68**
Measured at amortised cost		
Borrowings	91,997.79	75,139.90
Trade payables	21,908.87	20,400.98
Other financial liabilities	14,263.92	15,484.74
Sub total	**1,28,170.58**	**1,11,025.62**
Measured at Fair Value Through Other Comprehensive Income (FVTOCI)		
Derivative instruments designated as cash flow hedge accounting relationship	-	15.39
Sub total	**-**	**15.39**
Total Financial liabilities	**1,28,278.09**	**1,11,639.69**

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

44.3 Financial risk management

The Company's corporate finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of currency and interest rate risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors of the Company, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Company doesn't enter into or trade financial instruments including derivative financial instruments for speculative purpose.

44.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into the variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk including:

1. Interest rate swaps to mitigate the risk of rising interest rates.
2. Principal only swaps, currency swaps, options and forwards contracts to mitigate foreign currency risk of foreign currency borrowings and receivables & payables in foreign currency.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

44.5 Foreign Currency Risk Management

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues, imports of material/capital goods, services/royalty and borrowings etc. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered within limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the Company with minimised residual risk.

The carrying amount of unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Liabilities		
USD	20,905.31	20,597.30
Euro	9,387.12	13,668.47
Others	80.25	76.82
Assets		
USD	17,913.50	14,957.19
Euro	9,046.65	7,955.07

44.5.1 Foreign Currency Sensitivity Analysis

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in INR against the relevant foreign currencies.10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

(₹ in Lakhs)

Particulars	USD Impact (net of tax)	
	As at 31st March, 2019	As at 31st March, 2018
Impact on profit or loss for the year	194.64	368.82
Impact on total equity as at the end of the reporting period	194.64	368.82

(₹ in Lakhs)

Particulars	EURO Impact (net of tax)	
	As at 31st March, 2019	As at 31st March, 2018
Impact on profit or loss for the year	22.15	373.61
Impact on total equity as at the end of the reporting period	22.15	373.61

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

44.5.2 Forward Foreign Exchange Contracts

Company enters into call spread option contract and cross currency swap agreement to hedge the foreign currency risk and interest rate risk.

(₹ in Lakhs)

Outstanding Contracts	Foreign currency	Exchange Rate		Foreign currency (USD/EURO/GBP in Lakhs)		Nominal amounts (₹ in Lakhs)		Fair Value derivative assets / (liabilities) (₹ in Lakhs)	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Fair value hedges									
Forward contracts	USD	69.15	-	104.63	-	7,234.83	-	(99.55)	-
Forward contracts	EURO	77.57	-	50.00	-	3,878.38	-	(7.95)	-
Forward contracts	GBP	90.13	-	23.97	-	2,160.19	-	97.79	-
Principal only swaps (POS) contracts (Financial Assets)	USD	69.15	65.18	162.04	55.56	11,204.87	3,620.97	514.24	428.36
Principal only swaps (POS) contracts (Financial Liability)	USD	-	65.18	-	176.40	-	11,497.31	-	(598.68)

The line-items in the standalone balance sheet that include the above hedging instruments are 'other financial assets' and 'other financial liabilities'.

44.6 Interest Rate Risk Management

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

As per the Company's risk management policy to minimize the interest rate cash flow risk on foreign currency long term borrowings, interest rate swaps are taken for most of the borrowings to convert the variable interest rate risk into rupee fixed interest rate. Thus, there is no major interest rate risks associated with foreign currency long term borrowings. In respect of foreign currency short term borrowings and rupee loans the Company does not have any borrowings at variable rate of interest.

44.6.1 Interest Rate Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities in foreign currency, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended 31st March, 2019 would decrease/increase by ₹ 5.22 Lakhs (net of tax) (for the year ended 31st March, 2018 decrease/increase by ₹ 6.83 Lakhs (net of tax)). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

44.6.2 Interest Rate Swap Contracts

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

Details of Interest Rate Swap Contracts outstanding at the end of reporting period:

(₹ in Lakhs)

Interest Rate Swap Contracts outstanding	Average Contracted Fixed Interest Rate %		Notional Principal Value		Fair value derivative assets / (liabilities)	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
HSBC Bank	8.24%	8.24%	4,065.95	5,748.66	59.41	112.72
MIZUHO Bank	8.24%	8.24%	4,065.95	5,748.66	59.41	112.72
ICICI BANK	10.55%	10.55%	3,073.27	3,620.97	11.79	(15.39)
1 to 5 years	-	-	11,205.17	15,118.29	130.61	210.04
Total			**11,205.17**	**15,118.29**	**130.61**	**210.05**
Balance in the cash flow hedge reserve (net of tax)					**84.98**	**136.65**

The interest rate swaps settle on quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the company's cash flow exposures resulting from variable interest rates on borrowing. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that floating rate interest payments on debt affect profit or loss.

The line-items in the Standalone balance sheet that include the above hedging instruments are "Other financial assets"and "Other financial liabilities".

44.7 Other price risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The company is exposed to equity price risks arising from equity investments. Equity investments in subsidiaries and Joint Ventures are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company is also exposed to price risk arising from investments in debt mutual funds, but these being debt instruments, the exposure to risk of changes in market rates is minimal.

44.7.1 Equity Price Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks for Investments in equity shares (including investments in equity oriented mutual funds) of companies other than subsidiaries and joint ventures at the end of the reporting period.

If equity prices had been 5% higher/lower, profit for the year ended 31st March, 2019 would increase/decrease by ₹ 905.98 Lakhs (for the year ended 31st March, 2018: increase/decrease by ₹ 1176.36 Lakhs) as a result of the change in fair value of equity investments which are designated as FVTPL.

44.8 Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, balances with banks, loans and other receivables.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

a) Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products is less than 90 days. The concentration of credit risk is limited due to the fact that the customer base is large and diverse. There is no external customer representing more than 10% of the total balance of trade receivables. All trade receivables are reviewed and assessed for default on a quarterly basis.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss (%)
less than 6 Months	0.01%
6 Months to 1 Year	1.00%
1-2 Years	2.00%
2-3 Years	3.00%
> 3years	5.00%

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	10.13	17.59
Movement in expected credit loss allowance	8.88	(7.46)
Balance at the end of the year	**19.01**	**10.13**

b) Loans and other receivables

The Company applies Expected Credit Losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Company to the external parties. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the effective interest rate.

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

c) Other financial assets

Credit risk arising from balances with banks, investment in mutual funds and derivative financial instruments is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such Investments.

44.9 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the committee of Board of Directors for operations, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
As at 31st March, 2019				
Borrowings	75,759.60	15,896.54	-	91,656.14
Trade payables	21,908.87	-	-	21,908.87
Security deposits	531.91	-	-	531.91
Unpaid dividend	175.91	-	-	175.91
Other payables	13,748.05	149.70	-	13,897.75
Derivative financial liablities	107.51	-	-	107.51
Total	**1,12,231.85**	**16,046.24**	**-**	**1,28,278.09**
As at 31st March, 2018				
Borrowings	63,004.62	11,966.58	-	74,971.20
Trade payables	20,400.98	-	-	20,400.98
Security deposits	533.62	-	-	533.62
Unpaid dividend	177.31	-	-	177.31
Other payables	14,685.79	256.72	-	14,942.51
Derivative financial liablities	614.07	-	-	614.07
Total	**99,416.39**	**12,223.30**	**-**	**1,11,639.69**

44.10 Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities

44.10.1 Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

(₹ in Lakhs)

Financial Assets / financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31st March, 2019	31st March, 2018				
1. Principal only swaps designated in hedge accounting relationships (Note 10 and 20)	Assets - ₹ 514.24 Lakhs and Liabilities Nil	Assets - ₹ 428.36 Lakhs and Liabilities ₹ 598.68 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

44. Financial instruments: (Contd..)

(₹ in Lakhs)

Financial Assets / financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31st March, 2019	31st March, 2018				
2. Interest rate swaps designated in hedge accounting relationships (Note 10 and 20)	Assets - ₹ 130.63 Lakhs and Liabilities Nil	Assets - ₹ 225.44 Lakhs and Liabilities ₹ 15.39 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
3. Forward foreign currency contracts (Note 10 and 20)	Assets - ₹ 97.79 Lakhs and Liabilities ₹ 43.63 Lakhs	Nil	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
4. Investments in Mutual Funds (Note 8(c))	Equity and Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 23,221.71 Lakhs	Equity and Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 29,827.53 Lakhs	Level 1	Quoted prices in an active market	NA	NA
5. Investment in Venture Capital Funds (Note 8(c))	Investments in units of Venture capital fund: aggregate fair value of ₹ 18.85 Lakhs	Investments in units of Venture capital fund: aggregate fair value of ₹ 538.85 Lakhs	Level 3	Net asset approach - in this approach value per unit of investment is derived by dividing net assets of Venture Capital Fund with total no. of units issued by Venture Capital Fund	Net assets of venture capital fund, taking into account all assets and liabilities as reported in the audited financials of venture capital fund	A significant change in the Net assets in isolation would result in significant change in the fair value of investment in venture capital fund
6. Alternate Investment Funds (Note 8(c))	Alternate Investment Funds: aggregate fair value of ₹ 10,863.53 Lakhs	Alternate Investment Funds: aggregate fair value of ₹ 15,084.04 Lakhs	Level 1	Quoted prices in an active market	NA	NA

During the period, there were no transfers between Level 1 and Level 2

44.10.2 Fair Value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures

(A) Where control exists:

Holding company –

Inox Leasing and Finance Limited

Subsidiary companies –

Inox Leisure Limited (ILL)

Inox Wind Limited (IWL)

Inox Renewables Limited (IRL)

Inox Infrastructure Limited

Inox Fluorochemicals Limited incorporated on 6th December, 2018

Gujarat Fluorochemicals Americas LLC, U.S.A. (GFL Americas LLC)

Gujarat Fluorochemicals GmbH, Germany

Gujarat Fluorochemicals Singapore Pte. Limited

Inox Renewables (Jaisalmer) Limited- Subsidiary of IRL - Amalgamated with its holding company IRL w.e.f 1st April, 2018

GFL GM Fluorspar SA -Subsidiary of GFL Singapore Pte. Limited

Shouri Properties Private Limited - Subsidiary of ILL

Swanston Multiplex Cinema Private Limited (SMPCL) - Subsidiary of ILL from 5th March, 2018 (a joint venture up to 4th March, 2018)

Waft Renergy Private Limited incorporated on 10th April, 2018-Subsidiary of IWL

Inox Wind Infrastructure Services Limited (IWISL) - Subsidiary of IWL

Marut Shakti Energy Limited - Subsidiary of IWISL

Sarayu Wind Power (Kondapuram) Private Limited-Subsidiary of IWISL

Sarayu Wind Power (Tallimadugula) Pvt. Ltd-Subsidiary of IWISL

Vinirrmaa Energy Generation Pvt. Ltd-Subsidiary of IWISL

Satviki Energy Private Limited - Subsidiary of IWISL

RBRK Investments Limtied - Subsidiary of IWISL

Suswind Power Private Limited - Subsidiary of IWISL incorporated on 27th April, 2017

Vasuprada Renewables Private Limited - Subsidiary of IWISL incorporated on 27th April, 2017

Ripudaman Urja Private Limited - Subsidiary of IWISL incorporated on 28th April, 2017

Vibhav Energy Private Limited - Subsidiary of IWISL incorporated on10th July, 2017

Haroda Wind Energy Private Limited - Subsidiary of IWISL incorporated on 16th November, 2017

Vigodi Wind Energy Private Limited - Subsidiary of IWISL incorporated on 20th November, 2017

Aliento Wind Energy Private Limited - Subsidiary of IWISL incorporated on 17th January, 2018

Flurry Wind Energy Private Limited - Subsidiary of IWISL incorporated on 18th January, 2018

Tempest Wind Energy Private Limited - Subsidiary of IWISL incorporated on 17th January, 2018

Vuelta Wind Energy Private Limited - Subsidiary of IWISL incorporated on 17th January, 2018

Flutter Wind Energy Private Limited - Subsidiary of IWISL incorporated on 18th January, 2018

Shri Pavan Energy Private Limited - Subsidiary of IWISL incorporated on 9th April, 2018

The following Companies were accounted for as Associates have now been reclassifed as Subsidiaries w.e.f. 15th December, 2018

Khatiyu Wind Energy Private Limited-Subsidiary of IWISL incorporated on 17th April, 2017

Ravapar Wind Energy Private Limited-Subsidiary of IWISL incorporated on 20th April, 2017

Nani Virani Wind Energy Private Limited-Subsidiary of IWISL incorporated on 20th April, 2017

Notes to Standalone Financial Statements
for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(B) Other related parties with whom there are transactions during the year:

Associates-

Following subsidiaries of IWISL incorporated during the previous year, have subsequently ceased to be subsidiaries and accounted as an "associate"

Name of the Company	Date of incorpration	Accounted as "associate" w.e.f.
Wind Two Renergy Private Limited	20-04-2017	30-12-2017
Wind Four Renergy Private Limited	21-04-2017	30-12-2017
Wind Five Renergy Private Limited	20-04-2017	30-12-2017
Wind One Renergy Private Limited	26-04-2017	29-11-2018
Wind Three Renergy Private Limited	20-04-2017	29-11-2018

Joint Venture

Swarnim Gujarat Private Limited

Key Management Personnel

Mr. V K Jain (Managing Director)

Mr. D K Jain (Non Executive Director)

Mr. P K Jain (Non Executive Director)

Mr. D K Sachdeva (Whole Time Director)

Mr. Anand Bhusari (Whole Time Director)

Mr. Shailendra Swarup (Non Executive Director)

Mr. Om Prakash Lohia (Non Executive Director)

Mr. Deepak Asher (Non Executive Director)

Mr. Shanti Prasad Jain (Non Executive Director)

Mr. Rajagopalan Doraiswami (Non Executive Director)

Ms. Vanita Bhargava (Non Executive Director)

Mr. Chandra Prakash Jain (Non Executive Director)

Enterprises over which a Key Management Personnel, or his relatives, have significant influence

Devansh Gases Private Limited

Devansh Trademart LLP

Inox India Private Limited

Inox Air Products Private Limited

Inox Chemicals LLP

Refron Valves Limited

Rajni Farms Private Limited

Siddhapavan Trading LLP

Siddho Mal Trading LLP

Swarup & Company

Notes to Standalone Financial Statements
for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

Particulars of transactions

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
A) Transactions during the year												
Sale of Goods												
Inox Air Products Private Limited									1.40	1.26	1.40	1.26
GFL Americas LLC			32,142.18	12,153.94							32,142.18	12,153.94
GFL GmbH, Germany			25,235.38	13,731.05							25,235.38	13,731.05
Refron Valves Limited									0.06	0.11	0.06	0.11
Total			**57,377.56**	**25,884.99**					**1.46**	**1.37**	**57,379.02**	**25,886.36**
Sales return												
GFL Americas LLC			-	286.61							-	286.61
GFL GmbH, Germany			131.22	108.58							131.22	108.58
Total			**131.22**	**395.19**							**131.22**	**395.19**
Purchase of Power												
Inox Wind Limited			324.45	334.71							324.45	334.71
Total			**324.45**	**334.71**							**324.45**	**334.71**
Purchase of Assets												
Inox India Private Limited									0.56	8.25	0.56	8.25
Inox Air Products Private Limited									-	19.37	-	19.37
Inox Wind Limited			-	1,071.43							-	1,071.43
GFL GmbH, Germany			-	9.33							-	9.33
Total			**-**	**1,080.76**					**0.56**	**27.62**	**0.56**	**1,108.38**
Purchase of Goods												
Inox Air Products Private Limited									1,204.72	557.49	1,204.72	557.49
Inox India Private Limited									4,083.76	3,625.21	4,083.76	3,625.21
Refron Valves Limited									-	0.08	-	0.08
GFL GM Fluorspar SA			2,187.78	91.62							2,187.78	91.62
GFL GmbH, Germany			-	231.06							-	231.06
Total			**2,187.78**	**322.68**					**5,288.48**	**4,182.78**	**7,476.26**	**4,505.46**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Purchase of Services												
Inox India Limited									-	1.05	-	1.05
Total									**-**	**1.05**	**-**	**1.05**
Purchase of Movie Tickets												
Inox Leisure Limited			8.39	5.43							8.39	5.43
Total			**8.39**	**5.43**							**8.39**	**5.43**
Equity shares Subscribed												
GFL Singapore Pte Limited			2,118.20	3,399.98							2,118.20	3,399.98
Inox Fluorochemicals Limited			1.00	-							1.00	-
Inox Leisure Limited			16,000.00	-							16,000.00	-
Swarnim Gujarat Private Limited					10.00	-					10.00	-
Total			**18,119.20**	**3,399.98**	**10.00**	**-**					**18,129.20**	**3,399.98**
Advances given towards purchases of goods/assets												
GFL GM Fluorspar SA			772.49	392.05							772.49	392.05
Inox Wind Limited			14,010.00	8,000.00							14,010.00	8,000.00
Inox Wind Infrastructure Services Limited			3,300.00	1,760.00							3,300.00	1,760.00
Inox India Private Limited									-	1,019.75	-	1,019.75
Total			**18,082.49**	**10,152.05**					**-**	**1,019.75**	**18,082.49**	**11,171.80**
Inter Corporate deposit given												
Inox Renewables Limited			1,500.00	12,700.00							1,500.00	12,700.00
Inox Wind Infrastructure Services Limited			14,250.00	-							14,250.00	-
Inox Wind Limited			9,500.00	-							9,500.00	-
Total			**25,250.00**	**12,700.00**							25,250.00	12,700.00
Inter Corporate deposit received back												
Inox Renewables Limited			-	10,000.00							-	10,000.00
Inox Wind Infrastructure Services Limited			4,250.00	-							4,250.00	-
Inox Leisure Limited			16,249.00	-							16,249.00	-
Total			**20,499.00**	**10,000.00**							**20,499.00**	**10,000.00**

Notes to Standalone Financial Statements
for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Interest income												
Inox Leisure Limited			1,135.20	1,624.90							1,135.20	1,624.90
Inox Wind Infrastructure Services Limited			387.14	-							387.14	-
Inox Renewables Limited			2,334.04	2,294.26							2,334.04	2,294.26
Inox Wind Limited			426.71	-							426.71	-
Total			**4,283.09**	**3,919.16**							**4,283.09**	**3,919.16**
Expenses (Repairs)												
Inox Air Products Private Limited									-	0.50	-	0.50
Refron Valves Limited									-	1.17	-	1.17
Total									**-**	**1.67**	**-**	**1.67**
Reimbursement of expenses (paid)/ Payments made on behalf of the Company												
GFL Americas LLC			6.70	0.61							6.70	0.61
GFL GmbH, Germany			0.12	2.94							0.12	2.94
Devansh Gases Private Limited									7.32	7.32	7.32	7.32
Inox Leasing & Finance Limited	3.20	3.80									3.20	3.80
Inox Wind Limited			-	0.50							-	0.50
Total	**3.20**	**3.80**	**6.82**	**4.05**					**7.32**	**7.32**	**17.34**	**15.17**
Reimbursement of expenses (received)/ Payments made on behalf by the Company												
Inox Leisure Limited			7.16	12.36							7.16	12.36
Inox Renewables Limited			-	9.00							-	9.00
Inox Wind Limited			135.00	40.40							135.00	40.40
GFL GM Fluorspar SA			1.49	60.15							1.49	60.15
Inox Infrastructure Limited			-	15.00							-	15.00
Inox Air Products Private Limited									8.37	6.28	8.37	6.28
GFL GmbH, Germany			8.08	-							8.08	-
Inox Wind Infrastructure Services Limited			515.27	-							515.27	-
Inox Fluorochemicals Limited			0.41	-							0.41	-
Total			**667.41**	**136.91**					**8.37**	**6.28**	**675.78**	**143.19**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Reimbursement of Expenses of IWL Offer For Sale of shares												
Devansh TradeMart LLP									-	20.92	-	20.92
Inox Chemicals LLP									-	20.92	-	20.92
Siddho Mal Trading LLP									-	20.92	-	20.92
Siddhapavan Trading LLP									-	20.92	-	20.92
Total									**-**	**83.68**	**-**	**83.68**
Guarantee Commission Income												
Inox Wind Infrastructure Services Limited			550.21	219.55							550.21	219.55
GFL GM Fluorspar SA			58.49	-							58.49	-
Total			**608.70**	**219.55**							**608.70**	**219.55**
Rent Received												
Inox Air Products Private Limited									144.90	144.90	144.90	144.90
Inox Wind Limited			72.39	72.39							72.39	72.39
Inox Leisure Limited			29.69	32.51							29.69	32.51
Others			1.94	5.23	0.76	0.44			0.72	0.72	3.42	6.39
Total			**104.02**	**110.13**	**0.76**	**0.44**			**145.62**	**145.62**	**250.40**	**256.19**
Rent paid												
Inox Air Products Private Limited									2.40	2.40	2.40	2.40
Devansh Gases Private Limited									24.00	24.00	24.00	24.00
Inox Leasing and Finance Limited	69.00	69.00									69.00	69.00
D.K.Sachdeva							1.20	1.20			1.20	1.20
Total	**69.00**	**69.00**					**1.20**	**1.20**	**26.40**	**26.40**	**96.60**	**96.60**
O&M Charges & Lease Rents paid												
Inox Air Products Private Limited									194.93	188.18	194.93	188.18
Inox Wind Infrastructure Services Ltd			468.91	444.13							468.91	444.13
Total			**468.91**	**444.13**					**194.93**	**188.18**	**663.84**	**632.31**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates		Enterprises over which KMP or their relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
B) Amounts outstanding										
Amounts payable										
Inox Leasing and Finance Limited	13.19	0.78							13.19	0.78
Inox Leisure Limited			0.03	-					0.03	-
GFL Americas LLC			20.00	13.30					20.00	13.30
GFL GmbH, Germany			-	231.06					-	231.06
Inox India Private Limited							327.34	-	327.34	-
Refron Valves Limited							-	1.37	-	1.37
Inox Air Products Private Limited							153.52	101.80	153.52	101.80
GFL GM Fluorspar SA			-	61.44					-	61.44
Total	**13.19**	**0.78**	**20.03**	**305.80**			**480.86**	**103.17**	**514.08**	**409.75**
Amounts Receivable										
a) Inter Corporate Deposit										
Inox Leisure Limited			-	16,249.00					-	16,249.00
Inox Renewables Limtied			24,200.00	22,700.00					24,200.00	22,700.00
Inox Wind Infrastructure Services Limited			10,000.00	-					10,000.00	-
Inox Wind Limited			9,500.00	-					9,500.00	-
Total			**43,700.00**	**38,949.00**					**43,700.00**	**38,949.00**
b) Interest Accrued										
Inox Renewables Limited			3,095.24	994.60					3,095.24	994.60
Total			**3,095.24**	**994.60**					**3,095.24**	**994.60**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary Companies		Associates		Enterprises over which KMP or their relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
c) Trade /Other Receivables										
GFL Americas LLC			9,713.45	3,584.27					9,713.45	3,584.27
GFL GmbH, Germany			9,415.68	4,946.45					9,415.68	4,946.45
Inox Leisure Limited			0.58	4.03					0.58	4.03
Inox Renewables Limtied			9.16	9.16					9.16	9.16
Inox Wind Infrastructure Services Limited			952.91	219.55					952.91	219.55
Inox Air Products Private Limited							4.94	13.33	4.94	13.33
GFL GM Fluorspar SA			137.53	77.55					137.53	77.55
Inox Infrastructure Limited			-	15.00					-	15.00
Others			6.70	4.36	4.38	2.30			11.08	6.66
Total			**20,236.01**	**8,860.37**	**4.38**	**2.30**	**4.94**	**13.33**	**20,245.33**	**8,876.00**
d) Loans & Advances										
GFL GM Fluorspar SA			772.49	392.05					772.49	392.05
Inox Wind Limited			21,751.88	6,853.15					21,751.88	6,853.15
Inox India Private Limited							-	546.87	-	546.87
Inox Wind Infrastructure Services Ltd			5,060.00	1,760.00					5,060.00	1,760.00
Total			**27,584.37**	**9,005.20**			**-**	**546.87**	**27,584.37**	**9,552.07**

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

45. Related Party disclosures (Contd..)

(C) Guarantees

For Corporate Guarantees given by the Company - see Note 38

(D) Compensation of Key management personnel

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(i) Remuneration paid -		
Mr. V K Jain	702.67	651.32
Mr. D K Jain	740.67	479.21
Mr. D K Sachdeva	23.80	23.46
Mr. Anand Bhusari	162.67	137.72
(ii) Director sitting Fees paid	8.80	8.20
Total	**1638.61**	**1299.91**

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company, the amount pertaining to KMP are not included above. Contribution to Providend Fund (defined contribution plan) is ₹ 24.44 Lakhs (previous year ₹ 17.72 Lakhs) included in the amount of remuneration reported above.

(E) Professional fees includes payment made to Swarup & Company ₹ Nil Lakhs (2017-18 : ₹ 25 Lakhs)

Notes:

(a) Sales, purchases and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for the year ended 31st March, 2019 and 31st March, 2018 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) There have been no other guarantees received or provided for any related party receivables or payables.

46. Exceptional Items

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Gain on sale of Company's stake in Subsidiary Company Inox Wind Limited (see Note (a) below)	-	15,402.58
Non-utilization penalty for extension of time limit to utilize industrial plot. (see Note (b) below)	(824.00)	-
Total	**(824.00)**	**15,402.58**

Note:

(a) During previous year, to meet the minimum public shareholding requirements by the Company's subsidiary Inox Wind Limited ("IWL"), the 'Promoter/Promoter Group' have sold, in aggregate, 2,35,61,331 equity shares in IWL in through an Offer for Sale (OFS) of shares through the stock exchange, in March 2018. The OFS included sale of 1,35,61,331 equity shares in IWL by GFL as a promoter resulting in net gain of ₹ 15,402.58 Lakhs.

(b) The Company has taken an industrial plot on lease at Dahej-2 from Gujarat Industrial Development Corporation and was required to commence construction of factory building within stipulated period. During current year, the Company was required to pay a sum of ₹ 824 Lakhs as non-utilization penalty for permitting extension of time limit to utilize the said plot.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

47. Payments to Auditor

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Statutory Audit (including consolidated accounts)	29.00	25.00
Limited review and corporate governance certificate	8.00	8.00
Certification	0.75	0.50
	37.75	**33.50**

Note: The above amounts are exclusive of Goods and Service Tax

48. (a) Disclosure as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Amount of inter-corporate deposits at the year end		
Inox Leisure Limited (ILL)	-	16,249.00
Inox Renewables Limited (IRL)	24,200.00	22,700.00
Inox Wind Limited (IWL)	9,500.00	-
Inox Wind Infrastructure Services Limited (IWISL)	10,000.00	-
Maximum balance during the year		
Inox Leisure Limited (ILL)	16,249.00	16,249.00
Inox Renewables Limited (IRL)	24,200.00	32,700.00
Inox Wind Limited (IWL)	9,500.00	-
Inox Wind Infrastructure Services Limited (IWISL)	10,000.00	-
Investment by the loanee in the shares of the Company		
Inox Leisure Limited (ILL)	-	-
Inox Renewables Limited (IRL)	-	-
Inox Wind Limited (IWL)	-	-
Inox Wind Infrastructure Services Limited (IWISL)	-	-

48. (b) Disclosure required under section 186(4) of the Companies Act, 2013

In respect of related parties:

(i) The inter-corporate deposits of Nil (31st March, 2018: ₹ 16,249.00 Lakhs) to Inox Leisure Limited (ILL) were unsecured and given for business purpose. The inter-corporate deposits are repaid in current year.

(ii) The inter-corporate deposits of ₹ 24,200.00 Lakhs (31st March, 2018: ₹ 22,700.00 Lakhs) to IRL are unsecured and given for business purpose. The inter-corporate deposit is repayable at call and carry interest in the range of @ 9.35% p.a. to 10% p.a.

(iii) The inter-corporate deposits of ₹ 9,500.00 Lakhs (31st March, 2018: Nil) to IWL are unsecured and given for business purpose. The inter-corporate deposit is repayable at call and carry interest @ 10 % p.a.

(iv) The inter-corporate deposits of ₹ 10,000.00 Lakhs (31st March, 2018: Nil) to IWISL are unsecured and given for business purpose. The inter-corporate deposit is repayable at call and carry interest @ 10 % p.a.

(v) For Corporate Guarantees given by the Company - see Note 38

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

48. (b) Disclosure required under section 186(4) of the Companies Act, 2013 (Contd..)

Inter-corporate deposits/loans to others:

(₹ in Lakhs)

Name of the party	Rate of Interest	Amount outstanding	
		As at 31st March, 2019	As at 31st March, 2018
Maxtech Oil and Gas Services Private Limited	12%	-	700.00
Wearit Global Limited	10%	292.14	1,285.00
Castle Suppliers Private Limited	10%	2,725.00	336.95
Ritspin Synthetics Limited	10%	-	300.00
Vista Mining Private Limited	10%	100.00	100.00
V.R. Industries	10%	-	20.00
Abhi Infrastructure	10%	-	40.00
Uttam Fabricators	10%	125.00	125.00
Shree Momai Trading	10%	-	10.00
Seatrans Freight Carriers Pvt Ltd	10%	-	50.00
CSE Panels Pvt Ltd	10%	-	60.00
Orion Technocraft Pvt Ltd	10%	100.00	100.00
ABC Technologies	10%	-	25.00
AIC Technik Pvt Ltd	10%	-	4.20
Steel Mech Engineers	10%	-	50.00
K.S. Engineering	10%	-	30.00
Aero Space Packwell	10%	-	25.00

The above inter-corporate deposits/loans are given for general business purpose and are repayable at call.

49. Corporate Social Responsibility (CSR)

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹ 509.15 Lakhs (31st March, 2018: ₹ 283.67 Lakhs)

(b) Amount spent during the year on:

(₹ in Lakhs)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any fixed assets	**Nil**	**Nil**	**Nil**
		(Nil)	(Nil)	(Nil)
(ii)	On purposes other than (i) above	**769.34**	**Nil**	**769.34**
		(97.50)	(Nil)	(97.50)

(Figures in brackets pertain to previous year)

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Consolidated Financial Statement

Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Gujarat Fluorochemicals Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), its associates and jointly controlled entity which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows and for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entity as at 31st March 2019, its profit and total comprehensive income, consolidated statement of changes in equity and consolidated cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and jointly controlled entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
1 Evaluation of direct tax position in respect of Holding Company The amount of taxation pertaining to earlier years credited in the statement of profit and loss includes amount of ₹ 82,852 Lakhs in respect of certain tax position taken by the Holding Company, as disclosed in Note 40 to the financial statements. This has been identified as a key audit matter due to magnitude of the amount involved and the matter requires significant judgement and estimation by the management to determine the possible outcome of the tax position.	To address this key audit matter, our audit procedures included the following: • Obtained understanding of the tax position taken by the Holding Company. • Discussed the matter with the senior management and the external tax consultants. • Assessed the management's judgement of the possible outcome of the tax position with reference to the precedence in the Holding Company's own cases and other judicial pronouncements. • Checked the calculations made by the management in this regard for mathematical accuracy and also the reasonableness of the assumptions used in the calculations. • Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and the position taken by the Holding Company. Based on our procedures performed we are satisfied that the treatment in respect of the direct tax position is appropriate and we conclude that the related disclosures are appropriately presented in the financial statements.

Independent auditor's report to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019, (continued)

Key Audit Matter	Auditor's Response
2 Claims and exposure relating to indirect taxation in respect of a Group's subsidiary company, Inox Leisure Limited. The Group has disclosed in Note 43 the contingent liabilities as at 31st March 2019 which includes amount of ₹ 24,165.67 Lakhs in respect of indirect tax matters viz. entertainment tax and service tax, pertaining to Inox Leisure Limited. This has been identified as a key audit matter due to magnitude of the amount involved, uncertainty of the matter and the potential financial impact on the financial statements. There is significant judgement required by management in assessing the exposure of each case due to the complexities of the cases and timescales for resolution.	To address this key audit matter, our audit procedures included the following: • Obtained the summary of all pending indirect tax matters of the Group and assessed the management's position through discussion with the Head of Legal, CEO and CFO on both the probability of success and the amounts involved. • Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues. • Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and circumstances of the potential exposures and in accordance with Ind AS 37. We are satisfied that the treatment in respect of the potential indirect tax matters is appropriate based on our procedures performed and we conclude that the related disclosures are appropriately presented in the financial statements.
3 Carrying amount of goodwill and property, plant & equipment in respect of a Group's subsidiary company, Inox Leisure Limited. As at 31st March 2019, the carrying amount of goodwill is ₹ 1,750.97 Lakhs and the carrying amount of property, plant & equipment (PPE) is ₹ 89,385.12 Lakhs pertaining to a Group's subsidiary company, Inox Leisure Limited. The goodwill is in respect of the acquisition of multiplexes and goodwill on consolidation of a subsidiary. The Group is required to annually assess the carrying amount of goodwill by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). As a result of performing value in use calculations, there is no impairment of the goodwill, in current year and ₹ 0.60 Lakhs in preceding year. The Group has also reviewed the carrying amounts of the PPE, in respect of its theatrical exhibition segment, to determine whether the recoverable amount of a CGU is estimated to be less than its carrying amount by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). For this purpose, each multiplex of the Group is treated as a separate CGU. Based on this analysis, net impairment loss of ₹ 82.00 Lakhs is recognised during the year (₹ 309.55 Lakhs in the preceding year). This has been identified as a key audit matter since the value in use calculations includes key assumptions and judgments in the calculation of the recoverable amount, viz. forecast revenue growth rates, discount rate assumptions and the parameters used for growth forecast.	To address this key audit matter, our audit procedures included the following: • In case of PPE, we evaluated the appropriateness of the parameters used to identify whether any indication of impairment existed for the purpose of identification of CGUs to be tested. • Obtained an external valuation report in respect of the goodwill. • For all CGUs identified for impairment testing and the CGU with goodwill, we obtained the discounted cash flow forecasts prepared by the management. • We evaluated the appropriateness of management's model used for the impairment assessment and considered the reasonableness of the cash flow forecast, judgments and assumptions used in the calculations. • For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations. On performing the above procedures, we concluded that no impairment is required in case of goodwill and the impairment loss recognised by the Group in respect of PPE is appropriate and we conclude that the related disclosures are appropriately presented in the financial statements.

Independent auditor's report to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019, (continued)

Key Audit Matter	Auditor's Response
4 Adoption of Ind AS 115 – Revenue from contracts with customers in respect of a Group's subsidiary company, Inox Wind Limited. As described in Note 2.3 to the consolidated financial statements, the group has adopted Ind AS 115, Revenue from contracts with customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligation will be satisfied subsequent to the balance sheet date. The Group adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	To address this key audit matter, our audit procedures included the following: • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standards; • Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue stream; • Evaluated the changes made to IT systems to the reflect the changes required in revenue recognition as per new accounting standard; • Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of relevant disclosures.
5 Evaluation of uncertain tax position in respect of a Group's subsidiary company, Inox Wind Limited. The Group operates in multiple jurisdictions in respect of its wind energy segment and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of the business including transfer pricing and indirect tax matters. These involves significant management judgement to determine the possible outcome of the uncertain tax positions, consequently having an impact on related and disclosures in the consolidated financial statements.	To address this key audit matter, our audit procedures included the following: • Obtained understanding of key uncertain tax positions; and • Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax position; • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and • Assessed management's estimate of the possible outcome of the disputed cases.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Independent auditor's report to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019, (continued)

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Other Matter

We did not audit the financial statements of thirty four subsidiaries (including three associates which became subsidiaries from 15 December 2018) whose financial statements reflect total assets of ₹ 579,418 Lakhs as at 31st March 2019, total revenues of ₹ 203,504 Lakhs, total net loss after tax of ₹ 4,255 Lakhs and total comprehensive income of ₹(-)3,942 Lakhs and net cash outflows amounting to ₹ 4,926 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The Consolidated financial statements also include the Group's share of net loss after tax of ₹ 36 Lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one jointly controlled entity and nine associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) with respect to the preparation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for assessing the ability of the Group and of its associates and jointly controlled entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Independent auditor's report to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019, (continued)

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates and jointly controlled entity have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and its associates and jointly controlled entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiaries, associates and a jointly controlled entity as was audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

Independent auditor's report to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019, (continued).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2019 taken on record by the Board of Directors of the Holding Company and on the basis of reports of the independent auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Company and its associates and jointly controlled entity which are companies incorporated in India.

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statement of subsidiary companies as noted in the 'Other matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates and jointly controlled entity;

   ii. The Group and its associates and jointly controlled entity have made provision, as required under the applicable law or accounting standards including the Ind AS, for material foreseeable losses on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate companies and jointly controlled entity incorporated in India.

For Kulkarni and Company
Chartered Accountants
Firm's Registration No. 140959W

A.D. Talavlikar
Partner
Membership No. 130432

Place: Noida
Date: 27th May, 2019

Annexure to Independent auditor's report

to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **Gujarat Fluorochemicals Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, its associate companies and jointly controlled entity which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled entity which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies', its associate companies' and its jointly controlled entity's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies', its associate companies' and its jointly controlled entity's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the

Annexure to Independent auditor's report

to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2019 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (continued).

company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiaries, its associate companies and its jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2019, based on the internal controls over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies and jointly controlled entity, considering the essential components of internal controls stated in the guidance note issued by ICAI.

Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to thirty subsidiaries, nine associates of two subsidiaries and one jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For Kulkarni and Company
Chartered Accountants
Firm's Registration No. 140959W

A.D. Talavlikar
Partner
Membership No. 130432

Place: Noida
Date: 27th May, 2019

Consolidated Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
(1) Non-current assets			
(a) Property, plant & equipment	5(a)	4,21,685.20	3,70,269.23
(b) Capital work-in-progress	5(b)	75,082.39	72,431.68
(c) Investment property	6	1,289.34	991.60
(d) Goodwill	7	1,754.93	1,754.93
(e) Other intangible assets	8	7,500.72	8,316.95
(f) Investments accounted for using the equity method	9	10,221.33	3,294.35
(g) Financial assets			
(i) Other investments	10	35,975.37	40,797.80
(ii) Loans	11	11,010.40	9,616.35
(iii) Others financial assets	12	35,284.99	27,710.64
(h) Deferred tax assets (net)	13	50,278.99	16,755.17
(i) Other non-current assets	14	30,657.16	28,028.64
(j) Tax assets (net)	15	23,834.67	15,441.01
Sub-total		**7,04,575.49**	**5,95,408.35**
(2) Current assets			
(a) Inventories	16	1,59,800.31	1,31,394.23
(b) Financial assets			
(i) Investments	10	2,878.56	8,311.74
(ii) Trade receivables	17	2,12,306.05	1,94,368.59
(iii) Cash & cash equivalents	18	7,125.00	11,076.04
(iv) Bank balances other than (iii) above	19	13,484.07	8,457.23
(v) Loans	11	4,714.65	4,602.31
(vi) Other financial assets	12	8,507.01	6,414.32
(c) Tax assets (net)	15	785.24	-
(d) Other current assets	14	40,412.98	31,997.59
Sub-total		**4,50,013.87**	**3,96,622.05**
Total Assets		**11,54,589.36**	**9,92,030.40**
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	20	1,098.50	1,098.50
(b) Other equity	21	5,96,583.96	4,75,581.17
(c) Non-controlling interest	22	1,28,786.71	1,19,288.37
Sub-total		**7,26,469.17**	**5,95,968.04**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	57,232.46	59,519.53
(ii) Other financial liabilities	24	1,227.91	752.23
(b) Provisions	25	4,008.81	3,717.95
(c) Deferred tax liabilities (net)	13	1,492.57	20,125.06
(d) Other non-current liabilities	26	16,342.11	13,811.71
Sub-total		**80,303.86**	**97,926.48**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	1,28,997.20	1,07,281.59
(ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	28	227.03	256.63
b) total outstanding dues of creditors other than micro enterprises and small enterprises	28	1,28,379.31	83,897.42
(iii) Other financial liabilities	24	67,078.07	71,489.16
(b) Other current liabilities	29	17,834.22	29,946.48
(c) Provisions	25	3,026.89	2,538.08
(d) Current tax liabilities (net)	30	2,273.61	2,726.52
Sub-total		**3,47,816.33**	**2,98,135.88**
Total Equity & Liabilities		**11,54,589.36**	**9,92,030.40**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For GUJARAT FLUOROCHEMICALS LIMITED

A.D. TALAVLIKAR
Partner
Mem No: 130432

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Place : Noida
Dated: 27th May, 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

	Particulars	Note No.	2018-2019	2017-2018
I	Revenue from operations	31	5,69,811.03	3,92,129.22
II	Other Income	32	11,698.66	13,278.71
III	**Total Income (I+II)**		**5,81,509.69**	**4,05,407.93**
IV	**Expenses**			
	Cost of materials consumed	33	1,95,175.42	67,177.85
	Purchases of stock-in-trade	34	58.32	-
	Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	35	(23,984.41)	12,748.01
	Excise duty	31	-	2,872.56
	Employee benefits expense	36	39,161.62	34,666.81
	Finance costs	37	22,363.55	27,921.47
	Depreciation and amortisation expense	38	33,305.01	29,921.60
	Impairment losses	5(a)	82.00	309.55
	Other expenses	39	2,53,069.09	2,19,093.97
	Total expenses		**5,19,230.60**	**3,94,711.82**
	Less: Expenditure capitalized	46	(19,757.91)	(18,211.15)
	Net expenses (IV)		**4,99,472.69**	**3,76,500.67**
V	Share of loss of joint ventures and associates		**(36.07)**	**(7.65)**
VI	**Profit before exceptional items and tax (III-IV+V)**		**82,000.93**	**28,899.61**
VII	Exceptional items	53	(1,323.69)	(956.92)
VIII	**Profit before tax (VI+VII)**		**80,677.24**	**27,942.69**
IX	Tax expense	40		
	(1) Current tax		29,508.34	19,300.01
	(2) MAT credit entitlement		(41.67)	-
	(3) Deferred tax		(398.52)	(9,876.87)
	(4) Taxation pertaining to earlier years		(83,300.32)	(5,487.00)
	Total Tax expense		**(54,232.17)**	**3,936.14**
X	**Profit for the year (VIII-IX)**		**1,34,909.41**	**24,006.55**
XI	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit plans		107.16	475.49
	(ii) Tax on above		(37.14)	(166.87)
	B (i) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		244.31	159.74
	(b) Gains and (losses) on effective portion of hedging instruments in a cash flow hedge		(162.92)	453.28
	(ii) Tax on (b) above		56.93	(157.87)
	Total other comprehensive income		**208.34**	**763.77**
XII	**Total comprehensive income for the year (X+XI)**		**1,35,117.75**	**24,770.32**
	Profit for the year attributable to:			
	- Owners of the Company		1,30,489.08	25,351.01
	- Non-controlling interest		4,420.33	(1,344.46)
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		174.08	648.47
	- Non-controlling interest		34.26	115.30
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		1,30,663.16	25,999.48
	- Non-controlling interest		4,454.59	(1,229.16)
	Basic and Diluted Earnings per equity share of ₹ 1 each (in ₹)	47	122.81	21.85

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2019

A. Equity Share Capital	(₹ in Lakhs)
Balance as at 1st April, 2017	1,098.50
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	**1,098.50**
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	**1,098.50**

B. Other Equity

(₹ in Lakhs)

Particulars	Attributable to the owners of the entity												Non controlling interests (d)	Total (c+d)
	Reserves & Surplus								Items of Other comprehensive income			Other equity (c=a+b)		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Shares options outstanding account	General Reserve	Retained Earnings	Sub total (a)	Cash flow hedge Reserve	Foreign currency translation reserve	Sub total (b)			
Balance at 1st April, 2017	**13,004.82**	**59.30**	**46,726.89**	**1,135.55**	**2.66**	**2,81,729.72**	**1,07,622.28**	**4,50,281.22**	**(137.11)**	**582.74**	**445.63**	**4,50,726.85**	**1,08,146.61**	**5,58,873.46**
Profit for the year	-	-	-	-	-	-	25,351.01	25,351.01	-	-	-	25,351.01	(1,344.46)	24,006.55
Other comprehensive income for the year, net of income tax (*)	-	-	-	-	-	-	212.07	212.07	274.25	162.15	436.40	648.47	115.30	763.77
Total comprehensive income for FY 2017-18	**-**	**-**	**-**	**-**	**-**	**-**	**25,563.08**	**25,563.08**	**274.25**	**162.15**	**436.40**	**25,999.48**	**(1,229.16)**	**24,770.32**
Transfer from retained earnings	-	-	-	-	-	20,000.00	(20,000.00)	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:														
On account of change in non-controlling interest	-	-	-	-	-	-	3,391.61	3,391.61	-	-	-	3,391.61	12,282.11	15,673.72
Payment of dividends including dividend distribution tax	-	-	-	-	-	-	(4,627.45)	(4,627.45)	-	-	-	(4,627.45)	-	(4,627.45)
On account of stock options	-	-	-	-	90.68	-	-	90.68	-	-	-	90.68	88.81	179.49
Balance as at 31st March, 2018	**13,004.82**	**59.30**	**46,726.89**	**1,135.55**	**93.34**	**3,01,729.72**	**1,11,949.52**	**4,74,699.14**	**137.14**	**744.89**	**882.03**	**4,75,581.17**	**1,19,288.37**	**5,94,869.54**
Profit for the year	-	-	-	-	-	-	1,30,489.08	1,30,489.08	-	-	-	1,30,489.08	4,420.33	1,34,909.41
Other comprehensive income for the year, net of income tax (*)	-	-	-	-	-	-	58.19	58.19	(124.84)	240.73	115.89	174.08	34.26	208.34
Total comprehensive income for FY 2018-19	**-**	**-**	**-**	**-**	**-**	**-**	**1,30,547.27**	**1,30,547.27**	**(124.84)**	**240.73**	**115.89**	**1,30,663.16**	**4,454.59**	**1,35,117.75**
Transfer from retained earnings	-	-	-	-	-	20,000.00	(20,000.00)	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:														
On account of preferentail issue of equity shares by Inox Leisure Limited to holding company	-	-	-	-	-	-	(5,022.12)	(5,022.12)	-	-	-	(5,022.12)	5,022.12	-
Share issue expenses	-	-	(72.10)	-	-	-	-	(72.10)	-	-	-	(72.10)	(37.72)	(109.82)

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2019

B. Other Equity (Contd..)

(₹ in Lakhs)

Particulars	Attributable to the owners of the entity												Non controlling interests (d)	Total (c+d)
	Reserves & Surplus								Items of Other comprehensive income			Other equity (c=a+b)		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Shares options outstanding account	General Reserve	Retained Earnings	Sub total (a)	Cash flow hedge Reserve	Foreign currency translation reserve	Sub total (b)			
Payment of dividends including dividend distribution tax	-	-	-	-	-	-	(4,635.05)	(4,635.05)	-	-	-	(4,635.05)	-	(4,635.05)
On account of stock options	-	-	60.73	-	8.17	-	-	68.90	-	-	-	68.90	59.35	128.25
Balance as at 31st March, 2019	**13,004.82**	**59.30**	**46,715.52**	**1,135.55**	**101.51**	**3,21,729.72**	**2,12,839.62**	**5,95,586.04**	**12.30**	**985.62**	**997.92**	**5,96,583.96**	**1,28,786.71**	**7,25,370.67**

(*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Consolidated Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

	Particulars	2018-2019	2017-2018
A	**Cash flow from operating activities**		
	Profit for the year	1,34,909.41	24,006.55
	Adjustments for :		
	Tax expense	(54,232.17)	3,936.14
	Depreciation and amortisation expense	33,305.01	29,921.60
	Loss on asset held for sale	-	(27.21)
	(Gain) / Loss on retirement /disposal of property, plant and equipment (net)	(87.32)	1,085.32
	Allowance for doubtful deposits and advances	29.22	609.88
	Bad debts and remissions	188.62	2,908.60
	Liabilities and provisions no longer required written back	(835.16)	(851.37)
	Amounts written-off	279.88	63.73
	Exchange difference on translation of assets and liabilities	171.44	68.89
	Unrealised Foreign exchange gain-net	(1,053.26)	(49.34)
	Unrealised MTM (gain)/loss on Financial Assets and Derivatives	(998.89)	(1,244.82)
	Government grants - deferred revenue	(1,051.85)	(1,303.47)
	Deferred rent expenses	542.33	616.77
	Expense on ESOP	126.10	179.49
	Allowance for doubtful trade receivables and expected credit losses (net of reversal)	689.02	3.38
	Allowance for amount recoverable towards claim	-	854.16
	Impairment loss on Goodwill and Property, plant & equipment	82.00	309.55
	Share of loss of a joint venture/associates	36.07	7.65
	Income in respect of investing activities (net)	(917.48)	(7,214.98)
	Finance Costs	22,363.55	27,921.47
	Operating profit before working capital changes	**1,33,546.52**	**81,801.99**
	Adjustments for :		
	Increase/(decrease) in provisions	803.34	954.64
	Increase/(decrease) in trade payables	57,469.48	(23,988.67)
	Increase /(decrease) in other financial liabilities	849.75	6,763.53
	Increase /(decrease) in other liabilities	11,510.83	27,892.94
	(Increase) /decrease in loans	(155.77)	(1,293.53)
	(Increase)/decrease in inventories	(28,410.20)	(25,541.39)
	(Increase)/decrease in trade receivables	(43,709.76)	71,320.89
	(Increase)/decrease in other financial assets	(11,218.80)	(7,227.30)
	(Increase)/decrease in other assets	(16,281.62)	(13,542.82)
	Cash generated from operations	**1,04,403.77**	**1,17,140.28**
	Income-tax paid (net)	(7,682.30)	(21,956.41)
	Net cash generated from operating activities	**96,721.47**	**95,183.87**
B	**Cash flow from investing activities**		
	Purchase of Property, Plant and Equipments (including change in capital work in progress and capital creditors/capital advances)	(92,777.14)	(1,01,534.07)
	Acquisition of other intangible assets	(308.88)	(231.50)
	Proceeds from disposal of property, plant and equipment	1,655.49	175.30
	Proceeds from partial disinvestment in subsidiary	-	15,807.53
	Sale of non current investments	-	7,676.83
	Purchase of non current investments	-	(1,650.00)
	Maturity of Government securities	41.30	-
	Purchase of other investments	(93,352.76)	(1,56,438.97)
	Redemption of other investment	1,03,007.53	1,69,786.24
	Sale of assets under slump sale	-	1,02,446.32
	Inter-corporate deposits given	(3,804.34)	(3,030.19)
	Inter-corporate deposits received back	3,077.62	1,580.00
	Interest and Dividend received (net of expenses)	(719.60)	7,044.41
	Investment in associate companies	(7,000.00)	(6.00)
	Investment in subsidiary company	-	(3.00)
	Payments towards business combination consideration payable	(72.24)	(5.32)
	Movement in Bank deposits	(5,188.17)	17,283.95
	Net cash generated from / (used in) investing activities	**(95,441.19)**	**58,901.53**
C	**Cash flow from financing activities**		
	Shares issued under ESOP by a subsidiary	6.47	-
	Proceeds from issue of shares by a subsidiary	4.90	-
	Share issue expenses	(67.79)	-

Consolidated Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Proceeds from borrowings - non current	30,943.28	57,861.46
Repayment of borrowings - non current	(33,783.23)	(1,10,014.98)
Proceeds from/(repayment of) current borrowings (net)	23,092.61	(79,598.60)
Finance lease payments	(31.24)	(36.46)
Finance costs	(20,761.27)	(30,390.31)
Dividend paid (Including Tax on Dividend)	(4,635.05)	(4,627.45)
Net cash generated from / (used in) financing activities	**(5,231.32)**	**(1,66,806.34)**
Net increase/(decrease) in cash and cash equivalents	(3,951.04)	(12,720.94)
Cash and cash equivalents as at the beginning of the year	11,076.04	23,769.24
Cash and cash equivalents on acquisition of subsidiary	-	27.74
Cash and cash equivalents as at the end of the year	**7,125.00**	**11,076.04**

Changes in liabilities arising from financing activities during the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings
Opening balance	1,07,443.40	94,505.50
Acquisitions - finance lease	-	(31.26)
Cash flows	23,092.61	(2,839.95)
Interest expense	9,277.01	7,774.66
Interest paid	(9,484.68)	(7,989.43)
Foreign exchange adjustment	(823.10)	(254.60)
Closing balance	**1,29,505.24**	**91,164.92**

Changes in liabilities arising from financing activities during the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings
Opening balance	1,86,265.25	1,47,080.34
Acquisitions - finance lease	-	106.29
Cash flows	(79,598.60)	(52,189.98)
Interest expense	10,908.42	12,121.24
Interest paid	(10,953.79)	(13,000.56)
Foreign exchange adjustment	822.12	388.17
Closing balance	**1,07,443.40**	**94,505.50**

Notes:

(a) Components of cash and cash equivalents are as per note no. 18

(b) The above Consolidated Statement of cash flows has been prepared under the indirect method

(c) The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For GUJARAT FLUOROCHEMICALS LIMITED

A.D. TALAVLIKAR
Partner
Mem No: 130432

V. K. JAIN
Managing Director
DIN: 00029968

DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Place : Noida
Dated: 27th May, 2019

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

1. Group information

Gujarat Fluorochemicals Limited ("the Company") is a public limited company incorporated in India. The Company caters to both domestic and international markets. These Consolidated Financial Statements ("these CFS") relate to the Company, its subsidiaries (collectively referred to as the "Group") and the Group's interest in associates and joint ventures. The Company's holding company is Inox Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Survey No. 16/3, 26 & 27, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380, and the particulars of its other offices and plants are disclosed in the annual report.

The Group is mainly engaged in:

- chemical business viz. manufacturing and trading of refrigerant gases, caustic soda, chloromethane, polytetrafluoroethylene (PTFE), fluoropolymers, fluoromonomers, specialty fluorointermediates, specialty chemicals and allied activities.
- manufacture and sale of wind turbine generators (WTGs) and providing Erection, Procurement and Commissioning (EPC) services, Operations and Maintenance (O&M) services, wind farms development services and common infrastructure facilities for WTGs.
- operating and managing multiplexes and cinema theatres.
- generation and sale of wind energy.

The Board of Directors of Gujarat Fluorochemicals Limited (GFL) has approved, subject to approval of its Shareholders, Creditors and other regulatory authorities as may be required, including those of the Stock Exchanges, Securities Exchange Board of India (SEBI) and the National Company Law Tribunal (NCLT), a Scheme for the demerger of its chemical business w.e.f. 1st April, 2019, into its wholly owned subsidiary company, Inox Fluorochemicals Limited (IFL), a company incorporated on 6th December, 2018 under the Companies Act, 2013. On approval of the Scheme of demerger by NCLT, all the Shareholders of GFL, will be issued one fully paid-up equity share of ₹ 1 each in IFL, for every one fully paid up equity share of ₹ 1 each held by them in GFL, and the shareholding of GFL in IFL would stand cancelled. IFL therefore will be a mirror image company of GFL, and both companies will be separately listed.

The Stock Exchanges, based on the comments offered by SEBI on the draft scheme, have issued a 'no objection'/'no adverse observation letter' in relation to the said Scheme. In accordance with the NCLT's order dated 28th March, 2019, GFL has convened Meeting of its Shareholders, Secured Creditors and Unsecured Creditors on 11th May, 2019 and obtained their approvals for the said Scheme. On the basis of the said approvals, GFL and IFL have now filed a Petition before the NCLT for approving the said Scheme and Order of the NCLT is awaited.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of Compliance

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

2.2 Basis of Measurement

These CFS are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

These CFS have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of Preparation and Presentation

Accounting Policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

Following accounting standards and amendments were applicable to the Group for the first time in the annual reporting period commencing from 1st April, 2018:

a) New Accounting Standard - Ind AS 115: Revenue from Contracts with Customers

The Ministry of Corporate Affairs (MCA) has notified Ind AS 115: Revenue from Contracts with Customers, on 28th March, 2018, which is effective for accounting periods beginning on or after 1st April, 2018. The Company has transitioned to Ind AS 115 with effect from 1st April, 2018 using cumulative catch-up transition method. The Group has changed its accounting policies following the adoption of Ind AS 115. However, in view of the nature of business and the revenue streams of the Group, the adoption of Ind AS 115 did not have any impact on the revenue recognition and measurement in respect of the Group's revenue from operations.

b) Amendments to existing accounting standards applicable to the Group

i. Amendments to Ind AS 12: Recognition of deferred tax assets for unrealized losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments do not have any impact on the Group as the Group does not have any deductible temporary differences or assets that are in the scope of the amendments.

ii. Amendments to Ind AS 20: Government Grants related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. These amendments do not have any impact on the financial statements.

iii. Appendix B: Foreign Currency Transactions and Advance Consideration to Ind AS 21: Effects of changes in foreign exchange rates

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

This Interpretation does not have any impact on the Group's financial statements.

iv. Amendments to Ind AS 38: Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Group's financial statements.

v. Amendments to Ind AS 40: Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Group's financial statements.

vi. Amendments to Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, then it may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Group's financial statements.

These CFS have been prepared on accrual and going concern basis. The accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

These CFS were authorized for issue by the Company's Board of Directors on 27th May, 2019.

3. Basis of Consolidation and Significant Accounting Policies

3.1 Basis of consolidation

These CFS incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries of the Group to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rate fluctuates significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on translation for consolidation are recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve.

3.1.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group losses control of a subsidiary, gain or loss is recognised in profit or loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value

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of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

3.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date (see Note 3.12); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not

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qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 3.2 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associate and joint venture is described in Note 3.4 below.

3.4 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these CFS using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associates or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the

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carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture or an investment in joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a joint venture or associate of the Group, unrealised gains and losses resulting from such transactions are eliminated to the extent of the interest in the joint venture or associate.

3.5 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continued to be accounted for using the equity method. The Group

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discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investment in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value and less costs to sell.

3.6 Revenue recognition

Revenue from contract with customers is recognized when the Group satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration, which the Group expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

a) In the case of chemical business:

Sale of products:

Sale of products: Revenue from sale of products is recognized when the control of the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as per the terms of the contract.

No element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term of less than 90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money.

Contract balances:

The Group classifies the right to consideration in exchange for deliverables as trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities are presented as 'Advances from customers'.

b) In the case of theatrical exhibition business:

Revenue from services:

Revenue from services is recognized, at a point in time or over time, on satisfaction of performance obligation for the services rendered, as under:

Revenue from box office is recognized as and when the movie is exhibited viz. at a point in time. Advertisement revenue is recognized on exhibition of the advertisement or over the period of contract, as applicable. Revenue from other services is recognized over the period of contract or at a point in time, as per the contractual terms.

Food and beverages revenue:

Food and beverages revenue is recognized when the control of goods have been transferred to the customers. The performance obligation is case of sale of products is satisfied at a point in time i.e. at the point of sale.

No element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term of 60-90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money. Non-cash consideration (or promise of non-cash consideration) is measured at fair value. If the fair value of the non-cash consideration cannot be reasonably estimated, the same is measured indirectly by reference to the standalone selling price of the goods or services promised to the customer (or class of customer) in exchange for the consideration.

Contract balances:

The Group classifies the right to consideration in exchange for deliverables as either a receivable

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or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities include and are presented as 'Revenue received in advance' and 'Advances from customers'.

c) In the case of wind energy business:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.

- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:

  Revenue from EPC is recognised point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.

- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

- Revenue also excludes taxes collected from customers. Contract assets are recognised when there is excess of revenue earned over billings on contracts.

- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

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- In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

- Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition:

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

d) In the case of power business:

- Revenue from generation and sale of electricity is recognized on the basis of actual power sold (net of reactive energy consumed) in accordance with the terms of the power purchase agreements entered with the respective customers and when no significant uncertainty exists regarding the amount of consideration that will be derived.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.

- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

- Revenue also excludes taxes collected from customers. Contract assets are recognised when there is excess of revenue earned over billings on contracts.

- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive

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cash, and only passage of time is required, as per contractual terms.

- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

3.6.1 Other income

Dividend income from investments is recognized when the right to receive payment is established. Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.7 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grants.

Government grants, whose primary condition is that the Group should establish and operate multiplexes

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in specified areas, are initially recognised as deferred revenue in the consolidated balance sheet and subsequently transferred to profit or loss as other operating revenue on a systematic and rational basis over the useful lives of the related assets of the respective multiplexes.

Grants that compensate the group for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants in the form of non-monetary asset given at a concessional rate are accounted for at their fair value. The related grant is presented as deferred income and subsequently transferred to profit or loss as other income on a systematic and rational basis.

3.8 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.8.1 The Group as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.8.2 The Group as lessee

Leases of property, plant and equipment where the Group, as lessee, has substantially acquired all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

3.9 Foreign currency transactions and translation

In preparing the financial statements of each individual Group Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- as permitted by para D13AA of Ind AS 101, the Group has continued the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, exchange differences on conversion and on settlement of long term foreign currency monetary items, where the long-term foreign currency monetary items relate to the acquisition of a depreciable capital asset (whether purchased within or outside India), is adjusted to the cost of the asset, and depreciated over the balance life of the assets.
- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

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- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 3.21 below for hedging accounting policies).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.11 Employee benefits

3.11.1 Retirement benefit costs

Payments to defined contribution benefit plan viz. government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

3.11.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, bonus, annual leave and sick leave etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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3.12 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 41.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.13.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.13.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets include Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an deferred tax assets in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period specified for utilization of such credit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.13.3 Presentation of current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are

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recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

3.14 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised. In respect of accounting period commencing on or after 1st April, 2011, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP (see Note 3.9).

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On leasehold improvements, electrical installations & air conditioners in leased premises, over the period of useful life on the basis of the respective agreements, ranging from 10-25 years or the useful life as per Part C of Schedule II to the Companies Act, 2013, whichever is shorter.
- In respect of foreign subsidiaries, over the period of useful life estimated by the management or the useful life as per Part C of Schedule II to the Companies Act, 2013, whichever is shorter.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales

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proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.15 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

Depreciation is recognised so as to write off the cost of investment properties less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of investment properties at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Investment properties are depreciated over its estimated useful lives, determined as under:

- Cost of leasehold land is amortised over the period of lease
- On other assets, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.16 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

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Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Technical know-how — 10 years
- Product development cost — 5 years
- Operating software — 3 years
- Other software — 6 years
- Movie script and Website — 5 years
- Mining permit/license — 16 years

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.17 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.18 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis.

Cost of inventories comprises all costs of materials, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and

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other costs incurred in bringing the inventories to their present location and condition. Closing stock of finished goods and imported materials include excise duty and customs duty payable thereon, wherever applicable.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.19 Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent period, such contingent liabilities are measured at the higher of the amounts that would be recognised in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 Revenue, if any.

3.20 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

b) Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the Other income line item.

c) Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

i. The Group's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

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Based on the above criteria, the Group classifies its financial assets into the following categories:

i. **Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. **Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVTOCI.

This category does not apply to any of the financial assets of the Group other than the derivative instrument for the cash flow hedges.

iii. **Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group excluding investments in subsidiaries, joint ventures and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) **Foreign exchange gains and losses:**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

e) **Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f) Impairment of financial assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.

B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

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ii. **Financial Liabilities:**

a) Initial recognition and measurement :

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Group has not designated any financial liability as at FVTPL other than derivative instrument.

c) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

d) Derecognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.21 Derivative financial instruments and Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 50.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Group designates certain hedging instruments, which include derivatives, as either fair value hedges, or cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge relationship so designated as fair value is accounted for in accordance with the accounting principles prescribed for hedge accounting under Ind AS 109, 'Financial Instruments'.

a) Fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

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Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss and is included in line item 'Loss on foreign currency translation and transactions'.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

Note 50.10 sets out details of the fair values of the derivative instruments used for hedging purposes.

b) **Cash flow hedges:**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3.22 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.23 Recent accounting pronouncements

a) **New Accounting Standard - Ind AS 116 Leases:**

On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after 1st April, 2019. The standard permits two possible methods of transition:

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

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Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Group is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116. Under this approach, the Group proposes to record the right of use asset at its carrying amount as if the standard had been applied since the commencement date, but discounted at its incremental borrowing rate at the date of initial application and take the cumulative adjustment to retained earnings, net of deferred tax, on the date of initial application (1st April, 2019). Accordingly, comparatives for the year ended 31st March, 2019 will not be retrospectively adjusted. The Group has elected certain available practical expedients on transition.

The effect of adoption as on transition date would result in an increase in Right of use asset in the range of ₹ 160000 Lakhs to ₹ 170000 Lakhs and an increase in lease liability in the range of ₹ 210000 Lakhs to ₹ 230000 Lakhs. The difference, after giving effect to the deferred tax, will be adjusted in the opening retained earnings as at 1st April, 2019.

b) Amendments to existing accounting standards applicable to the Group

- **Appendix C: Uncertainty over Income Tax Treatments to Ind AS 12: Income Taxes:**

  On March 30, 2019, Ministry of Corporate Affairs has notified Appendix C: Uncertainty over Income-Tax Treatments. The interpretation addresses the accounting income taxes when tax treatment involves uncertainty that affects the application of Ind AS 12. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Group will adopt the standard on 1st April, 2019 and is not likely to have significant impact on the Group's financial statements.

- **Amendment to Ind AS 12: Income Taxes**

  The amendments to Ind AS 12 clarify that the income tax consequences of dividend are linked more directly to past transactions or events that generated distributable profits than to distribution to owners. Therefore, an entity recognises income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. These amendments are applicable from annual periods beginning on or after 1st April, 2019. These amendments will not have any impact on the Group's financial statements.

- **Amendment to Ind AS 19: Employee Benefits**

  The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. These amendments apply to plan amendments, curtailments or settlements occurring from annual periods beginning on or after 1st April, 2019 and will apply only to any future plan amendments, curtailments or settlements.

- **Amendment to Ind AS 23: Borrowing Costs**

  The amendment clarifies that any borrowing originally made to develop a qualifying asset should be treated as a part of general borrowings when substantially all the activities necessary to prepare that asset for its intended use or sale are completed. This amendment will be applicable to the borrowing costs incurred from 1st April, 2019. The Group is currently evaluating the effect of this amendment and the impact is not likely to be significant.

- **Amendment to Ind AS 28: Investment in Associates and Joint Ventures**

  The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 before applying the loss allocation and impairment requirements in Ind AS 28. These amendments will not have any impact on the Group's financial statements.

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4 Critical accounting judgements and use of estimates

In application of Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

4.1 Following are the critical judgements that have the most significant effects on the amounts recognised in these CFS:

a) Government Grants:

Some of the multiplexes operated by the Group are entitled to exemption from payment of entertainment tax in terms of the schemes notified by the respective State Governments, whose primary condition is that the Group should establish and operate multiplexes in specified areas. Therefore, these grants are considered as related to assets. Accordingly, the Group presents the same in the balance sheet by setting up the grant as deferred income and is recognised in profit or loss as other operating revenue on a systematic basis over the useful lives of the related assets.

b) Assets taken on operating lease:

The Group has taken most of the properties on operating lease from where the multiplexes and cinema theatres are being operated. The lease terms provide for periodic increase in the amount of lease payments. Considering the terms of the agreements and the rate of increase in lease payments, it is assessed that the payment to lessors are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Accordingly, the Group recognizes the lease payments as expenses as per the respective terms of the leases in such cases.

c) Leasehold land:

As per the terms and conditions of the leases in respect of leasehold land, the significant risks and rewards are not transferred to the Group and hence the same are treated as operating leases, except in one case, where the lease period is 999 years and hence the lease is classified as finance lease.

d) Impairment of property, plant and equipment:

For the purpose of impairment testing of property, plant and equipment, each multiplex / cinema theatre is identified as a Cash-Generating Unit (CGU) being the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Further, it is not possible to measure fair value less cost of disposal of a CGU (viz. a multiplex or a cinema theatre) because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between the market participant at the measurement date in case of such operating CGUs. Hence the asset's value in use is used as recoverable amount of such CGUs in determining the extent of impairment loss, if any.

4.2 Following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

a) Impairment of goodwill:

Determining whether goodwill is impaired requires an estimation of the value in use of the Cash-Generating Units (CGU) to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

Details of carrying amount of goodwill and impairment loss recognised are set out in Note 7.

b) Useful lives of Property, Plant & Equipment (PPE), Investment property and Intangible assets (other than Goodwill):

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The Group has adopted useful lives of PPE, Investment property and Intangible assets (other than Goodwill) as described in Note 3.14, Note 3.15 and Note 3.16 above. The Group reviews the estimated useful lives at the end of each reporting period.

c) Fair value measurements and valuation processes:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above.

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Where necessary, the Group engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 50.10.

d) Investment in associates:

The Group has incorporated certain wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. Thereafter, the Group has entered into various binding agreements (including call & put option agreement and voting rights agreement) with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that the Group has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the Group has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.

e) Other assumptions and estimation uncertainties, included in respective notes are as under:

- Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits - see Note 13 and Note 40
- Measurement of defined benefit obligations and other long-term employee benefits: - see Note 49
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources - see Note 25 and Note 43
- Impairment of financial assets - see Note 50

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

5(a). Property, plant & equipment

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Freehold Lands	4,346.52	4,478.49
Buildings	50,216.20	51,517.30
Leasehold Improvements	29,308.63	21,849.65
Plant and Equipments	3,23,721.91	2,80,534.08
Furniture and Fixtures	9,559.90	8,056.00
Vehicles	520.23	431.03
Office Equipments	4,011.81	3,402.68
	4,21,685.20	**3,70,269.23**

(₹ in Lakhs)

Particulars	Freehold Lands	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
I. Cost or Deemed Cost								
Balance as at 1st April, 2017	**4,331.90**	**54,951.04**	**23,048.79**	**2,93,583.92**	**9,543.30**	**695.69**	**5,570.49**	**3,91,725.13**
Additions	-	2,427.08	5,830.30	44,895.94	2,960.04	31.10	1,467.60	**57,612.06**
Disposals	-	(7.48)	(1,130.48)	(1,734.46)	(325.53)	(22.63)	(145.29)	**(3,365.87)**
Reclassified as held for sale	146.10	-	-	3,593.90	-	-	-	**3,740.00**
Effect of foreign currency translation differences	0.49	3.70	0.23	(22.24)	3.91	-	2.45	**(11.46)**
Borrowing costs	-	-	22.84	139.00	7.91	-	-	**169.75**
Balance as at 31st March, 2018	**4,478.49**	**57,374.34**	**27,771.68**	**3,40,456.06**	**12,189.63**	**704.16**	**6,895.25**	**4,49,869.61**
Additions	50.87	1,848.83	10,091.37	65,499.84	3,250.29	276.69	2,122.11	**83,140.00**
Disposals	(188.86)	(780.82)	(818.33)	(885.56)	(257.84)	(189.27)	(83.89)	**(3,204.57)**
Effect of foreign currency translation differences	6.02	44.84	2.82	218.43	1.15	-	0.38	**273.64**
Borrowing costs	-	-	1.73	1,110.79	0.33	-	-	**1,112.85**
Balance as at 31st March, 2019	**4,346.52**	**58,487.19**	**37,049.27**	**4,06,399.56**	**15,183.56**	**791.58**	**8,933.85**	**5,31,191.53**

(₹ in Lakhs)

Particulars	Freehold Lands	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
II. Accumulated depreciation and impairment								
Balance as at 1st April, 2017	**-**	**3,650.05**	**4,144.66**	**40,206.00**	**2,829.46**	**184.27**	**2,259.99**	**53,274.43**
Eliminated on disposal of assets	-	(16.29)	(459.29)	(1,234.95)	(261.83)	(18.23)	(115.26)	**(2,105.85)**
Impairment losses recognised in profit or loss	-	-	117.96	174.54	10.93	-	5.52	**308.95**
Depreciation for the year	-	2,223.01	2,118.66	20,774.97	1,554.38	107.09	1,341.67	**28,119.78**
Effect of foreign currency translation differences	-	0.27	0.04	1.42	0.69	-	0.65	**3.07**
Balance as at 31st March, 2018	**-**	**5,857.04**	**5,922.03**	**59,921.98**	**4,133.63**	**273.13**	**3,492.57**	**79,600.38**
Eliminated on disposal of assets	-	(103.37)	(585.23)	(556.13)	(211.14)	(107.25)	(74.12)	**(1,637.24)**
Impairment losses recognised in profit or loss	-	-	39.39	52.66	6.41	-	4.54	**103.00**

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for the year ended 31st March, 2019

5(a). Property, plant & equipment (Contd..)

(₹ in Lakhs)

Particulars	Freehold Lands	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
Reversals of impairment losses recognised in profit or loss	-	-	(0.14)	(18.57)	(1.42)	-	(0.87)	**(21.00)**
Depreciation for the year	-	2,512.35	2,363.88	23,264.08	1,695.48	105.47	1,499.72	**31,440.98**
Effect of foreign currency translation differences	-	4.97	0.71	13.63	0.70	-	0.20	**20.21**
Balance as at 31st March, 2019	**-**	**8,270.99**	**7,740.64**	**82,677.65**	**5,623.66**	**271.35**	**4,922.04**	**1,09,506.33**

(₹ in Lakhs)

Particulars	Freehold Lands	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
III. Net carrying amount								
Balance as at 31st March, 2018	**4,478.49**	**51,517.30**	**21,849.65**	**2,80,534.08**	**8,056.00**	**431.03**	**3,402.68**	**3,70,269.23**
Balance as at 31st March, 2019	**4,346.52**	**50,216.20**	**29,308.63**	**3,23,721.91**	**9,559.90**	**520.23**	**4,011.81**	**4,21,685.20**

5(a).1 Assets mortgaged/pledged as security for borrowings are as under:

(₹ in Lakhs)

Net carrying value	As at 31st March, 2019	As at 31st March, 2018
Freehold Lands	3,213.94	3,163.07
Leashold improvements	10,921.85	9,320.74
Office Equipments	1,393.30	1,849.84
Furniture & Fixtures	4,216.85	5,144.81
Vehicles	304.09	291.48
Buildings	24,863.89	25,792.03
Plant & Equipments	1,61,573.15	1,39,363.10
Total	**2,06,487.07**	**1,84,925.07**

5(a).2 Impairment Testing:

Multiplex Business

The Group has carried out review for impairment testing and the review led to the recognition of impairment loss of ₹ 103.00 Lakhs due to lower than expected performances in respect of two multiplex theatres (as at 31st March, 2018: ₹ 308.95 Lakhs in respect of four multiplex theatres). The recoverable amount of the relevant assets has been determined on the basis of their value in use which amounts to ₹ 575.33 Lakhs (as at 31st March, 2018: ₹ 520.38 Lakhs).

Further, in respect of one multiplex, there is reversal of impairment loss of ₹ 21.00 Lakhs which was recognized in earlier year. This reversal is due to extention of lease period for the said multiplex. The recoverable amount of the relevant assets has been determined on the basis of their value in use which amounts to ₹ 38.97 Lakhs (as at 31st March, 2018: ₹ Nil Lakhs).

'The net impairment loss is recognised in the Statement of Profit and Loss. It is not possible to measure fair value, less cost of disposal, of a multiplex theatre and hence the value in use is used as recoverable amount. The discount rate used in measuring the value in use is 12% per annum.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

5(a). Property, plant & equipment (Contd..)

5(a).3 Plant and equipments include assets acquired under finance lease as under:

(₹ in Lakhs)

Particulars	Plant and equipment under finance lease
(i) Cost	
Balance as at 1st April, 2017	-
Additions	106.29
Balance as at 31st March, 2018	**106.29**
Additions	-
Effect of foreign currency translation differences	1.05
Balance as at 31st March, 2019	**107.34**

(₹ in Lakhs)

Particulars	Plant and equipment under finance lease
(ii) Accumulated depreciation	
Balance as at 1st April, 2017	-
Depreciation for the year	5.32
Balance as at 31st March, 2018	**5.32**
Depreciation for the year	7.16
Effect of foreign currency translation differences	0.05
Balance as at 31st March, 2019	**12.53**

(₹ in Lakhs)

Particulars	Plant and equipment under finance lease
(iii) Net carrying amount	
Balance as at 31st March, 2018	**100.97**
Balance as at 31st March, 2019	**94.81**

The lease term in respect of assets acquired under finance lease will be valid for five years from the date of commissioning of the plant. Under the terms of the lease, step down subsidiary will get all the rights, title and interest in the plant on payment of MAD 1 immediately after the end on the term.

5(b). Capital Work in Progress

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Work in Progress	74,171.27	68,628.85
Pre-operative expenditure pending allocation	911.12	3,802.83
Total	**75,082.39**	**72,431.68**

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5(b). Capital Work in Progress (Contd..)

Particulars of pre-operative expenditure incurred during the year are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening balance	**3,802.83**	**2,650.37**
Add: Expenses incurred during the year		
Rates & Taxes	675.47	24.91
Net (gain)/loss on foreign currency transactions and translation	300.27	(555.88)
Insurance	5.66	8.79
Salaries and wages	830.52	785.37
Contribution to provident and other funds	88.74	78.04
Consumables	1,665.05	1,248.29
Staff welfare	1.00	0.27
Legal & professional fees and expenses	1,229.86	768.26
Travelling & conveyance	410.31	170.07
Power & fuel	419.44	55.41
House keeping expenses	30.69	18.13
Outsourced personnel cost	54.48	4.63
Security expenses	113.53	65.56
Lease rentals and hire charges	657.13	-
Miscellaneous expenses	270.67	120.64
Borrowings costs	356.62	498.68
	7,109.44	**3,291.17**
Less: Initial measurement and recognition of inventory on commissioning of project	837.04	-
Less: Income from sale of testing material	2,501.91	146.40
	7,573.32	5,795.14
Less: Capitalised during the year	6,662.20	1,992.31
Closing balance	**911.12**	**3,802.83**

Capital work in progress includes amount of ₹ Nil (31st March, 2018: ₹ 5,627.19 Lakhs) in respect of multiplex premises and other assets under construction which were hypothecated to secure loans from banks (see Note 42). The Group was not allowed to hypothecate these assets as security for other borrowings or to sell them to another entity.

6. Investment Property

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Land held under finance lease (*)	168.45	168.45
Building	1,120.89	823.15
Total	**1,289.34**	**991.60**

(₹ in Lakhs)

Particulars	Land held under finance lease	Building	Total
I. Cost or Deemed Cost			
Balance as at 1st April, 2017	**168.45**	**875.11**	**1,043.56**
Balance as at 31st March, 2018	**168.45**	**875.11**	**1,043.56**
Transfer from Property, Plant and Equipment	-	338.29	338.29
Balance as at 31st March, 2019	**168.45**	**1,213.40**	**1,381.85**

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6. Investment Property (Contd..)

(₹ in Lakhs)

Particulars	Land held under finance lease	Building	Total
II. Accumulated depreciation			
Balance as at 1st April, 2017	**-**	**34.74**	**34.74**
Depreciation expense for the year	-	17.22	17.22
Balance as at 31st March, 2018	**-**	**51.96**	**51.96**
Transfer from Property, Plant and Equipment	-	17.51	17.51
Depreciation for the year	-	23.04	23.04
Balance as at 31st March, 2019	**-**	**92.51**	**92.51**

(₹ in Lakhs)

Particulars	Land held under finance lease	Building	Total
III. Net carrying amount			
Balance as at 31st March, 2018	**168.45**	**823.15**	**991.60**
Balance as at 31st March, 2019	**168.45**	**1,120.89**	**1,289.34**

(*) The land is taken on lease for 999 years.

6.1 Fair Value of Investment Properties

Fair valuation of Investment Properties as at 31st March, 2019 and 31st March, 2018 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to the Group. The valuer is registered with the authority which governs the valuers in India, and in the opinion of the management of the respective companies in the Group, he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the area and locality, facilities available and present rate of similar type of buildings in the vicinity. Fair value was derived by capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and

2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition.

The fair value hierarchy for all investment properties is Level 3 and the fair values are as under:

(₹ in Lakhs)

Particulars	Amount
Fair value as at 31st March, 2019	10,983.23
Fair value as at 31st March, 2018	10,691.90

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for the year ended 31st March, 2019

6. Investment Property (Contd..)

6.2 Amounts recognized in profit or loss in respect of investment properties

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Rental income	630.73	638.63
Direct operating expenses in respect of properties that generated rental income	196.92	143.00
Direct operating expenses in respect of properties that did not generate rental income	3.37	9.48
Depreciation	23.04	17.22

7. Goodwill

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Net carrying amount of:		
Goodwill	1,754.93	1,754.93
Total	**1,754.93**	**1,754.93**

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
I. Cost or Deemed Cost		
Balance at the beginning of the year	**1,796.41**	**1,795.81**
On Acquisition of additional shares of Swanston Multiplex Cinemas Private Limited	-	0.60
Balance at the end of the year	**1,796.41**	**1,796.41**

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
II. Accumulated impairment losses		
Balance at the beginning of the year	**41.48**	**40.88**
Impairment losses recognised during the year	-	0.60
Balance at the end of the year	**41.48**	**41.48**

The Group carried out a review of the recoverable amount of goodwill on consolidation. The review led to recognition of an impairment loss of ₹ Nil (FY 2017-18: ₹ 0.60 Lakhs) which had been recognised in the Statement of Profit and Loss. The discount rate used in measuring the value in use was 12% per annum.

7.1 : Allocation of goodwill to cash generating units:

Goodwill is in respect of

a) One of the multiplexes of the ILL acquired through business combination

b) On consolidation of Shouri Properties Private Limited

c) On acquisition of additional shares of Inox Renewables Limited

d) On acquisition of additional shares of Swanston Multiplex Cinemas Private Limited

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7. Goodwill (Contd..)

Before recognition of impairment losses, the carrying amount of goodwill was allocated to cash-generating units as follows:

(₹ in Lakhs)

Description of Assets	As at 31st March, 2019	As at 31st March, 2018
Cost or deemed Cost		
Multiplex theatre	1,750.00	1,750.00
Shouri Properties Private Limited	41.85	41.85
On Acquisition additional shares of:		
Inox Renewables Limited	3.96	3.96
Swanston Multiplex Cimemas Private Limited	0.60	0.60
Balance at end of the year	**1,796.41**	**1,796.41**

Multiplex Theatre

The recoverable amount of this cash generating unit is determined based on a value in use calculation which uses discounted cashflow projections covering a ten year period and a discount rate of 12% p.a. (as at 31st March, 2018: 12% p.a.)

Key Assumptions used in value in use calculations for this cash generating unit are as follows:

Budgeted Footfalls :	Budgeted footfalls are expected to grow by 5%. The values assigned to the assumption are based on the increased focus on these operations and newer cinema technology such as IMAX being introduced in this location.
Budgeted Average Ticket Price (ATP):	Budgeted ATP is expected to grow by 10%. The values assigned to the assumption are based on the rebranding of these operations and newer cinema technology such as IMAX being introduced in this location.
Budgeted Spend per head (SPH)	Budgeted SPH is expected to grow by 9%. The values assigned to the assumption are based on the rebranding of these operations.

Shouri Properties Private Limited (SPPL)

The recoverable amount of this cash generating unit is determined based on a value in use calculation which uses discounted cashflow projections covering a ten year period and a discount rate of 12% p.a. (as at 31st March, 2018: 12% p.a.)

Budgeted Rental income:	Budgeted revenue of SPPL from rental income is expected to increase by more than 10% over current rental income due to increased footfalls and improved connectivity of the multiplex location operated by the Company.
Budgeted Rental expense:	Budgeted rental expense of SPPL is expected to increase by more than 10% over current rental income due to increased footfalls and improved connectivity of the multiplex location operated by the Company.

Based on above, no impairment loss has been recognised during the year ended 31st March, 2019 (previous year: Nil).

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

8. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carrying amount of:		
Website	7.84	17.38
Software	1,208.22	1,265.15
Mining Rights	736.41	810.23
Product Development	81.32	228.16
Technical Know How	5,466.93	5,996.03
Movie Script	-	-
	7,500.72	**8,316.95**

(₹ in Lakhs)

Particulars	Website	Software	Mining Rights	Product Development	Technical Know How	Movie Script	Total
I. Cost or Deemed Cost							
Balance as at 1st April, 2017	**46.00**	**1,848.58**	**950.26**	**695.80**	**8,968.73**	**54.43**	**12,563.80**
Additions	-	284.74	-	-	485.67	-	**770.41**
Disposals	-	(7.14)	-	-	-	-	**(7.14)**
Effect of foreign currency translation differences	-	0.06	114.59	-	-	-	**114.65**
Balance as at 31st March, 2018	**46.00**	**2,126.24**	**1,064.85**	**695.80**	**9,454.40**	**54.43**	**13,441.72**
Additions	-	359.54	-	-	658.22	-	**1,017.76**
Disposals	-	(3.05)	-	-	-	(54.43)	**(57.48)**
Effect of foreign currency translation differences	-	0.55	(0.82)	-	-	-	**(0.27)**
Balance as at 31st March, 2019	**46.00**	**2,483.28**	**1,064.03**	**695.80**	**10,112.62**	**-**	**14,401.73**

(₹ in Lakhs)

Particulars	Website	Software	Mining Rights	Product Development	Technical Know How	Movie Script	Total
II. Accumulated amortizations							
Balance as at 1st April, 2017	**19.08**	**490.01**	**138.57**	**320.80**	**2,288.76**	**54.43**	**3,311.65**
Eliminated on disposal of assets	-	(6.54)	-	-	-	-	**(6.54)**
Amortisation expense for the year	9.54	377.59	81.02	146.84	1,169.61	-	**1,784.60**
Effect of foreign currency translation differences	-	0.03	35.03	-	-	-	**35.06**
Balance as at 31st March, 2018	**28.62**	**861.09**	**254.62**	**467.64**	**3,458.37**	**54.43**	**5,124.77**
Eliminated on disposal of assets	-	(2.01)	-	-	-	(54.43)	**(56.44)**
Amortisation expense for the year	9.54	415.46	81.83	146.84	1,187.32	-	**1,840.99**
Effect of foreign currency exchange differences	-	0.52	(8.83)	-	-	-	**(8.31)**
Balance as at 31st March, 2019	**38.16**	**1,275.06**	**327.62**	**614.48**	**4,645.69**	**-**	**6,901.01**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

8. Other Intangible Assets (Contd..)

(₹ in Lakhs)

Particulars	Website	Software	Mining Rights	Product Development	Technical Know How	Movie Script	Total
III. Net carrying amount							
Balance as at 31st March, 2018	**17.38**	**1,265.15**	**810.23**	**228.16**	**5,996.03**	**-**	**8,316.95**
Balance as at 31st March, 2019	**7.84**	**1,208.22**	**736.41**	**81.32**	**5,466.93**	**-**	**7,500.72**

9. Investments accounted for using the equity method

9 (a). Investment in Associate Companies

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non - Current					
Unquoted Investments					
Investments in Equity Instruments					
In partly paid-up equity shares					
Megnasolace City Private Limited -	10	5000000	3,201.88	5000000	3,201.88
- Equity shares of ₹10/- each, paid up ₹ 1.60 per share (31st March, 2018: ₹ 1.60 per share)					
In fully paid-up equity shares					
Nani Virani Wind Energy Private Limited	10	10000	-	10000	0.65
Ravapar Wind Energy Private Limited	10	10000	-	10000	0.65
Khatiyu Wind Energy Private Limited	10	10000	-	10000	0.65
Wind Two Renergy Private Limited	10	10000	3,248.09	10000	-
Wind Four Renergy Private Limited	10	10000	1,848.39	10000	-
Wind Five Renergy Private Limited	10	10000	1,834.64	10000	-
Wind One Renergy Private Limited	10	10000	-	-	-
Wind Three Renergy Private Limited	10	10000	-	-	-
Total Unquoted Investments			**10,133.00**		**3,203.83**
Total investment in associate companies (a)			**10,133.00**		**3,203.83**

Commitment towards partly paid shares - ₹ 16,800.00 Lakhs (31st March,2018: ₹ 16,800.00 Lakhs)

9 (b). Investment in Joint Venture

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non - Current, fully paid-up					
Unquoted Investments					
Investments in Equity Instruments					
Swarnim Gujarat Fluorspar Private Limited	10	1182500	88.33	1082500	90.52
Total Unquoted Investments			**88.33**		**90.52**
Total investment in joint ventures (b)			**88.33**		**90.52**
Total Investments accounted for using the equity method			**10,221.33**		**3,294.35**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

9. Investments accounted for using the equity method (Contd..)

9 (c). Details and financial information of associates

Name of associate	Proportion of ownership interest and voting rights held by the Group	
	As at 31st March, 2019	As at 31st March, 2018
Megnasolace City Private Limited	50.00%	50.00%
Wind Two Renergy Private Limited	100.00%	100.00%
Wind Four Renergy Private Limited	100.00%	100.00%
Wind Five Renergy Private Limited	100.00%	100.00%
Nani Virani Wind Energy Pvt. Ltd.	See Note 51	100.00%
Ravapar Wind Energy Pvt. Ltd.	See Note 51	100.00%
Khatiyu Wind Energy Pvt. Ltd.	See Note 51	100.00%
Wind One Renergy Private Limited	100.00%	See Note 51
Wind Three Renergy Private Limited	100.00%	See Note 51

(a) Megnasolace City Private Limited

Megnasolace City Private Limited is incorporated in India and is engaged in the business of real estate.

Uncalled amount payable by the Group in respect of above shares is ₹ 16,800 Lakhs (31st March, 2018: ₹ 16,800 Lakhs)

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
The Group's share of profit/(loss)	-	-
The Group's share of other comprehensive income	-	-
The Group's share of total comprehensive income	-	-

There are no restrictions on the ability of associate to transfer funds to the Group in the form of cash dividend or to repay loans or advances made by the Group.

(b) Other associates

The Group has incorporated wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. Thereafter, the Group has entered into various binding agreements (including call & put option agreement and voting rights agreement) with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that the Group has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the Group has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

9. Investments accounted for using the equity method (Contd..)

(₹ in Lakhs)

Name of associate	Fair value on the date of becoming an associate	
	2018-19	2017-18
Wind Two Renergy Private Limited	NA	0.17
Wind Four Renergy Private Limited	NA	0.17
Wind Five Renergy Private Limited	NA	0.17
Nani Virani Wind Energy Private Limited	NA	1.00
Ravapar Wind Energy Private Limited	NA	1.00
Khatiyu Wind Energy Private Limited	NA	1.00
Wind One Renergy Private Limited	-	NA
Wind Three Renergy Private Limited	-	NA

All the above associates are incorporated in India and are proposed to be engaged in the business of generation and sale of wind energy.

The voting rights are subject to the binding agreements refered above.

As at 31st March, 2019

(₹ in Lakhs)

Name of the associate	The Group's share of profit/ (loss)	The Group's share of other comprehensive income	The Group's share of total comprehensive income
Wind Two Renergy Private Limited	(2.91)	-	(2.91)
Wind Four Renergy Private Limited	(2.61)	-	(2.61)
Wind Five Renergy Private Limited	(16.36)	-	(16.36)
Wind One Renergy Private Limited	(1.00)	-	(1.00)
Wind Three Renergy Private Limited	(1.00)	-	(1.00)

As at 31st March, 2018

(₹ in Lakhs)

Name of the associate	The Group's share of profit/ (loss)	The Group's share of other comprehensive income	The Group's share of total comprehensive income
Wind Two Renergy Private Limited	0.17	-	0.17
Wind Four Renergy Private Limited	0.17	-	0.17
Wind Five Renergy Private Limited	0.17	-	0.17
Nani Virani Wind Energy Private Limited	0.35		0.35
Ravapar Wind Energy Private Limited	0.35	-	0.35
Khatiyu Wind Energy Private Limited	0.35	-	0.35

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

9. Investments accounted for using the equity method (Contd..)

9 (d). Details and financial information of the joint venture

Details of the Group's joint venture at the end of the reporting period are as follows:

Name of Joint Venture	Proportion of ownership interest and voting rights held by the Group	
	As at 31st March, 2019	As at 31st March, 2018
Swarnim Gujarat Fluorspar Private Limited (SGFPL)	25.00%	25.00%

SGFPL is incorporated in India and is engaged in the business of manufacturing of Acid Grade Fluospar. This joint venture is accounted for using the equity method in these consolidated financial statements.

Aggregate information of joint venture that are not individually material.

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
The Group's share of profit/(loss)	(12.19)	(6.09)
The Group's share of other comprehensive income	-	-
The Group's share of total comprehensive income	(12.19)	(6.09)

There are no restrictions on the ability of the joint ventures to transfer funds to the Group in the form of cash dividend or to repay loans or advances made by the Group.

10. Other Investments

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Non-current investments					
I. Quoted Investments (fully paid up)					
Investments in Mutual Funds (measured at FVTPL)					
Franklin India Fixed Maturity Plans - Series 1- Plan B - Direct Growth	10	5000000	570.34	5000000	529.94
Kotak FMP Series 204-Direct-Growth	10	10000000	1,138.51	10000000	1,057.50
Reliance Fixed Horizon Fund - XXXIV Series 2 - Direct Growth Plan	10	10000000	1,140.06	10000000	1,057.91
Reliance Fixed Horizon Fund - XXXIV Series 3 - Direct Growth Plan	10	5000000	569.65	5000000	528.47
Reliance Fixed Horizon Fund - XXXIV Series 7 - Direct Growth Plan	10	15000000	1,690.08	15000000	1,570.37
DHFL Pramerica Fixed Duration Fund - Series AH - Direct Plan - Growth	1000	100000	1,115.87	100000	1,038.62
Aditya Birla Sun Life Fixed Term Plan - Series QU (1100 Days) Regular Growth	10	10000000	1,062.37	-	-
HDFC FMP 1105D - Regular - Growth	10	10000000	1,058.93	-	-
Kotak FMP - Series 240 - Growth (Regular Plan)	10	10000000	1,064.73	-	-
Reliance Fixed Horizon Fund XXXVIII Series 12 - Growth	10	10000000	1,066.27	-	-
L&T FMP Series XVII - Plan C (1114 Days) - Regular - Growth	10	10000000	1,063.15	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

10. Other Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
UTI Fixed Term Income Fund Series XXX-V (1135 Days) - Regular Growth Plan	10	5000000	533.16	-	-
HDFC FMP 1120D Series 44	10	15000000	1,503.80	-	-
Reliance Fixed Horizon Fund Series 9 - Direct Growth	10	2500000	302.38	2500000	280.75
HDFC FMP 1430 Days July 2017(1)-Direct-Growth-Sr. 38	10	10000000	1,111.36	10000000	1,032.08
Kotak Series 210-Direct-Growth	10	6500000	717.08	6500000	666.00
ICICI Prudential FMP Series 76-1134 Days Plan Y Cumulative	10	-	-	10000000	1,258.18
ICICI Prudential FMP Series 76-1135 Days Plan Z Cumulative	10	-	-	10000000	1,249.48
ICICI Prudential FMP Series 77-1132 Days Plan A Cumulative	10	-	-	10000000	1,239.76
IDFC Fixed term Plan Series 108 -Regular Plan-Growth (1144 Days)	10	-	-	10000000	1,223.63
SBI Debt Fund Series B-16 (1100 Days) -Regular Plan Growth	10	-	-	10000000	1,243.11
Total			**15,707.74**		**13,975.80**
Less: current portion of Non current investments disclosed under current investments			(302.38)		(6,214.16)
Total quoted Investments			**15,405.36**		**7,761.64**
II. Unquoted Investments (fully paid up)					
Investments in equity instruments (measured at FVTPL)					
Kaleidoscope Entertainment Private Limited	1	562500	60.75	562500	60.75
Less : Provision for impairment loss			(60.75)		(60.75)
Investments in Government securities (measured at amortised cost)					
National Saving Certificates		-	114.80	-	168.65
Less: current portion of Non current investments disclosed under current investments			(53.10)		(47.09)
Investments in Mutual Fund (measured at FVTPL)					
HDFC Regular Savings Fund - Regular Plan - Growth	10	-	-	3677863	1,266.45
Aditya Birla Sun Life Short Term Opportunities Fund-Growth -Regular Plan	10	-	-	4355989	1,256.59
DSP Black Rock Short Term Fund - Regular Plan - Growth	10	-	-	4174494	1,231.29
Franklin India Short Term Income Plan-Retail Plan -Growth	1000	-	-	34670	1,272.49
DHFL Pramerica Short Maturity Fund - Growth	10	-	-	3958860	1,258.95
SBI Blue Chip Fund - Regular Plan - Growth	10	3692780	1,447.91	3692780	1,374.55
Kotak Select Focus Fund - Growth (Regular Plan)	10	4634850	1,644.34	4634850	1,474.67
Principal Emerging Blue Chip Fund - Regular Plan Growth	10	1327857	1,382.96	1327857	1,378.85
L&T India Value Fund - Growth	10	1246296	450.40	1246296	448.08
Aditya Birla Sun Life India Reforms Fund - Growth - Regular Plan	10	-	-	2828815	551.05
Franklin Build India Fund - Growth	10	3891078	1,666.32	3891078	1,537.38

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

10. Other Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Franklin India Smaller Companies Fund - Growth	10	411175	226.29	411175	242.06
Reliance Large Cap Fund - Growth Plan Growth Option	10	2896402	1,026.81	2896402	898.56
Reliance Vision Fund-Gowth Plan-Growth option	10	-	-	80083	427.61
Tata Equity P/E Fund Regular Plan-Growth	10	697682	944.19	697682	937.04
Kotak Infrastructure & Economic Reform Fund Standard Growth (Regular Plan)	10	4289636	855.57	4289636	912.83
L&T Infrastructure Fund-Growth	10	-	-	5260389	901.63
L&T Midcap Fund-Growth		-	-	331301	460.48
Investments in venture capital funds (measured at FVTPL)	10				
Kshitij Venture Capital Fund	7.54 (PY:215.54)	250000	18.85	250000	538.85
Less: current portion of Non current investments disclosed under current investments			(18.85)		(538.85)
Investments in Alternate Investment Fund (measured at FVTPL)					
Varanium Dynamic Fund	100	15503388	10,863.53	14557500	15,084.04
Total Unquoted Investments			**20,570.02**		**33,036.16**
Total non-current investments (I + II)			**35,975.38**		**40,797.80**

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Current investments					
I. Quoted Investments (fully paid up)					
Current portion of Non current investments					
Investments in Mutual Funds (measured at FVTPL)			302.38		6,214.16
Total quoted Investments			**302.38**		**6,214.16**
II. Unquoted Investments (fully paid up)					
Investments in Government securities (measured at amortised cost)					
Current portion of Non current investments					
National Saving Certificates		-	53.10	-	47.09
Investments in Mutual Funds (measured at FVTPL)					
ICICI Prudential Liquid Fund-Direct Plan-Growth	10	85330	235.87	122536	314.90
Kotak Liquid Fund-Direct Plan-Growth	10	2812	106.40	-	-
IDBI Mutual Fund - Regular Growth Option	10	50000	4.95	50000	4.85
SBI Saving Fund -Regular plan-Growth	10	6963537	2,014.96	-	-
ABSL Saving Fund - Growth Direct	10	35953	133.66	-	-
Aditya Birla Sunlife Cash Plus-Growth-Regular Plan	100	-	-	416840	1,159.79
ICICI Prudential Liquid Plan-Growth-Regular Plan	100	3046	8.39	12518	32.10

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

10. Other Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos.	Amounts	Nos.	Amounts
Investments in venture capital funds (measured at FVTPL)					
Current portion of Non current investments					
Kshitij Venture Capital Fund	7.54 (PY:215.54)	250000	18.85	250000	538.85
Total Unquoted Investments			**2,576.18**		**2,097.58**
Total Current Investments (I + II)			**2,878.56**		**8,311.74**
Total Other Investments			**38,853.94**		**49,109.54**
Non-current investments			35,975.38		40,797.80
Current investments			2,878.56		8,311.74
			38,853.94		**49,109.54**
Category-wise other investments - as per Ind AS 109 classification:					
Investments measured at amortised cost			114.80		168.65
Investments measured at fair value through profit or loss			38,739.14		48,940.89
			38,853.94		**49,109.54**
Aggregate amount of quoted investments			15,707.74		13,975.80
Aggregate market value of quoted investments			15,707.74		13,975.80
Aggregate amount of unquoted investments			23,146.20		35,133.74
Aggregate amount of impairment in value of investments			60.75		60.75

Investment in National Savings Certificate (NSC) carries interest in the range of 8.16% to 8.78% p.a. as per the issue series invested. Interest is compounded on yearly basis and payable on maturity. These NSC's are pledged with Government authorities and held in the name of directors/ex-director/employees of subsidiary companies.

11. Loans

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Security deposits		
- Considered good	11,010.40	9,616.35
- Which have significant increase in credit risk	-	-
- Credit impaired	147.46	205.47
	11,157.86	9,821.82
Provision for Impairment	(147.46)	(205.47)
	11,010.40	9,616.35
Total	**11,010.40**	**9,616.35**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

11. Loans (Contd..)

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Inter corporate deposit to related parties (see Note 51)	52.39	107.54
Security deposits	997.36	1,731.79
Inter corporate deposit and loans to other parties		
- Considered good	3,664.90	2,762.98
- Which have significant increase in credit risk	-	725.29
- Credit impaired	-	-
	3,664.90	3,488.27
Allowance for expected credit losses	-	(725.29)
	3,664.90	2,762.98
Total	**4,714.65**	**4,602.31**
Carrying amount of security deposits whose contractual cash flow characteristics have been assessed based on the facts and circumstances that existed at the date of transition to Ind AS.	5,121.43	4,813.41

12. Other financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Non-current bank balances (from Note 19)	785.11	661.09
Derivative assets	742.66	653.80
Unbilled revenue (see Note (i) below)	25,578.41	19,869.87
Entertainment tax refund claimed	1,591.60	2,633.97
Electricity charges refund claimed	389.83	389.83
Amount recoverable towards claim		
- Considered good - unsecured	87.97	147.97
- Which have significant increase in credit risk	-	-
- Credit impaired	914.16	854.16
	1,002.13	1,002.13
Provision for Impairment (see Note 53)	(914.16)	(854.16)
	87.97	147.97
Other advances (see Note (ii) below)		
- Considered good - unsecured	6,109.41	3,354.11
- Which have significant increase in credit risk	-	-
- Credit impaired	22.50	58.64
	6,131.91	3,412.75
Provision for Impairment	(22.50)	(58.64)
	6,109.41	3,354.11
Total	**35,284.99**	**27,710.64**
Current		
Security deposits	1.85	12.86
Interest accrued-others	27.77	24.90

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

12. Other financial assets (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unbilled revenue (see Note (i) below)	7,808.07	4,709.65
Insurance claims lodged	63.02	-
Other receivables		
- Considered good - unsecured- from related parties	9.32	16.54
- Considered good - unsecured- from others	596.98	1,650.37
- Which have significant increase in credit risk	-	-
- Credit impaired - others	-	4.35
	606.30	1,671.26
Provision for Impairment	-	(4.35)
	606.30	1,666.91
Total	**8,507.01**	**6,414.32**

Notes:

(i) Unbilled revenue is classified as financial asset as right to consideration is unconditional upon passage of time.

(ii) Other advances includes advances given for properties to be taken on lease by subsidiary and are under negotiations.

13.Deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	50,278.99	16,755.17
Deferred tax liabilities	(1,492.57)	(20,125.06)
Net deferred tax liabilities	**48,786.42**	**(3,369.89)**

Year ended 31st March, 2019

13.1 The major components of deferred tax assets/(liabilities) in relation to : (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, Plant and Equipment	(43,586.67)	(3,773.51)	-	-	(47,360.18)
Expenses allowable on payment basis	735.91	146.87	-	-	882.78
Straight lining of O & M revenue	(8,689.43)	(2,634.15)	-	-	(11,323.58)
Allowance for doubtful trade receivables and expected credit losses	644.79	218.17	-	-	862.96
Effect of measuring financial instruments at fair value	(1,368.98)	256.79	-	-	(1,112.19)
Effect of measuring derivative instruments at fair value	(86.20)	(35.68)	27.76	-	(94.12)
Gratuity and Leave Benefits	1,711.00	313.60	(37.14)	-	1,987.46
Government grants - deferred income	3,843.71	(348.13)	-	-	3,495.58
Business loss	14,518.47	3,818.03	-	-	18,336.50
Other deferred tax assets	2,259.23	1,129.83	-	-	3,389.06
Other deferred tax liabilities	-	(66.01)	29.21	-	(36.80)
	(30,018.17)	**(974.19)**	**19.83**	**-**	**(30,972.53)**
MAT Credit Entitlement	26,648.28	60,471.84	-	(7,361.17)	79,758.95
Net Deferred tax liabilities	**(3,369.89)**	**59,497.65**	**19.83**	**(7,361.17)**	**48,786.42**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

13.Deferred tax assets/(liabilities) (Contd..)

Year ended 31st March, 2018

13.2 The major components of deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, Plant and Equipment	(50,001.73)	6,415.06	-	-	(43,586.67)
Expenses allowable on payment basis	506.87	229.04	-	-	735.91
Straight lining of O & M revenue	(4,582.30)	(4,107.13)	-	-	(8,689.43)
Allowance for doubtful trade receivables and expected credit losses	662.80	(18.01)	-	-	644.79
Effect of measuring financial instruments at fair value	(925.28)	(443.70)	-	-	(1,368.98)
Effect of measuring derivative instruments at fair value	63.05	(22.01)	(127.24)	-	(86.20)
Gratuity and Leave Benefits	1,569.91	307.96	(166.87)	-	1,711.00
Government grants - deferred income	4,156.80	(313.09)	-	-	3,843.71
Business loss	5,843.95	8,674.52	-	-	14,518.47
Other deferred tax assets	504.71	1,754.52	-	-	2,259.23
Other deferred tax liabilities	(9.80)	40.43	(30.63)	-	-
	(42,211.02)	**12,517.59**	**(324.74)**	**-**	**(30,018.17)**
MAT Credit Entitlement	26,083.37	2,924.47	-	(2,359.56)	26,648.28
Net Deferred tax liabilities	**(16,127.65)**	**15,442.06**	**(324.74)**	**(2,359.56)**	**(3,369.89)**

13.3 As at 31st March, 2019, the Group has following unused tax losses and credits under the Income-tax Act for which no deferred tax asset has been recognised:

Nature of tax loss	Financial Year	Gross amount (₹ in Lakhs)	Expiry date
Business Losses	2014-15	11.98	31/03/2023
	2015-16	377.99	31/03/2024
	2016-17	451.81	31/03/2025
	2016-17	647.03	31/03/2021
	2017-18	868.89	31/03/2026
	2017-18	192.85	31/03/2022
	2018-19	1,112.46	31/03/2027
	2018-19	692.62	31/03/2023
Unabsorbed depreciation	2015-16	1.51	No limit
	2016-17	2.00	No limit
	2017-18	3.10	No limit
	2018-19	2.64	No limit
	Various	708.58	No limit
Long term capital losses			
	2011-12	606.63	31/03/2020
	2012-13	95.99	31/03/2021
	2013-14	243.44	31/03/2022
	2014-15	239.47	31/03/2023
	2015-16	120.09	31/03/2024
	2016-17	1,816.62	31/03/2025

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

13.Deferred tax assets/(liabilities) (Contd..)

Nature of tax loss	Financial Year	Gross amount (₹ in Lakhs)	Expiry date
MAT Credit Entitlement	2014-15	14.87	31/03/2025
	2016-17	29.49	31/03/2027
	2017-18	21.98	31/03/2033
	2018-19	37.18	31/03/2034

No deferred tax liability has been recognised in respect of temporary differences associated with the investments in subsidiaries (on account of undistributed earnings of the subsidiaries and foreign currency translation differences) aggregating to ₹ 1,54,739.90 Lakhs (as at 31st March, 2018 ₹ 1,49,656.22 Lakhs) as the holding company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

14. Other assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Capital advances		
Considered good	9,849.30	9,243.07
Considered doubtful	423.83	423.83
	10,273.13	9,666.90
Allowance for doubtful advances	(423.83)	(423.83)
	9,849.30	9,243.07
Security deposits with Government authorities	1,925.85	1,538.59
Balances with government authorities - Balances in Excise, Service Tax, GST, VAT Accounts etc.	1,824.81	1,835.02
Deferred rent expense	5,777.36	4,437.96
Prepayments lease hold land	8,993.50	9,257.17
Prepayments others	2,286.34	1,716.83
Total	**30,657.16**	**28,028.64**
Current		
Advance to suppliers		
Considered good	24,805.03	21,587.96
Considered doubtful	59.04	59.04
	24,864.07	21,647.00
Allowance for doubtful advances	(59.04)	(59.04)
	24,805.03	21,587.96
Balances with government authorities - Balances in Excise, Service Tax, GST, VAT Accounts etc.	8,675.61	4,959.42
Electricity duty and Custom duty refund claimed	2,076.16	1,620.60
Deferred rent expense	615.00	494.50
Prepayments - lease hold land	220.00	172.26
Prepayments - others	3,459.40	2,880.15
Other advances	480.07	262.89
Unbilled revenue	81.71	19.81
Total	**40,412.98**	**31,997.59**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

15. Tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Income tax paid (net of provisions)	23,834.67	15,441.01
Total	**23,834.67**	**15,441.01**
Current		
Income tax paid (net of provisions)	785.24	-
Total	**785.24**	**-**

16. Inventories

(at lower of cost and net realizable value)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Materials (including goods in transit of ₹ 18,027.61 Lakhs (31st March, 2018: ₹ 21,505.31 Lakhs))	64,551.48	69,080.25
Work-in-progress	35,784.09	26,499.20
Finished Goods	30,085.27	14,824.31
Stock in trade	17.90	10.22
Stores, spares and consumables	10,087.19	7,886.57
Others		
- Fuel	443.46	1,797.24
- Packing Materials	850.07	641.74
- By products	165.97	151.95
- Food and Beverages	825.68	619.09
- Construction Materials	16,989.20	9,883.66
Total	**1,59,800.31**	**1,31,394.23**

Notes:

(i) The cost of inventories recognised as an expense includes ₹1340.14 Lakhs (31st March,2018: ₹714.08 Lakhs) in respect of write downs of inventory to net realisable value.

(ii) Inventories of ₹ 54,079.13 Lakhs (as at 31st March, 2018: ₹ 99,497.90 Lakhs) are hypothecated against working capital facilities from banks, see Note 42 for security details.

(iii) The mode of valuation of inventories has been stated in Note 3.18.

17. Trade receivables

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Trade receivables		
- Considered good	2,12,306.05	1,94,368.59
- Which have significant increase in credit risk	1,893.24	1,153.41
- Credit Impaired	647.37	744.27

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

17. Trade receivables (Contd..)

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	2,14,846.66	1,96,266.27
Provision for expected credit loss and Impairment	(2,540.61)	(1,897.68)
Total	**2,12,306.05**	**1,94,368.59**

18. Cash & cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
in current accounts	6,465.86	5,867.78
in cash credit accounts	8.45	1,527.10
Cheques in hand and money in transit	-	24.06
Bank deposits with original maturity up to 3 months	-	3,186.48
Cash on hand	650.69	470.62
Total	**7,125.00**	**11,076.04**

19. Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance in unclaimed dividend accounts	175.91	177.31
Bank deposits with original maturity for more than 3 months but less than 12 months *	12,509.95	6,957.47
Bank deposits with original maturity of more than 12 months *	1,583.32	1,983.54
	14,269.18	9,118.32
Amount disclosed under Note 12 - 'Other financial assets - non current'	(785.11)	(661.09)
Total	**13,484.07**	**8,457.23**

Notes:

* Other bank balances include margin money deposits kept as security against bank guarantee as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Bank deposits with original maturity for more than 3 months but less than 12 months	12,010.22	6,645.64
b) Bank deposits with original maturity for more than 12 months	1,433.24	1,459.78

Notes to Consolidated Financial Statements

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20. Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorized		
20,00,00,000 (31st March, 2018: 20,00,00,000) equity shares of ₹ 1 each	2,000.00	2,000.00
Issued and Subscribed and Fully Paid		
10,98,50,000 (31st March, 2018: 10,98,50,000) equity shares of ₹ 1 each	1,098.50	1,098.50
Total	**1,098.50**	**1,098.50**

20.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	Nos.	(₹ in Lakhs)
As at 31st March, 2019		
At the beginning of the year	10,98,50,000	1,098.50
At the end of the year	10,98,50,000	1,098.50
As at 31st March, 2018		
At the beginning of the year	10,98,50,000	1,098.50
At the end of the year	10,98,50,000	1,098.50

20.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

20.3 Particulars of dividend paid to shareholders

On 4th September, 2018, final dividend of ₹ 3.50 per share (Total dividend of ₹4,635.05 Lakhs including dividend distribution tax (DDT) of ₹790.30 Lakhs) for FY 2017-18 was paid to holders of equity shares.

In respect of financial year ended 31st March, 2019, the Board of Directors propose that a dividend of ₹3.50 per share be paid on equity shares. The equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend (including dividend distribution tax of ₹790.30 Lakhs) to be paid is ₹ 4,635.05 Lakhs.

20.4 Shares held by holding company

Particulars	Nos.	(₹ in Lakhs)
As at 31st March, 2019		
Inox Leasing and Finance Limited	5,77,15,310	577.15
As at 31st March, 2018		
Inox Leasing and Finance Limited	5,77,15,310	577.15

20.5 Details of shareholders holding more than 5% shares in the company

Particulars	Nos.	Holding %
As at 31st March, 2019		
Inox Leasing and Finance Limited	5,77,15,310	52.54%

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

20. Equity share capital (Contd..)

Particulars	Nos.	Holding %
Devansh Trademart LLP	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%
As at 31st March, 2018		
Inox Leasing and Finance Limited	5,77,15,310	52.54%
Devansh Trademart LLP	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%

21. Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital reserves	13,004.82	13,004.82
Capital redemption reserve	59.30	59.30
Securities premium	46,715.52	46,726.89
Debenture redemption reserve	1,135.55	1,135.55
Shares options outstanding account	101.51	93.34
General reserves	3,21,729.72	3,01,729.72
Retained earnings	2,12,839.62	1,11,949.52
Cash flow hedge reserve	12.30	137.14
Foreign currency translation reserve	985.62	744.89
Total	**5,96,583.96**	**4,75,581.17**

21.1 Capital reserves

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	13,004.82	13,004.82
Movement during the year	-	-
Balance at the end of the year	13,004.82	13,004.82

Capital reserves represents compensation received for phased reduction and cessation of CFC production and dismantling of plant, unless otherwise used, as stipulated.

21.2 Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	59.30	59.30
Movement during the year	-	-
Balance at the end of the year	59.30	59.30

In FY 2008-2009, Group has bought back and extinguished 59,30,000 equity shares of ₹ 1 per share at an average price of ₹ 103.48 per share from open market, and accordingly the face value of ₹ 1 per share is reduced from the paid up equity share capital and correspondingly the amount of ₹ 59.30 Lakhs is transferred to Capital Redemption Reserve from profit and loss account.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

21. Other equity (Contd..)

21.3 Securities premium

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	46,726.89	46,726.89
Share issue expenses	(72.10)	-
Adjustment on account of grant of stock options in a subsidiary	60.73	-
Balance at the end of the year	46,715.52	46,726.89

Securities Premium represents premium on issue of shares. This amount is utilised in accordance with the provisions of the Companies Act, 2013.

21.4 Debenture redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	1,135.55	1,135.55
Transfer from retained earnings	-	-
Balance at the end of the year	1,135.55	1,135.55

In FY 2016-2017, the Group has issued redeemable non-convertible debentures. Accordingly, as required by the Companies (Share capital and Debentures) Rules, 2014 (as amended), Debenture Redemption Reserve (DRR) is created out of profits available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and will be reclassified to retained earnings on redemption of debentures.

21.5 Shares options outstanding account

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	93.34	2.66
Movements during the year	8.17	90.68
Balance at the end of the year	101.51	93.34

The above reserve relates to share option granted by the Group to its employees/employees of the subsidiary company under the employee share option plan. Further information about share based payment to employees is set out in Note 41.

21.6 General reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	3,01,729.72	2,81,729.72
Transfer from surplus in the Statement of Profit and Loss	20,000.00	20,000.00
Balance at the end of the year	3,21,729.72	3,01,729.72

General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

21. Other equity (Contd..)

21.7 Retained earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	1,11,949.52	1,07,622.28
Total comprehensive income for the year	1,30,547.27	25,563.08
On account of preferential allotment of shares by Inox Leisure Limited - see Note 55	(5,022.12)	3,391.61
Payment of dividend on equity shares (including tax on dividend) - see Note 20.3	(4,635.05)	(4,627.45)
Amount transferred to general reserve	(20,000.00)	(20,000.00)
Balance at the end of the year	2,12,839.62	1,11,949.52

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013 and is subject to levy of dividend distribution tax. Thus, the amounts reported above may not be distributable in entirety.

21.8 Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	137.14	(137.11)
Other comprehensive income for the year, net of income tax	(124.84)	274.25
Balance at the end of the year	12.30	137.14

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedge. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non -financial hedged item, or when it becomes ineffective.

21.9 Foreign currency translation reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	744.89	582.74
Other comprehensive income for the year, net of income tax	240.73	162.15
Balance at the end of the year	985.62	744.89

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve and will be transferred to retained earnings on disposal of such foreign operations.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

22. Non-Controlling Interest

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	1,19,288.37	1,08,146.61
Share of Total Comprehensive Income for the year	4,454.59	(1,229.16)
Movement due to stock options granted	59.35	88.81
Movement due to share issue expenses by Subsidiary	(37.72)	-
On account of preferential allotment of shares by Inox Leisure Limited - see Note 55	5,022.12	-
On account of partial disinvestments of shares in Inox Wind Limited	-	12,282.11
Balance at the end of the year	**1,28,786.71**	**1,19,288.37**

For details of significant non-controlling interest - see Note 54

23. Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
(a) Debentures		
Non convertible redeemable debentures	15,858.59	26,084.09
(b) Term loans		
(i) From banks		
Foreign currency loans	19,893.17	28,492.63
Rupee loans	55,154.06	39,686.59
(ii) From other parties		
Vehicle loans	187.75	153.51
(c) Long-term maturities of finance lease obligations		
Obligations under finance leases	71.35	88.68
	91,164.92	94,505.50
Less: Amounts disclosed under Note 24 Other current financial liabilities		
(i) Current maturities of long-term borrowings	(32,543.92)	(33,204.66)
(ii) Current maturities of finance leases	(21.48)	(18.03)
(iii) Interest accrued	(1,367.06)	(1,763.28)
Total	**57,232.46**	**59,519.53**

Note: For terms of repayment and securities etc. (see Note 42).

24. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Security deposits	942.12	329.21
Retention money	136.09	166.30
Premium payable on option contract	149.70	256.72
Total	**1,227.91**	**752.23**

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for the year ended 31st March, 2019

24. Other financial liabilities (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Current maturities of long term borrowing (from Note 23)	32,543.92	33,204.66
Current maturities of finance lease (from Note 23)	21.48	18.03
Interest accrued (from Note 23 and 27)	1,875.10	1,925.09
Unclaimed dividend (*)	175.91	177.31
Security deposits	746.48	691.54
Creditors for capital expenditure	13,563.64	15,871.20
Retention money	930.50	469.32
Derivative financial liabilities	718.26	680.25
Consideration payable for business combinations	1,198.00	1,320.24
Employees dues payable	6,272.79	6,184.92
Expenses payables	8,122.04	8,601.97
Premium payable on option contract	107.02	135.20
Economic benefit payable to transferee of projects	396.58	2,209.43
Other Payables	406.35	-
Total	**67,078.07**	**71,489.16**

(*) In respect of unclaimed dividends, the actual amount to be transferred to the Investor Education and Protection Fund is determined on the due date.

25. Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current		
Provision for employee benefits (see Note 49)		
Gratuity	2,811.93	2,591.69
Compensated absences	1,196.88	1,126.26
Total	**4,008.81**	**3,717.95**
Current		
(a) Provision for employee benefits (see Note 49)		
Gratuity	626.84	292.36
Compensated absences	1,088.30	944.95
	1,715.14	1,237.31
(b) Other provisions		
Municipal taxes	-	115.95
Service tax	1,067.21	1,067.21
Other indirect tax matters (net of payments) (see Note 43)	244.54	117.61
	1,311.75	1,300.77
Total	**3,026.89**	**2,538.08**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

25. Provisions (Contd..)

25.1 Details of other provisions:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
a) Provision for municipal taxes		
Opening balance	115.95	185.61
Addition during the year	224.00	283.38
Paid during the year	339.95	353.04
Closing balance	-	115.95
b) Provision for Service tax on rentals		
Opening balance	1,067.21	1,074.63
Addition during the year	-	-
Paid during the year	-	7.42
Closing balance	1,067.21	1,067.21
c) Provision for other indirect tax matters		
Opening balance	117.61	30.43
Addition during the year	126.93	87.18
Paid during the year	-	-
Closing balance	244.54	117.61

(i) Provision for municipal tax was in respect of disputed amount pertaining to one of the Group's multiplexes. The entire amount is paid during the current year.

(ii) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1st June, 2007 to 30th September, 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1st June, 2007. The matter is pending before the Hon'ble Supreme Court of India.

(iii) Provision for other indirect taxes is in respect of matters contested by the Group at appropriate levels against the demands raised by the respective tax authorities.

26. Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred revenue arising from Government grant	9,370.49	10,999.64
Less: Current portion (Disclosed under Note 29 Other current liabilities)	(1,174.24)	(1,888.26)
	8,196.25	9,111.38
Revenue received in advance	8,145.86	4,700.33
Total	**16,342.11**	**13,811.71**

27. Current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
(a) From banks		
Foreign currency loans		
Packing credit and Buyers credit	17,176.99	3,243.43

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

27. Current borrowings (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Rupee loans		
Short term working capital demand loans	9,047.63	7,516.96
Cash credit/Overdraft facilities	30,534.59	38,475.69
Others	829.50	3,502.91
	57,588.71	52,738.99
Unsecured		
(a) From banks		
Foreign currency loans		
Foreign currency working capital demand loans	32,302.58	28,874.11
Rupee loans		
Short term working capital demand loans	16,071.91	1,501.05
Commercial papers	12,388.11	14,429.39
	60,762.60	44,804.55
(b) From other parties		
Commercial papers	8,850.93	9,899.86
Inter-corporate deposit	2,303.00	-
	11,153.93	9,899.86
Less: Amounts disclosed under Note 24 Other current financial liabilities		
Interest accrued	(508.04)	(161.81)
Total	**1,28,997.20**	**1,07,281.59**

Note: For terms of repayment and securities etc. (see Note 42).

28. Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	227.03	256.63
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,28,379.31	83,897.42
Total	**1,28,606.34**	**84,154.05**

29. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances received from customers	7,208.40	18,497.77
Statutory dues and taxes payable	5,823.69	6,915.84
Revenue received in advance	3,313.20	2,644.61
Deferred revenue arising from government grant (from Note 26)	1,174.24	1,888.26
Other Liabilities (see Note 53)	314.69	-
Total	**17,834.22**	**29,946.48**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

30. Current tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current tax liabilities (net of payments)	2,273.61	2,726.52
Total	**2,273.61**	**2,726.52**

31. Revenue from operations

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Revenue from contracts with customers:		
Sale of products	4,22,789.28	2,43,708.58
Sale of services	1,44,552.64	1,26,670.37
	5,67,341.92	3,70,378.95
(b) Other operating revenue	2,469.11	21,750.27
Total	**5,69,811.03**	**3,92,129.22**

31.1 Revenue from operations for year ended 31st March, 2018 was reported inclusive of excise duty. Goods and Services Tax ("GST") was implemented with effect from 1st July, 2017, which subsumed excise duty. Revenue from operations for the current year is reported net of GST and hence not comparable with corresponding amount of previous year. Comparable revenue from operations included in Total Income above has been computed by adjusting excise duty from the revenue from operations of previous year, on like-to-like basis and same is tabulated below:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operations (A)	5,69,811.03	3,92,129.22
Excise duty on sale (B)	-	2,872.56
Revenue from operations excluding excise duty on sale (A-B)	**5,69,811.03**	**3,89,256.66**

31.2 Disaggregated revenue information

For FY 2018-19

(₹ in Lakhs)

Particulars	India	Europe	USA	Rest of the world	Total
a) On the basis of type of products					
Refrigerant Gases	15,264.96	1,138.77	1,919.01	29,954.66	**48,277.40**
Caustic Soda	46,021.38	-	-	39.41	**46,060.79**
Chloromethane	35,119.56	-	-	8.88	**35,128.44**
Poly Tetrafluoroethylene (PTFE)	29,086.65	37,403.63	24,061.38	14,793.62	**1,05,345.28**
Wind turbine generators and components	1,05,008.82	-	-	-	**1,05,008.82**
Food & beverages	43,592.55	-	-	-	**43,592.55**
Wind energy	1,805.02	-	-	-	**1,805.02**
Other products	12,581.52	12,582.23	8,664.47	3,742.76	**37,570.98**
	2,88,480.46	**51,124.63**	**34,644.86**	**48,539.33**	**4,22,789.28**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

31. Revenue from operations (Contd..)

(₹ in Lakhs)

Particulars	India	Europe	USA	Rest of the world	Total
b) On the basis of type of services					
Revenue from box office	97,529.86	-	-	-	**97,529.86**
Erection, procurement & commissioning services	3,096.63	-	-	-	**3,096.63**
Operation & maintenance services	15,851.98	-	-	-	**15,851.98**
Common infrastructure facility services	1,248.15	-	-	-	**1,248.15**
Convenience Fees	5,002.37	-	-	-	**5,002.37**
Virtual Print fee	2,697.95	-	-	-	**2,697.95**
Revenue from advertising income	17,666.54	-	-	-	**17,666.54**
Others	1,459.16	-	-	-	**1,459.16**
	1,44,552.64	**-**	**-**	**-**	**1,44,552.64**
Total revenue from contracts with customers	**4,33,033.10**	**51,124.63**	**34,644.84**	**48,539.33**	**5,67,341.92**

31.3 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2019
Trade receivables	2,12,306.05
Contract assets	33,468.19
Contract liabilities	18,667.46

During the year ended 31st March, 2019, the Group has recognized revenue of ₹ 18,230.38 Lakhs arising from opening contract liabilities.

31.4 Performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2019
Within one year	5,561.32
More than one year but less than five years	6,189.33
Total	**11,750.65**

The transaction price allocated to contracts for original expected duration of one year or less are not included in amounts disclosed above as permitted under Ind AS 115. Further, as permitted under the transitional provisions in Ind AS 115, the transaction price allocated to remaining performance obligations (unsatisfied or partially satisfied) as at 31st March, 2018 is not disclosed.

31.5 Reconciliation of gross revenue with revenue from contracts with customers

(₹ in Lakhs)

Particulars	2018-2019
Gross revenue	5,68,553.68
Less: Discounts, rebates etc.	1,211.76
Net revenue recognised from contracts with customers	**5,67,341.92**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

31. Revenue from operations (Contd..)

31.6 Additional disclosures on transition to Ind AS 115

The impact on account of applying Ind AS 115: Revenue from contract with customers, instead of the erstwhile Ind AS 18: Revenue, on the financial statement of the Group for the year ended as at 31st March, 2019, is insignificant.

32. Other income

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Interest Income		
On financial assets using effective interest method:		
- on fixed deposits with bank	1,110.63	1,391.92
- on Inter-corporate deposits and other loans	312.34	195.68
- on long term investments	9.99	11.79
- on security deposits	473.11	518.42
Other Interest Income		
- on Income tax refund	3,922.23	546.77
- Other Interest (*)	89.36	2,480.51
	5,917.66	5,145.09
(b) Dividend received	-	39.32
(c) Other non-operating income		
Rental income from operating leases	530.09	529.25
Allowance for doubtful trade receivable reversed	23.18	224.40
Liabilities and provisions no longer required, written back	835.16	851.37
Government grants - deferred income	363.81	200.17
Insurance claims	116.16	159.03
Miscellaneous Income	307.65	157.83
	2,176.05	2,122.05
(d) Other gains and losses		
Net gain on investments carried at FVTPL	-	4,096.28
Net gain on foreign currency transaction and translation	3,168.23	1,879.80
Net gains/(losses) on derivatives	349.40	(3.93)
Gain on sale of property, plant and equipment	87.32	0.10
	3,604.95	5,972.25
Total	**11,698.66**	**13,278.71**
Note:		
Realised gain on sale of investments (net)	2,755.45	6,053.77

(*) Other interest of previous year comprises of interest received pursuant to agreement for sale of projects (see Note 53) and interest on delayed recoveries from customer.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

33. Cost of materials consumed

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Raw materials consumed	1,74,511.69	52,457.58
Packing materials consumed	9,414.22	7,284.47
Cost of food and beverages	11,249.51	7,435.80
Total	**1,95,175.42**	**67,177.85**

34. Purchases of stock-in-trade

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Purchases of stock-in-trade	58.32	-
Total	**58.32**	**-**

35. Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Opening Stock		
Finished goods	14,824.31	22,232.23
Stock-in-trade	10.22	203.78
Work-in-progress		
Material	8,328.28	8,146.58
Project development, erection and commissioning work in progress	17,788.52	23,203.16
Common infrastructure faciltlies	382.40	382.40
By-products	151.95	157.14
	41,485.68	**54,325.29**
Initial measurement and recognition of inventory on commissioning of project of step down subsidiary	837.04	-
Less : Closing Stock		
Finished goods	30,085.27	14,824.31
Stock-in-trade	17.90	10.22
Work-in-progress		
Material	11,231.71	8,328.28
Project development, erection and commissioning work in progress	24,169.98	17,788.52
Common infrastructure faciltlies	382.40	382.40
By-products	165.97	151.95
	66,053.23	**41,485.68**
Excise duty on stock of finished goods (net)	-	(453.09)
Effect of changes in exchange currency rates	(253.90)	361.49
Decrease / (Increase) In Stock	**(23,984.41)**	**12,748.01**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

36. Employee benefits expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Salaries and wages	34,589.84	30,437.80
Contribution to provident and other funds	1,782.45	1,603.62
Expense on ESOP (net)	115.57	159.40
Gratuity	848.50	877.15
Staff welfare expenses	1,825.26	1,588.84
Total	**39,161.62**	**34,666.81**

37. Finance costs

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Interest on financial liabilities measured at amortised cost		
Interest on borrowings	17,037.75	23,010.81
Finance charges on lease	13.93	18.85
Net foreign exchange loss on borrowings (considered as finance costs)	1,169.46	2,215.31
	18,221.14	25,244.97
(b) Other Interest		
Interest on Income tax	472.06	476.34
Other Interest expenses (see Note (ii) below)	708.34	141.27
	1,180.40	617.61
(c) Other borrowing costs (see Note (i) below)	3,397.87	2,628.85
Sub-total (a + b + c)	22,799.41	28,491.43
Interest capitalized	(435.86)	(569.96)
Total	**22,363.55**	**27,921.47**

Note:

(i) Other borrowing costs includes ₹ Nil (31st March, 2018: ₹ 690.00 Lakhs) of covenant breach fees paid in respect of borrowings from a bank.

(ii) Other Interest expenses is excluding interest of ₹ 89.69 Lakhs included in exceptional item (see Note 53).

(iii) The weighted average capitalisation rate of funds borrowed is in the range of 6.40% to 12.00 % p.a. (31st March,2018: in the range of 5.47% to 12.00 % p.a.).

38. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Depreciation of property, plant and equipment	31,440.98	28,119.78
Amortisation of other intangible assets	1,840.99	1,784.60
Depreciation of investment property	23.04	17.22
Total	**33,305.01**	**29,921.60**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

39. Other expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Stores, spares and consumables	9,385.25	8,189.40
Power and fuel	60,958.17	50,549.22
EPC, O & M, Common infrastructure facility and development of Wind farm expenses	18,395.46	21,025.20
Exhibition cost	44,420.91	36,731.79
Freight (see Note (i) below)	13,035.74	10,339.86
Insurance	904.53	664.81
Excise duty, custom duty, sales tax, service tax and GST	3,293.19	4,188.88
Production labour charges	2,667.53	2,117.94
Processing charges	10,168.53	942.08
Outsourced personnel cost	6,510.42	5,326.50
Lease rentals, hire charges and common facility charges	33,860.31	27,772.14
Factory expenses	837.66	653.81
Repairs to		
- Buildings	884.98	772.09
- Plant and equipment	7,179.48	6,256.84
- Others	1,343.29	1,012.54
Directors' sitting fees	69.90	63.64
Commission to non-executive directors	925.67	479.21
Rates and taxes	1,821.14	1,786.83
Travelling and conveyance	4,138.64	3,639.78
Communication expenses	209.54	215.53
Legal and professional fees and expenses	7,177.77	6,539.51
Loss on retirement /disposal of property, plant and equipment (see Note (ii) below)	-	1,085.42
Allowance for doubtful advances	29.22	609.88
Allowance for doubtful trade receivables and expected credit loss	762.07	227.78
Bad debts, remission and Liquidated damages (see Note (iii) below)	589.12	2,908.60
Corporate Social Responsibility (CSR) Expenses	1,083.33	283.93
Commission	287.39	538.42
Royalty	2,223.17	808.40
MTM loss on Financial Assets Classified as FVTPL	3,377.29	-
Economic benefit payable to transferee of projects (see Note 53)	-	8,918.23
Miscellaneous expenses	16,529.39	14,445.71
Total	**2,53,069.09**	**2,19,093.97**

Note:

(i) Includes freight of ₹ Nil (31st March, 2018: ₹ 2,212.36 Lakhs) in respect of earlier years paid on settlement of claims during the year.

(ii) Net of impairment loss adjusted of ₹ Nil (FY 2017-18: ₹ 312.41 Lakhs).

(iii) Bad debts & remissions are net of provision for doubtful trade receivable adjusted of ₹ 127.12 Lakhs (31st March, 2018: ₹ 510.25 Lakhs).

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

40. Tax expense

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Income tax recognized in statement of profit and loss		
Current Tax:		
In respect of current year	29,508.34	19,300.01
In respect of earlier years	(23,896.94)	78.19
Deferred Tax		
In respect of current year	(398.52)	(9,876.87)
MAT Credit Entitlement	(41.67)	-
In respect of earlier years	(59,403.38)	(5,565.19)
	(54,232.17)	**3,936.14**
(b) Income tax recognized in other comprehensive income		
Deferred Tax:		
(a) On remeasurement of defined benefits plan	37.14	166.87
(b) Deferred tax on Effective portion of gains and (loss) on hedging instruments in a cash flow hedge	(56.93)	157.87
	(19.79)	**324.74**
Total tax expense	**(54,251.96)**	**4,260.88**

40.1 The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Profit before tax	80,677.24	27,942.69
Income tax using the Company's domestic tax rate @ 34.944% (2017-18: 34.608%)	28,191.82	9,670.41
Effect of non-deductible expenses	794.54	2,674.89
Effect of tax incentive provisions	(1,307.34)	(1,668.98)
Effect of income which is taxed at special rates	(1,261.68)	(936.70)
Effect of income that is exempted from tax	-	(13.61)
Effect of loss on fair vaue of investments on which deferred tax asset is not recognised	1,817.70	-
Effect of deferred tax on losses not recognised by subsidiary companies	318.53	21.07
Effect of permanent difference and reversal of deferred tax on measurement of non-current asset classified as held for sale	-	18.48
Effect on deferred tax balances due to the change in income tax rate from 34.608% to 34.994%	-	(215.17)
Effect of tax rate change of subsidiaries	(284.46)	-
Others (net)	799.04	(127.25)
	29,068.15	9,423.14
Taxation pertaining to earlier years	(83,300.32)	(5,487.00)
Tax expense as per the Statement of Profit and Loss	**(54,232.17)**	**3,936.14**

The tax rate used for the years ended 31st March, 2019 and 31st March, 2018 in reconciliations above is the corporate tax rate of 34.944% and 34.608% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

40.2 In respect of taxation matters of the Company

During the year, the Company has received appellate orders from Income-tax Appellate Tribunal ("ITAT") for two years (viz. assessment years 2012-13 and 2013-14) favourably upholding certain contentions raised by the Company, including, on the basis of decision of the jurisdictional Gujarat High Court, holding that net proceeds from sale of carbon credits by the company is a capital receipt. The consequential reduction in tax liability of ₹ 34,936.89 Lakhs in respect of these two years

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

40. Tax expense (Cont..)

is recognized as 'tax pertaining to earlier years' and interest of ₹ 3,609.83 Lakhs on such income-tax refunds is included in other income. The Income-tax Department has filed an appeal before the Hon'ble Gujarat High Court against these ITAT orders.

Further, in the respect of earlier years, the matter has already been heard by ITAT on 25th April, 2019 and the appellate orders are awaited. Considering the relief already granted by the ITAT in above two years, on the basis of decision of the jurisdictional Gujarat High Court in respect of taxability of carbon credit receipts, the Company has computed the amount of relief for the balance years also and the reduction in tax liability of ₹ 47,915.20 Lakhs in respect of these years is recognized as 'tax pertaining to earlier years'.

(₹ in Lakhs)

Particulars	2018-2019
MAT credit entitlement	(58,165.06)
Income Tax	(23,896.94)
Deferred tax	(790.09)
Net credit	**(82,852.09)**

40.3 In respect of taxation matters of Inox Leisure Limited ("ILL")

The contention of ILL that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Hon'ble Supreme Court in respect of the exemption availed in the state of Maharashtra, West Bengal & Gujarat on the basis of Schemes pertaining to these three States. In respect of some other states, the same has been accepted by various appellate authorities and Hon'ble High Court of Judicature at Gujarat. Provision for income tax, till the year ended 31st March, 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes.

In view of the assessment and appellate orders received during the current year and previous year, accepting certain claims of the Group, the tax liability (including deferred tax) for earlier years, is recomputed and consequential reduction in taxation for earlier years is recognised in the Statement of Profit and Loss as under:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
MAT credit entitlement	(720.95)	(2,924.48)
Income Tax	(305.68)	(232.32)
Deferred tax	571.13	(2,213.67)
Net credit	**(455.50)**	**(5,370.47)**

41. Share-based payments

41.1 Details of the employee share option plan of Inox Leisure Limited

Inox Leisure Limited (ILL) has a share option scheme applicable to the employees and Directors of the Company, its subsidiary companies or its holding company and any successor company thereof, as determined by the Compensation, Nomination and Remuneration Committee of ILL on its own discretion. The scheme is administered through Inox Leisure Limited - Employees Welfare Trust.

In the year ended 31st March, 2006, ILL had issued 5,00,000 equity shares of ₹ 10 each at a premium of ₹ 5 per share to Inox Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the Company under the scheme of ESOP framed by the Company in this regard. The Company has provided finance of ₹ 75.00 Lakhs to the ESOP Trust for subscription of these shares at the beginning of the plan.

Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price of ₹15 per option. The option carry neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

41. Share-based payments (Contd..)

On 23rd June, 2017, stock options of 1,67,500 shares have been granted to employees and during the previous year, on 5th January, 2017, stock options of 20,000 shares have been granted to an employee of holding company. The vesting period for these equity settled options is between one to four years from the date of the respective grants. The options are exercisable within one year from the date of vesting.

The compensation costs of stock options granted to employees are accounted using the fair value method

41.2 Fair value of share options granted in the year

The fair value has been calculated using the Black Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option.

The significant assumptions made in this regard are as under:

Particulars	Options granted	
Date of grant	23rd June, 2017	5th January, 2017
Fair value of share option at grant date	269.10	217.56
No of share options granted	1,67,500	20,000
Grant date share price	281.50	230.00
Exercise price	15	15
Expected volatility	33.53% to 39.82%	38.53% to 41.80%
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	-	-
Risk free interest rate	6.25% to 6.53%	6.09% to 6.47%

41.3 Movements in share options during the year

Particulars	2018-2019	2017-2018
Balance at beginning of the year	1,62,500	20,000
Granted during the year	-	1,67,500
Forfeited during the year	7,500	20,000
Exercised during the year	38,125	5,000*
Balance at the end of the year	1,16,875	1,62,500
Exercisable at the end of the year	NIL	NIL
Weighted average exercise price of all stock options	₹ 15	₹ 15

* During the financial year 2017-18, 5000 stock options were exercised but the allotment of the same was made during the financial year 2018-19.

41.4 Method used for accounting of share based payment plan:

The Company has used fair value method to account for the compensation cost of stock options granted to its employees and the employee of holding company. The compensation cost of ₹ 126.10 Lakhs (31st March,2018: ₹ 179.48 Lakhs) is recognised in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

41. Share-based payments (Contd..)

41.5 Range of exercise price and weighted average remaining contractual life of outstanding options

For Options granted on 5th January, 2017:

Particulars	2018-2019	2017-2018
Number of options outstanding	10,000	15,000
Weighted Average Remaining Contractual Life (in years)	2.77	3.77
Weighted Average Exercise Price (₹)	15.00	15.00

For Options granted on 23rd June, 2017:

Particulars	2018-2019	2017-2018
Number of options outstanding	1,06,875	1,47,500
Weighted Average Remaining Contractual Life (in years)	3.23	4.23
Weighted Average Exercise Price (₹)	15.00	15.00

42. Nature of securities and terms of repayment

I. In respect of loans taken by Gujarat Fluorochemicals Limited (GFL):

(A) The terms of repayment of secured term loans and working capital loans are stated as under:

As at 31st March,2019

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest	Security Note
1	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	3,073.28	Half yearly repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a. with Call Spread Option	(a)
2	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	1,490.54	Half yearly repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3	The Hong Kong and Shanghai Banking Corporation Limited	External Commercial Borrowing	4,065.95	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4	Mizuho Bank Limited	External Commercial Borrowing	4,065.95	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)
5	Kotak Mahindra Bank Limited	Term Loan	9,500.00	Quarterly repayment, final maturity on 19th March, 2027	6M MCLR + 0.15% p.a.	(e)
6	Daimler Financial Services India Pvt. Ltd	Vehicle Loan	115.21	Monthly repayment, final maturity on 7th August, 2021	11.25% p.a.	(f)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

As at 31st March, 2018

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest	Security Note
1.	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	3,620.96	Half yearly repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a. with Call Spread Option	(a)
2.	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	1,756.17	Half yearly repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3.	The Hong Kong and Shanghai Banking Corporation Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4.	Mizuho Bank Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)
5.	HDFC Bank Limited	Working Capital demand Loan	3,500.00	Bullet repayment on 28th May, 2018	8.50% p.a.	(d)

Notes:-

a) **ICICI Bank Limited:-** The foreign currency term loan from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/mortgage/hypothecation on movable and immovable assets including cash flow receivables and escrow account of 14 MW Wind Power Project at Mahidad. Further, the lender has exclusive first charge on movable fixed assets of AHF & HCFC plant located at Survey No 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal, Gujarat.

b) **The Hongkong and Shanghai Banking Corporation Limited:-** The foreign currency term loan from The Hongkong and Shanghai Banking Corporation, is secured by way of first charge on pari-passu basis with Mizuho Bank Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat, and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with Mizuho Bank Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.

c) **Mizuho Bank Limited:-** The foreign currency term loan from Mizuho Bank Limited, is secured by way of first charge on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.

d) **HDFC Bank Limited:-** The Working capital demand Loan facility from HDFC Bank Limited was secured by first pari-passu charge in favour of the bank by way of hypothecation over the borrower's stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. Security charge was released on 28th March 2019.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

e) **Kotak Mahindra Bank Limited:-** The term loan from Kotak Mahindra Bank Limited, is secured by way of first and exclusive charge by way of hypothecation of movable fixed assets pertaining to Chloralkali Plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat.

f) **Daimler Financial Services India Pvt. Ltd:-** The vehicle loan from Daimler Financial Services India Pvt. Ltd, is secured by way of hypothecation of vehicle.

(B) The terms of repayment of unsecured working capital loans are as under:

As at 31st March, 2019

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
1.	ICICI Bank Limited	Commercial Paper	4,957.09	Bullet repayment on 13th May, 2019	7.60% p.a.
2.	ICICI Bank Limited	Commercial Paper	7,431.02	Bullet repayment on 16th May, 2019	7.60% p.a.
3.	Invesco Mutual Fund	Commercial Paper	8,850.93	Bullet repayment on 20th June, 2019	7.70% p.a.
4.	Yes Bank Limited	Foreign Currency Loan- Import Finance	13,529.83	Repayment range from 2nd April, 2019 to 20th September, 2019	Interest range from 6M LIBOR + 0.32% to 6 M LIBOR + 0.87%
5.	ICICI Bank Limited	Foreign Currency Loan- Import Finance	6,374.43	Repayment range from 2nd April 2019 to 23rd September, 2019	Interest range from 6M LIBOR + 0.40% to 6 M LIBOR + 0.90%
6.	HSBC Limited	Foreign Currency Loan- Import Finance	1,962.42	Repayment range from 5th April, 2019 to 24th June, 2019	Interest range from 6M LIBOR + 1.00%
7.	IndusInd Bank Limited	Foreign Currency Loan- Import Finance	970.17	Repayment range from 11th July, 2019 to 27th August, 2019	Interest range from 6M LIBOR + 0.48%
8.	Emirates NBD Bank (P.J.S.C)	Packing Credit in Foreign Currency	7,717.97	Repayment range from 9th April, 2019 to 13th August, 2019	Interest range from 6M EURIBOR + 0.50% to 6M EURIBOR + 0.80%
9.	HSBC Limited	Packing Credit in Foreign Currency	1,551.35	Bullet repayment on 10th April, 2019	Interest range from 6M EURIBOR + 0.65%
10.	HDFC Bank Limited	Short Term Loan	3,000.00	Bullet repayment on 24th April, 2019	8.55% p.a.
11.	HDFC Bank Limited	Short Term Loan	2,500.00	Bullet repayment on 10th June, 2019	8.65% p.a.
12.	Kotak Mahindra Bank Limited	Working Capital Demand Loan	3,000.00	Bullet repayment on 26th April, 2019	8.28% p.a.
13.	Kotak Mahindra Bank Limited	Working Capital Demand Loan	4,000.00	Bullet repayment on 19th July, 2019	8.75% p.a.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
14.	IDBI Bank Limited	Working Capital Demand Loan	2,500.00	Bullet repayment on 6th April, 2019	8.60% p.a.
15.	IDBI Bank Limited	Working Capital Demand Loan	1,000.00	Bullet repayment on 26th April, 2019	8.30% p.a.

As at 31st March, 2018

Sr. No.	Lender's Name	Loan Type	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
1.	HDFC Bank Limited	Commercial Paper	5,972.08	Bullet repayment on 26th April, 2018	6.95% p.a.
2.	HDFC Bank Limited	Commercial Paper	2,478.44	Bullet repayment on 17th May, 2018	7.00% p.a.
3.	Kotak Mahindra Bank Limited	Commercial Paper	5,978.87	Bullet repayment on 19th April, 2018	7.27% p.a.
4.	Invesco Mutual Fund	Commercial Paper	9,899.86	Bullet repayment on 21st May, 2018	7.40% p.a.
5.	Kotak Mahindra Bank Limited	Buyer's Credit	8,376.58	Repayment range from 6th April, 2018 to 18th December, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 1.10%
6.	Yes Bank Limited	Buyer's Credit	2,737.06	Repayment range from 3rd April, 2018 to 31st August, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
7.	ICICI Bank Limited	Buyer's Credit	3,502.14	Repayment range from 4th May, 2018 to 12th September, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
8.	BNP Paribas	Packing Credit in Foreign Currency	14,151.72	Repayment range from 4th April, 2018 to 19th September, 2018	Interest range from 6M EURIBOR + 0.29% to 6M EURIBOR + 0.52% & 6M LIBOR + 0.70% p.a.
9.	HDFC Bank Limited	Short term Loan	1,500.00	Bullet repayment on 28th May, 2018	8.50% p.a.

Maximum balance of commercial papers:

Maximum balance during the F.Y. 2018- 2019 was ₹ 24,500 Lakhs.

Maximum balance during the F.Y. 2017- 2018 was ₹ 24,500 Lakhs.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

II. In respect of loans taken by Inox Wind Limited (IWL):

(A) Terms of repayment and securities for non-current borrowings:

a) Debentures (secured) :

(i) 3000 non convertible redeemable debentures of ₹ 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9% p.a. payable semi annually. The maturity pattern of the debentures is as under:

(₹ in Lakhs)

Month	Principal
Sep-19	5,000.00
Mar-20	5,000.00
Sep-20	5,000.00
	15,000.00

The above debentures are secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of its subsidiary and unconditional and irrevocable guarantee by Gujarat Fluorochemicals Limited.

b) Rupee term loan from Axis Finance Ltd :

Rupee term loan is secured by first charge of lien of FMP/other select debt mutual funds acceptable to Axis Finance provided by Gujarat Fluorochemicals Limited and carries interest @ 8.5% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Month	Principal
Aug-20	5,056.16
	5,056.16

c) Rupee term loan from Yes Bank Ltd:

Rupee term loan taken from Yes Bank Ltd is secured by unconditional and irrevocable corporate guarantee from Gujarat Fluorochemicals Limited and second charge on existing and future movable fixed assets of the company and carries interest @ 9.60% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Month	Principal
Jul-19	500.00
Jan-20	2,000.00
Jul-20	2,000.00
Jan-21	2,500.00
Jul-21	2,500.00
	9,500.00

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

d) Rupee term loan from Aditya Birla Finance Ltd:

Rupee term loan is taken from Aditya Birla Finance Ltd is secured by second pari passu charges on the current assets, cash flows and receivables both present & future of the company and carries interest @ 10% p.m. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Month	Principal
Apr-19	148.73
Jul-19	300.00
Oct-19	300.00
Jan-20	300.00
Apr-20	300.00
Jul-20	550.00
Oct-20	550.00
Jan-21	550.00
Apr-21	550.00
Jul-21	700.00
Oct-21	700.00
Jan-22	700.00
Apr-22	700.00
Jul-22	800.00
Oct-22	800.00
Jan-23	800.00
Apr-23	800.00
Jul-23	400.00
Total	**9,948.73**

e) Other Term Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Foreign currency term loan from Bank is secured by first pari-passu charge by way of hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @ 10.25% p.a and is repayable in 18 quarterly installments starting from 30st October, 2015.	1490.18	2,812.34
Foreign currency term loan from Bank is secured by first pari-passu charge by hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @10.50% p.a. and repayable in 12 quarterly installments starting from 10th February, 2017.	1679.50	3,703.13
Rupee term loan from Bank is secured by first exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants, carries interest @ 11.30% p.a. and is repayable in 20 quarterly installments starting from 30th September, 2014.	125.00	625.00
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the Company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of ₹ 3.0 million), carries interest @ 9.10% to 10.38 % p.a. and is repayable in 20 quarterly installments starting from 30th June, 2017.	11,888.74	16,000.00

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

e) Other Term Loans (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly installments starting from 3rd March 2017.	71.70	88.15
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 12.00% p.a. The loan is repayable in 36 monthly installments starting from 23rd September, 2015.	-	65.37

(B) Terms of repayment and securities for current borrowings:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Buyer's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.25% to 1%.	-	3,241.47
Supplier's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.33% to 0.65%.	17,114.32	-
Working capital demand loan from bank is secured by first pari-passu charge on the current assets of the Company and carries interest in the range of 9.9 % to 14.00% p.a.	5900.00	6,600.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 10% to13.69% p.a.	30,391.90	38,430.88
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carried interest @ 8.75% p.a.	829.50	-

III. In respect of loans taken by Inox Leisure Limited (ILL):

(i) The terms of repayment of term loans from banks are as under:

As at 31st March, 2019

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest	Security Note
HDFC Bank Ltd	2,000.00	The loan is repayable in 16 equal quarterly installments of ₹ 250 Lakhs beginning from 4th June, 2017.	8.85% to 9.30%	(b)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	3,437.50	The loan is repayable in 16 equal quarterly installments of ₹ 312.50 Lakhs beginning from 7th February, 2018.	8.40% to 9.25%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	2,062.50	The loan is repayable in 16 equal quarterly installments of ₹ 187.50 Lakhs beginning from 29th March, 2018.	8.60% to 8.96%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	1,500.00	The loan is repayable in 16 equal quarterly installments of ₹ 125 Lakhs beginning from 26th June, 2018.	8.53% to 8.60 %	(c)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

As at 31st March, 2018

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest	Security Note
Axis Bank (Term Loan II)	444.00	Repayable in 16 equal quarterly installments of ₹ 250.00 Lakhs each beginning from 31st Dec, 2014.	8.75% to 9.40%	(a)
HDFC Bank Ltd	3,000.00	The loan is repayable in 16 equal quarterly installments of ₹ 250 Lakhs beginning from 4th June, 2017.	8.85% to 9.25%	(b)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	4,687.50	The loan is repayable in 16 equal quarterly installments of ₹ 312.50 Lakhs beginning from 7th February, 2018.	8.40% to 8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	2,812.50	The loan is repayable in 16 equal quarterly installments of ₹ 187.50 Lakhs beginning from 29th March, 2018.	8.60% to 8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	2,000.00	The loan is repayable in 16 equal quarterly installments of ₹ 125 Lakhs beginning from 26th June, 2018.	8.60%	(c)

(ii) Securities provided for secured loans

a. Axis Bank Ltd

Term loan from Axis Bank was secured by mortgage of immovable property situated at Vadodara and Anand and first exclusive charge on all movable fixed assets and current assets of some multiplexes financed by the said term loans and escrow of entire cash flows relating to such multiplexes. The entire loan has been repaid during the current financial year.

b. HDFC Bank Ltd

Term loan from HDFC Bank is secured by mortgage of immovable property situated at Mumbai and first exclusive charge on all movable fixed assets of some multiplexes financed by the said term loan.

c. The Hongkong and Shanghai Banking Corporation Limited

Term loans from The Hongkong and Shanghai Banking Corporation Limited are secured by pari-pasu charge on mortgage of immovable property situated at Vadodara and first exclusive charge on all movable fixed assets and current assets of some multiplexes financed by the said term loans.

IV. In respect of loans taken by GFL GM Fluorspar:

(i) The terms of repayment of secured non current term loan from bank is as under:

As at 31st March, 2019

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest
Exim Bank	3,938.47	The ECB is repayable in 10 structured half yearly installments commencing from 8th September, 2017.	6 Month Libor Plus 4% per annum

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest
Finance lease obligations	71.35	The obligation under finance lease is repayable in 60 equated monthly installments of MAD 36,960	16.60% p.a.

Note:

External commercial borrowing of USD 5.70 million is secured by way of exclusive charge on movable fixed assets of the proposed project upto value of USD 9.50 million, book debts, operating cashflows, receivables, commission, present & future revenues and unconditional irrevocable Corporate Guarantee of Gujarat Fluorochemicals Limited, India - the intermediate holding company. The term loan is repayable in the 10 structured half yearly installments commencing from 8th September, 2017, and carries interest @ 6 months LIBOR plus 4% p.a.

As at 31st March, 2018

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest
Exim Bank	4,950.04	The ECB is repayable in 10 structured half yearly installments commencing from 8th September, 2017.	6 Month Libor Plus 4% per annum
Finance lease obligations	88.68	The obligation under finance lease is repayable in 60 equated monthly installments of MAD 36,960	16.60% p.a.

Note:

Foreign currency term loan is secured by way of exclusive charge on movable fixed assets of the proposed project up to value of USD 9.495 million, book debts, operating cash flows, receivables, commission, present & future revenues and unconditional irrevocable Corporate Guarantee of Gujarat Fluorochemicals Limited, India.

(ii) The terms of repayment of secured current term loan from bank is as under:

As at 31st March, 2019

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest
Exim Bank	1,113.47	The ECB is repayable at the end of 180 days from the date of disbursement.	6 Month Libor Plus 3.5% per annum

Note:

Working Capital borrowing of USD 1.61 million is secured by exclusive charge on inventories, present and future receivables from Gujarat Fluorochemicals Limited, India (GFL) and irrevocable Corporate Guarantee of GFL and carries interest @ 6 months LIBOR plus 3.5% p.a. and is repayable at the end of 180 days from the date of disbursement.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

42. Nature of securities and terms of repayment (Contd..)

As at 31st March, 2018

Particulars	Amount outstanding (₹ in Lakhs)	Terms of repayment	Rate of interest
Exim Bank	912.49	The ECB is repayable at the end of 180 days from the date of disbursement.	6 Month Libor Plus 3.5% per annum

Note:

Working Capital borrowing of USD 1.61 million is secured by exclusive charge on inventories, present and future receivables from Gujarat Fluorochemicals Limited (GFL) and irrevocable Corporate Guarantee of GFL.

V. There is no default on repayment of principal or payment of interest on borrowings.

43. Contingent liabilities :-

(a) Claims against the Group not acknowledged as debts ₹ 9,842.93 Lakhs (as at 31st March, 2018: ₹ 8,834.73 Lakhs). This includes:

i. In respect of Inox Leisure Limited (ILL):

In the arbitration proceedings in respect of termination notice of MOU for a proposed multiplex, the arbitrator has awarded the matter against the Company and directed the Company to pay ₹ 116.36 Lakhs towards rent for the lock in period. Further, the arbitrator has also directed the Company to pay the amount of difference between the rent payable by the Company as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable. The Company has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.

ii. In respect of Inox Renewables Limited:

Claim of ₹ 870.00 Lakhs (as at 31st March, 2018: ₹ 870.00 Lakhs) due to litigation with one of the state electricity distribution board.

iii. In respect of Inox Wind Limited:

a) Claims made by contractors - ₹ 3,839.53 Lakhs (as at 31st March, 2018: ₹ 4,030.17 Lakhs).

Some of the suppliers have raised claims including interest on account of non-payment in terms of the respective contracts. IWL has contended that the suppliers have not adhered to some of the contract terms. At present the matters are pending before the jurisdictional authorities or are under negotiations.

b) Claims made by customers not acknowledge as debts – ₹ 4,150 Lakhs (as at 31st March, 2018: ₹ 3,750 Lakhs).

c) In respect of claims made by five customers (as at 31st March, 2018 four customers) for non-commissioning of WTGs, the amount is not ascertainable.

iv. In respect of GFL GM Fluorspar:

Is in respect of amount received ₹ 764.72 Lakhs on account of revocation of performance guarantee, from one of the supplier of plant and equipments, due to excessive delays and non completion of the installation of the project. The same is being contested by the supplier. The revoked amount is reduced from Property, plant and equipment.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

43. Contingent liabilities :- (Contd..)

(b) In respect of Income tax Matters ₹ 4,497.68 Lakhs (as at 31st March, 2018: ₹ 37,141.59 Lakhs). This includes:

i. In respect of Gujarat Fluorochemicals Limited:

₹ Nil Lakhs (as at 31st March, 2018: ₹ 32,389.97 Lakhs). This includes:

i. On account of disallowance under section 14A and reduction in the claim of deduction under section 80IA.

ii. On account of slump sale of wind energy business by substituting estimated market value in place of actual consideration received.

During the year, the Company has received favourable appellate orders in respect of above matters.

ii. In respect of Inox Leisure Limited (ILL):

During the year, various issues are settled by the appellate authorities in favour of the Company.

Assessment/reassessment dues for the assessment years 2010-11, 2011-12, 2013-14, 2014-15 are ₹ Nil (as at 31st March,2018 : ₹ 283.41 Lakhs).

iii. In respect of Inox Wind Limited (IWL):

₹ 4,014.44 Lakhs (31st March, 2018: ₹ 3,984.97 Lakhs)

This includes demand for assessment year 2013-14 received in the previous year, mainly on account of reduction in the amount of tax incentive claimed, which is being contested before the first appellate authority.

iv. In respect of Inox Renewables Limited:

₹ 483.24 Lakhs (as at 31st March, 2018: ₹ 483.24 Lakhs) in respect of assessment years 2013-14, 2014-15 & 2015-16. IRL is contesting the demand and has filed appeals under the applicable laws.

(c) In respect of excise duty & service tax matters - ₹ 26,123.53 Lakhs (as at 31st March, 2018: ₹ 24,393.17 Lakhs). This includes:

i. In respect of Gujarat Fluorochemicals Limited:

a. Amount of ₹ Nil (as at 31st March, 2018: ₹ 6.16 Lakhs) in respect of collection of cylinder rent charged from customers.

b. Amount of ₹ 387.04 Lakhs (as at 31st March, 2018: ₹ 322.12 Lakhs) in respect of Service tax on Import of services relating to supply of tangible goods, online information database access or retrieval services.

The Company has filed appeal before CESTAT and the matters are pending.

c. Amount of ₹ 950.02 Lakhs (as at 31st March, 2018: ₹ 2,169.49 Lakhs) for which the Company has received various show cause notices regarding input credit on certain items and freight charges recovered from buyers for supply of goods at buyers' premises. The Company has filed the replies or is in the process of filing replies.

d. Amount of ₹ 42.05 Lakhs (as at 31st March, 2018: ₹ 211.55 Lakhs) is in respect of demand on account of cenvat credit availed on certain items. The Company has filed appeals or is in the process of filing appeals before Commissioner of Central Excise and Service tax (Appeals).

e. Amount of ₹ 2,802.60 Lakhs (as at 31st March, 2018: ₹ 1,280.74 Lakhs) in respect of demand on account of cenvat credit availed on certain items, levy of excise duty on freight recovered from customers and credit transfer to Dahej Unit on inter unit transactions. The Company has filed appeal before CESTAT.

In respect of above Service tax and Excise matters, the Company has paid an amount of ₹ 104.00 Lakhs (as at 31st March, 2018: ₹ 65.84 Lakhs) and not charged to Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

43. Contingent liabilities :- (Contd..)

ii. In respect of Inox Leisure Limited (ILL):

a) Amount of ₹ 14,226.97 Lakhs (as at 31st March, 2018 : ₹ 16,641.03 Lakhs) is in respect of levy of service tax on film distributors' share paid by ILL and the matter is being contested by way of appeal / representation before the appropriate authorities.

b) Amount of ₹ 6,313.22 Lakhs (as at 31st March, 2018 : ₹ 2,360.45 Lakhs) is in respect of levy of service tax on sale of food and beverages in multiplex premises and the matter is being contested by way of appeal before the appropriate authorities.

ILL has paid ₹ 756.94 Lakhs (previous year ₹ 900.23 Lakhs) to the respective authorities under protest and not charged to Statement of Profit and Loss.

iii. In respect of Inox Wind Limited (IWL):

IWL has received orders for the period September 2011 to March 2016, in respect of Service Tax, levying demand of ₹ 1,401.63 Lakhs (as at 31st March, 2018: ₹ 1,401.63 Lakhs) on account of disallowance of exemption of Research & Development cess from payment of service tax. IWL has filed appeals before the first appellate authority. IWL has estimated the amount of demand which may be ultimately sustained at ₹ 32.19 Lakhs and provision for the same is made during the year and carried forward as "Other indirect tax matters".

(d) In respect of Custom duty matter – ₹ 1,317.15 Lakhs (as at 31st March, 2018: ₹ 1,246.00 Lakhs).

i. In respect of Gujarat Fluorochemicals Limited:

Amount of ₹ 11.82 Lakhs (as at 31st March, 2018: ₹ 11.82 Lakhs) for which the Company had received various show cause notices regarding inadmissible EPCG benefit on consumables imported. The Company has filed replies in this regard.

Amount of ₹ 1,300.97 Lakhs (as at 31st March, 2018: ₹ 1,229.82 Lakhs). The Company has received demands on account of differential custom duty on imported material on high seas basis. The Company has filed appeal before CESTAT and the matters are pending.

In respect of above Customs matters, the Company has paid an amount of ₹ 83.00 Lakhs (as at 31st March, 2018: ₹ 83.00 Lakhs) and not charged to Statement of Profit and Loss.

ii. In respect of Inox Leisure Limited (ILL):

Custom duty matter in respect of import of projectors of ₹ 4.36 Lakhs (as at 31st March, 2018: ₹ 4.36 Lakhs). In addition to this matter, ILL has also received a show cause cum demand notice from customs on import of cinematographic films. The amount of duty is yet to be quantified.

(e) In respect of VAT & CST matters ₹ 326.65 Lakhs (as at 31st March, 2018 : ₹ 492.14 Lakhs). This includes:

i. In respect of Gujarat Fluorochemicals Limited:

The Company has received VAT & CST assessment orders in respect of disallowance of proportionate Input tax credit reduced on capital goods at the rate of 2% of ratio of Out of Gujarat sales (OGS) to gross turnover of sales levying VAT demand of ₹ 101.64 Lakhs & CST demand of ₹ 69.54 Lakhs for the F.Y. 2011-2012, F.Y. 2012-2013 & F.Y. 2013-2014. The Company has not accepted the Order of Joint Commissioner of Commercial Tax for F.Y.2011-2012 and has filed appeal before Gujarat value added Tax tribunal, Ahmedabad.

For F.Y. 2012-2013 & F.Y. 2013-2014, the Company has filed appeal before Joint Commissioner of Commercial Tax (Appeals).

ii. In respect of Inox Leisure Limited:

Demand of ₹ Nil (as at 31st March, 2018: ₹ 261.87 Lakhs) pursuant to reassessment order for the year 2008-2009. During the year, the Company has opted to settle the entire liability under the amnesty scheme and accordingly the amount payable under the amnesty scheme is charged to the Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

43. Contingent liabilities :- (Contd..)

iii. In respect of Inox Wind Limited (IWL):

IWL had received orders for the financial years ended 31st March, 2013 and 31st March, 2014, In respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 Lakhs for delayed payment of VAT. IWL had filed appeals before the first appellate authority. During the year ended 31st March, 2015, IWL had received appellate order for the year ended 31st March, 2014 confirming the levy of penalty and IWL has filed further appeal against the said order. However, IWL has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 Lakhs and provision for the same was made during the year ended 31st March, 2015. After adjusting the amount of ₹ 23.35 Lakhs paid against the demands, the balance amount of ₹ 30.43 Lakhs is carried forward as "Other indirect tax matters (net of payments)" in Note 25.

iv. In respect of Inox Renewables Limited (IRL):

IRL has received Rajasthan VAT demand for F.Y. 2012-2013 of ₹ 96.38 Lakhs (as at 31st March, 2018: Nil). IRL is contesting the demand and has filed appeal under the applicable laws.

(f) In respect of property tax matters ₹ Nil (as at 31st March, 2018 : ₹ 224.00 Lakhs). This represents:

i. In respect of Inox Leisure Limited (ILL):

The quantum of property tax levied in case of one multiplex is disputed and the matter was pending before Court of Small Causes and Hon'ble High Court of judicature at Bombay. Estimated provision for the same was made by ILL. (see Note 25)

The management has reviewed the position and pending settlement of dispute, has decided to pay the entire demand and the same is charged as expense during the year.

(g) In respect of Entertainment tax demands ₹ 3,625.48 Lakhs (as at 31st March, 2018: ₹ 4,083.87 Lakhs). This includes:

i. In respect of Inox Leisure Limited:

a) Demand of ₹ 3,523.16 Lakhs (as at 31st March, 2018: ₹ 3246.41 Lakhs) in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.

b) Demand of ₹ Nil (as at 31st March, 2018: ₹ 735.14 Lakhs) in respect of one multiplex where the eligibility for exemption from payment of entertainment tax was rejected and the matter is decided in favour of the Company by the Hon'ble High Court.

c) Other demands of ₹ 102.32 Lakhs (as at 31st March, 2018: ₹ 102.32 Lakhs) are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.

ILL has paid ₹ 586.46 Lakhs (previous year ₹ 282.57 Lakhs) to the respective authorities under protest.

(h) In respect of stamp duty matters ₹ 263.81 Lakhs (as at 31st March, 2018 : ₹ 263.81 Lakhs)

i. In respect of Inox Leisure Limited:

Authority has raised the demand for non-payment of stamp duty on Leave & License Agreement in respect of one of the multiplexes holding the same as lease transaction. Stay has been granted and the matter is pending before the Board of Revenue.

Other matters:

i) Inox Leisure Limited (ILL) may be required to charge additional cost of ₹ 389.83 Lakhs (as at 31st March, 2018: ₹ 389.83 Lakhs) towards electricity from 1st June, 2007 to 31st March, 2010 pursuant to the increase in the tariff in case the appeal made with Maharashtra Electricity Regulatory Commission 'MERC' by ILL through the Multiplex Association of India is rejected and the case filed in the Supreme Court by one of the electricity supplier against the order of the Appellate Tribunal for Electricity, dated 19th January, 2009, for change in category, in favour of the appeal made by the Multiplex Association of India is passed in favour of the electricity supplier.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

43. Contingent liabilities :- (Contd..)

ILL has paid the whole amount to the respective authorities under protest.

ii) In respect of the Supreme Court judgement dated 28st February, 2019 on applicability of Provident Fund on certain components of employees' remuneration, clarifications/notification from the Government authorities is awaited as regard implementation of the same. Hence, additional liability, if any, in respect of earlier period cannot be ascertained. The Group has made a provision on a prospective basis from the date of the said order

iii) Claims in respect of labour matters amount is not ascertainable.

iv) In respect of Labour Cess under BOCW Act, 1966 - ₹ 61.11 Lakhs (31st March, 2018: ₹ Nil)

IWL has received the order for the financial year ended 31st March, 2015, 31st March, 2016 in respect of Labour Cess on construction work at Relwa Khurd MP plant.

In respect of above matters, no additional provision is considered necessary as the Group expects favourable outcome. Further, it is not possible for the Group to estimate the timing and amounts of further cash outflows, if any, in respect of these matters.

44. In respect of Entertainment-tax exemption claimed and its treatment in these accounts:

The Entertainment tax exemption in respect of some of the Multiplexes of the ILL has been accounted on the basis of eligibility criteria as laid down in the respective Schemes but is subject to final orders yet to be received from respective authorities. Accordingly, ILL has recognized ₹ Nil during the year ended 31st March, 2019 (previous year ₹ 160.55 Lakhs) being Entertainment Tax exemption in respect of such Multiplexes. Cumulative amount as on 31st March, 2019 is ₹ 3716.48 Lakhs (31st March, 2018: ₹ 4,075.77 Lakhs).

45. Commitments:

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, is ₹ 41,971.89 Lakhs (as at 31st March, 2018 : ₹ 46,530.11 Lakhs).

(b) Amount of customs duty exemption availed by the Inox Wind Limited ('IWL') under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period - ₹ 2,651.54 Lakhs (31st March, 2018 ₹ 2,983.84 Lakhs). IWL has recognised deferred grant income under EPCG scheme upto the financial year ending 31st March, 2019 amounting to ₹ 1,111.38 Lakhs (previous year ₹ 930.79 Lakhs) against which export obligation is yet to fulfilled by IWL.

(c) Commitments for the operating multiplexes for minimum period of operations in terms of respective State Government policies equivalent to the exemption availed from commencement till reporting date as at 31st March, 2019 : ₹ 6,571.70 Lakhs (as at 31st March, 2018 : ₹ 10,049.04 Lakhs).

The above amount includes amount of entertainment tax disputes pertaining to exemption period reported under Note 44 as at 31st March, 2019 : ₹ 502.78 Lakhs (as at 31st March, 2018 : ₹ 1,237.91 Lakhs).

(d) Capital commitment towards partly paid shares – ₹ 16,800.00 Lakhs (31st March, 2018 ₹ 16,800.00 Lakhs)

46. Segment information

46.1 As per Ind AS 108 'Operating Segments' the Group has following business segments:

a) Chemicals - Comprising of Refrigeration gases, Caustic soda, Chloromethane, Polytetrafluoroethylene (PTFE), Fluoropolymers, Fluoromonomers, Specialty Fluorointermediates, Specialty Chemicals and allied activities.

b) Wind Energy Business – Comprising of manufacture and sale of Wind Turbine Generators (WTGs), providing related Erection, Procurement & Commissioning (EPC), Common Infrastructure Facilities,development of wind farms and Operation & Maintenance (O&M) services.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

46. Segment information (Contd..)

c) Power - Comprising of Power Generation.

d) Theatrical Exhibition – Comprising of operating and managing multiplex cinema theatres.

The amount of expenditure capitalized in the Consolidated Financial Results represents cost of WTGs manufactured and services for their erection and commissioning provided by Wind Energy Business segment and capitalized in other segments.

46.2 Inter-segment revenue comprises of:

a) Wind Turbine Generators manufactured by Wind Energy business segment (including Erection and Commissioning services), capitalized as PPE in other segments and is priced at estimated market value.

b) Operations & Maintenance services provided by Wind Energy business segment to other segments and is priced at estimated market value.

46.3 Chemicals business is operated in two geographical markets viz. domestic and overseas markets. The main manufacturing facilities of chemicals business in India are common for India and overseas market and hence it is not possible to directly attribute or allocate on a reasonable basis the expenses, assets and liabilities to these geographical segments. In respect of power segment, the entire production is indigenously sold. All multiplexes/theatres are located in India. The entire revenue of WTG segment is from domestic market. The disclosures regarding geographical segments are made accordingly.

46.4 Information about Primary (Business) Segments.

(₹ in Lakhs)

Sr. No.	Particulars	2018-2019	2017-2018
1	**Segment Revenue**		
	i. Chemicals	2,72,926.58	2,15,253.11
	ii. Wind Energy Business	1,44,062.36	48,303.19
	iii. Power	1,939.89	18,575.32
	iv. Theatrical Exhibition	1,69,210.08	1,34,806.57
	Total Segment Revenue	**5,88,138.91**	**4,16,938.19**
	Less : Inter Segment Revenue		
	Wind Energy Business	18,327.88	24,808.97
	Total External Revenue	**5,69,811.03**	**3,92,129.22**
2	**Segment Result**		
	i. Chemicals	67,003.19	43,889.64
	ii. Wind Energy Business	8,431.84	(18,080.09)
	iii. Power	(315.54)	5,786.93
	iv. Theatrical Exhibition	21,314.90	12,097.51
	Total Segment Result	**96,434.39**	**43,693.99**
	Add: Un-allocable Income (net of un-allocable expenses)	7,930.09	13,127.46
	Less: Finance cost	22,363.55	27,921.84
	Total Profit before tax and exceptional items	**82,000.93**	**28,899.61**
3	**Other information**		
I	**Segment Assets**		
	i. Chemicals	4,22,388.02	3,55,782.75
	ii. Wind Energy Business	3,93,458.28	3,79,494.50
	iii. Power	52,921.95	40,777.73
	iv. Theatrical Exhibition	1,40,929.15	1,17,928.00
	v. Others, Un-allocable and Corporate	1,44,891.96	98,047.42
	Total Segment Assets	**11,54,589.36**	**9,92,030.40**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

46. Segment information (Contd..)

(₹ in Lakhs)

Sr. No.	Particulars	2018-2019	2017-2018
II	**Segment Liabilities**		
	i. Chemicals	42,043.37	40,168.90
	ii. Wind Energy Business	1,19,623.89	94,844.50
	iii. Power	1,125.45	2,888.84
	iv. Theatrical Exhibition	39,740.60	32,046.47
	v. Others, Un-allocable and Corporate	2,25,586.88	2,26,113.65
	Total Segment Liabilities	**4,28,120.19**	**3,96,062.36**
III	**Segment Capital Employed**		
	i. Chemicals	3,80,344.65	3,15,613.85
	ii. Wind Energy Business	2,73,834.39	2,84,650.00
	iii. Power	51,796.50	37,888.89
	iv. Theatrical Exhibition	1,01,188.55	85,881.53
	v. Others, Un-allocable and Corporate	(80,694.92)	(1,28,066.23)
	Total Segment Capital Employed	**7,26,469.17**	**5,95,968.04**
IV	**Capital Expenditure (Including Capital Advances)**		
	i. Chemicals	50,586.75	43,314.11
	ii. Wind Energy Business	13,682.35	18,572.89
	iii. Power	2,242.43	23,784.98
	iv. Theatrical Exhibition	24,919.00	15,918.29
	v. Others, Un-allocable and Corporate	-	-
	Total Capital Expenditure (Including Capital Advances)	**91,430.53**	**1,01,590.27**
V	**Depreciation & Amortization**		
	i. Chemicals	16,182.82	15,226.30
	ii. Wind Energy Business	6,880.05	5,500.63
	iii. Power	689.86	521.56
	iv. Theatrical Exhibition	9,549.06	8,669.89
	v. Others, Un-allocable and Corporate	3.22	3.22
	Total Depreciation & Amortization	**33,305.01**	**29,921.60**
VI	**Non-cash expenses (other than depreciation)**		
	i. Chemicals	201.97	246.04
	ii. Wind Energy Business	853.01	2,919.30
	iii. Power	10.13	228.70
	iv. Theatrical Exhibition	203.63	1,355.26
	v. Others, Un-allocable and Corporate	-	-
	Total Non-cash expenses (other than depreciation)	**1,268.74**	**4,749.30**
VII	**Impairment losses (net of reversal)**		
	i. Theatrical Exhibition	82.00	309.55
	Total Impairment losses	**82.00**	**309.55**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

46. Segment information (Contd..)

46.5 Revenue from major products and services

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(a) Sale of products		
Refrigerant Gases	49,109.62	40,702.27
Caustic Soda (Caustic Soda Lye & Flakes)	46,060.79	47,025.45
Chloromethane (Methylene Chloride, Chloroform and Carbon Tetrachloride)	35,128.44	27,084.45
Poly Tetrafluoroethylene (PTFE)	1,04,508.36	82,445.83
Wind turbine generators and components	1,22,431.68	1,932.62
Food & beverages	43,592.55	30,602.29
Wind energy	1,805.02	16,950.42
Other products	37,575.68	19,026.68
	4,40,212.14	**2,65,770.01**
(b) Sale of services		
Revenue from box office	97,529.86	80,214.14
Erection, procurement & commissioning services	3,634.84	15,557.28
Operation & maintenance services	15,894.34	16,219.98
Common infrastructure facility services	1,248.15	1,136.67
Wind farm development services	-	48.70
Convenience Fees	5,002.37	3,719.07
Virtual Print fee	2,697.95	2,463.96
Revenue from advertising income	17,666.54	13,890.88
Others	1,459.16	2,015.55
	1,45,133.21	**1,35,266.23**
(c) Other operating revenue	**2,793.56**	**15,901.95**
	5,88,138.91	**4,16,938.19**
Less : Inter Segment Revenue		
Wind Energy Business	**18,327.88**	**24,808.97**
Total	**5,69,811.03**	**3,92,129.22**

46.6 Geographical Information

The Group's revenue from external customer by location of operations are detailed below

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
India	4,35,494.16	2,95,650.51
Europe	51,149.68	35,023.48
USA	34,619.81	24,432.27
Rest of world	48,547.38	37,022.96
Total	**5,69,811.03**	**3,92,129.22**

46.7 Information about major customers

There is no single external customer who has contributed more than 10% to the Group's revenue for both FY 2018-2019 and FY 2017-2018

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

47. Earnings Per Share

Particulars	2018-2019	2017-2018
Profit for the year (₹ in Lakhs)	1,34,909.41	24,006.55
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	109850000	109850000
Nominal value of each share (in ₹)	1.00	1.00
Basic and Diluted Earnings per share (in ₹)	**122.81**	**21.85**

48. Leasing arrangements

As a Lessee

a) Leasing arrangements for multiplexes

ILL is operating some of the multiplexes under operating lease/ business conducting arrangement. These arrangements are for an initial period of 3-30 years with a minimum lock-in period of 2-15 years and the agreements provide for escalation after pre-determined periods. The Group does not have an option to purchase the leased premises at the expiry of the lease periods.

Lease payments recognised as expenses in the Statement of Profit and Loss is ₹ 24,373.17 Lakhs (31st March, 2018: ₹ 19841.82 Lakhs) and in the pre-operative expense is ₹ 323.75 Lakhs (31st March, 2018: ₹ Nil) in respect of such lease arrangements.

Non-cancellable operating lease commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not later than 1 year	24,545.17	20,281.93
Later than 1 year and not later than 5 years	1,06,557.63	82,404.51
Later than 5 years	2,83,001.10	1,59,605.39
Total	**4,14,103.90**	**2,62,291.83**

(b) in respect of plants/Offices taken on operating Lease

The Plants taken on operating lease are for initial non-cancellable period of 10 years which can be further extended at the mutual option of both the parties. The future minimum lease payments under these lease arrangements are as under:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Payments recognized as an expense	66.13	64.40

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Cancellable Operating Lease commitments		
not later than one year	98.57	64.40
later than one year and not later than five years	246.90	169.61
later than five years	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

48. Leasing arrangements (Contd..)

(c) In respect of Office taken on operating Lease

GFL LLC's only leasing agreement is in respect of office premises for initial non - cancellable period of 60 months.

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Payments recognized as an expense	1.73	-

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Cancellable Operating Lease commitments		
not later than one year	34.17	-
later than one year and not later than five years	141.69	-
later than five years	-	-

d) Interest in land taken on lease and classified as operating lease:

The leasehold land are generally taken for the period of 20 to 99 years. The entire lease premium is already paid and future rentals are nominal. Amortisation of such lease payments is included in "Rent and common facilities charges" in Statement of Profit and Loss and the balance remaining amount to be amortised is included in balance sheet as 'Prepayments Leasehold land'.

e) In respect of other assets

The Group's other significant leasing arrangements are in respect of operating leases for premises (offices and residential accommodations). These lease arrangements are cancellable, range between 06 to 60 months and are usually renewable by mutual consent on mutually agreeable terms. These Lease payment are included in "Rent and common facilities charges" in Note 39 'Other expenses'.

As a Lessor

In respect of assets given on operating Lease

Operating leases relate to Investment Properties owned by the Company with lease terms of between 11 to 60 months and are usually renewable by mutual consent on mutually agreeable terms. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. Lessee does not have an option to purchase the property at the expiry of the lease period.

Rental Income earned by the Company from its Investment Properties and direct operating expenses arising on the investment properties for the year are set out in Note 32 and Note 39 respectively.

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Cancellable Operating Lease Receivables		
not later than one year	283.82	527.94
later than one year and not later than five years	-	283.82
later than five years	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

49. Employee Benefits:

(a) Defined Contribution Plans:

The Group contributes to the Government managed provident & pension fund for all qualifying employees.

Contribution to Provident fund of ₹ 1,561.58 Lakhs (31st March,2018: ₹ 1,417.97 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other funds' in the Statement of Profit and Loss and ₹ 88.74 Lakhs (31st March, 2018: ₹ 78.04 Lakhs) is included in pre-operative expenses.

(b) Defined Benefit Plans:

The Group has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the payment of Gratuity Act,1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of services and salary at retirement age. The Group's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Group.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31st March, 2019 by member of the institute of the Actuaries of India. The present value of the defined benefit obligation,the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Opening defined benefit obligation	2,884.05	2,661.13
Current Service Cost	636.52	699.91
Interest cost	211.98	172.23
Actuarial gains / (losses) on obligation:		
a) arising from changes in financial assumptions	(177.06)	(434.23)
b) arising from experience adjustments	69.90	(41.26)
Past service cost, including losses/(gains) on curtailments	-	5.01
Benefits paid	(186.62)	(178.74)
Present value of obligation as at year end	**3,438.77**	**2,884.05**

(ii) Components of amount recognized in profit and loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Current Service Cost	636.52	699.91
Past service cost and (gains)/losses from settlements	-	5.01
Net interest expense	211.98	172.23
Amount recognized in profit & loss	**848.50**	**877.15**
Actuarial gains / (losses) on:		
a) arising from changes in financial assumptions	(177.06)	(434.23)
b) arising from experience adjustments	69.90	(41.26)
Components of defined benefit costs recognized in other comprehensive income	**(107.16)**	**(475.49)**
Total	**741.34**	**401.66**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

49. Employee Benefits: (Contd..)

(iii) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation (Gratuity)	
	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.49% to 7.61%	7.42% to 7.63%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee Attrition Rate	5% to 10%	5% to 10%
Mortality	IALM(2006-08) Ultimate Mortality Table	

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Group to actuarial risks such as interest rate risk and salary risk.

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

(iv) Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Impact on Present Value of defined benefit obligation If Discount Rate increased by 1%	(207.76)	(215.04)
Impact on Present Value of defined benefit obligation If Discount Rate decreased by 1%	308.30	250.62
Impact on Present Value of defined benefit obligation If Salary Escalation Rate increased by 1%	296.07	239.73
Impact on Present Value of defined benefit obligation If Salary Escalation Rate decreased by 1%	(201.55)	(209.73)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

49. Employee Benefits: (Contd..)

(v) Expected contribution to the defined benefit plan in future years

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Expected outflow in 1st Year	626.83	292.36
Expected outflow in 2nd Year	258.81	292.00
Expected outflow in 3rd Year	241.79	268.46
Expected outflow in 4th Year	287.45	296.65
Expected outflow in 5th Year	266.77	241.54
Expected outflow in 6th to 10th Year	1,394.77	1,283.82

The average duration of the defined benefit plan obligation at the end of the reporting period is in the range of 6.56 to 12.54 years.

(c) Other employment benefits:

Leave benefits

The liability towards leave benefits (annual earned and sick leave), based on actuarial valuation, carried out by using Projected accrued benefit method resulted in increase in liability by ₹ 214.53 Lakhs (31st March,2018: ₹ 116.33 Lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation (Leave Encashment)	
	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.49% to 7.61%	7.42% to 7.63%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee Attrition Rate	5% to 10%	5% to 10%
Mortality	IALM (2006-08) Ultimate Mortality Table	

50. Financial Instruments:

50.1 Capital Management

The Group manages its capital structure with a view that the Group will be able to continue as going concern while maximising the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of Group consists of net debt (borrowings as detailed in Note 23 and Note 27 offset by cash and bank balance excluding bank deposits kept as lien) and total equity of the Group.

The Group is not subject to any externally imposed capital requirement. The Group has complied with lending covenants during the year ended 31st March, 2019. During the previous year, one of the subsidiary could not comply with some of the covenants, mainly on account of losses incurred during the year.

The Company's management reviews the capital structure of the Group. As part of this review, the Board of Directors consider the cost of capital and risk associated with each class of capital.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.1.1 The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Debt	2,20,670.16	2,01,948.90
Cash & Bank balance (excluding bank deposits kept as lien)	(7,774.81)	(11,911.63)
Net Debt	**2,12,895.35**	**1,90,037.27**
Total Equity	**7,26,469.16**	**5,95,968.03**
Net Debt to equity Ratio	**29.31%**	**31.89%**

50.2 Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) mandatorily measured as at FVTPL		
(i) Investments in Mutual Funds	27,856.76	33,318.00
(ii) Investments in Venture Capital Funds	18.85	538.85
(iii) Investments in Debentures	-	-
(iv) Investments in Alternate Investment Fund	10,863.53	15,084.04
(b) Derivative instruments designated as Fair value hedge in Hedge Accounting and other derivatives	612.04	428.36
Sub total	**39,351.18**	**49,369.25**
Measured at amortised cost		
(a) Cash and bank balances	21,394.18	20,194.36
(b) Investments in NSC/Other Govt.Securities	114.80	168.65
(c) Other financial assets at amortised cost		
(i) Trade Receivables	2,12,306.05	1,94,368.59
(ii) Loans	15,725.05	14,218.66
(iii) Others	42,264.22	32,810.07
Sub total	**2,91,804.30**	**2,61,760.33**
Measured at Fair Value Through Other Comprehensive Income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	130.62	225.44
Sub total	**130.62**	**225.44**
Total financial assets	**3,31,286.10**	**3,11,355.02**
b) Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Derivative instruments in designated hedge accounting relationship	636.74	666.83
Sub total	**636.74**	**666.83**
Measured at amortised cost		
Borrowings	2,20,670.16	2,01,948.90
Trade Payables	1,28,606.34	84,154.05
Other Financial Liabilities	33,147.22	36,413.36
Sub total	**3,82,423.72**	**3,22,516.31**
Measured at Fair Value through Other Comprehensive Income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting (Net)	81.52	13.42
Sub total	**81.52**	**13.42**
Total Financial liabilities	**3,83,141.98**	**3,23,196.56**

The carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.3 Financial risk management

The corporate finance function of the respective companies provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of currency and interest rate risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors of the Company, which provide principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Group doesn't enter into or trade financial instruments including derivative financial instruments for speculative purpose.

50.4 Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into the variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk including:

1. Interest rate swaps to mitigate the risk of rising interest rates.
2. Principal only swaps, Currency Swaps, Options and forwards contracts to mitigate foreign currency risk of foreign currency borrowings and receivables & payables in foreign currency.

50.5 Foreign Currency Risk Management

The Group is subject to the risk that changes in foreign currency values impact the Company's exports revenue, imports of material/capital goods, services/royalty etc. and borrowings. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered within limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk.

The carrying amount of unhedged Foreign Currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Liabilities		
USD	37,420.86	28,714.78
Euro	10,672.41	17,730.54
Others	8,813.44	1,595.89
Assets		
USD	18,080.82	15,162.81
Euro	9,046.65	7,955.07
Others	106.57	598.00

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.5.1 Foreign Currency Sensitivity Analysis

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Group's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies.10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Group.

A 10% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

(₹ in Lakhs)

Particulars	USD Impact (net of tax)	
	As at 31st March, 2019	As at 31st March, 2018
Impact on profit or loss for the year	1,258.19	886.19
Impact on total equity as at the end of the reporting period	1,258.19	886.19

(₹ in Lakhs)

Particulars	EURO Impact (net of tax)	
	As at 31st March, 2019	As at 31st March, 2018
Impact on profit or loss for the year	105.77	639.24
Impact on total equity as at the end of the reporting period	105.77	639.24

(₹ in Lakhs)

Particulars	Others (net of tax)	
	As at 31st March, 2019	As at 31st March, 2018
Impact on profit or loss for the year	566.43	65.25
Impact on total equity as at the end of the reporting period	566.43	65.25

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.5.2 Forward Foreign Exchange Contracts

The Group enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk.

Outstanding Contracts	Exchange Rate		Foreign currency (₹ in Lakhs)		Nominal amounts (₹ in Lakhs)		Fair Value derivative assets / (liabilities) (₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Fair value hedges								
Principal only swaps (POS) contracts (Financial Assets)	69.04	65.18	208.02	55.56	14,361.58	3,620.97	795.49	428.36
Forward contracts								
USD	69.04	-	200.73	-	13,858.07	-	(196.58)	-
EUR	77.48	-	200.73	-	15,553.32	-	(684.82)	-
GBP	89.59	-	25.00	-	2,239.51	-	97.11	-
CNY	10.34	-	115.52	-	1,194.45	-	(35.89)	-
Principal only swaps (POS) contracts (Financial Liability)	-	65.11	-	276.57	-	18,007.13	-	(666.83)

The line-items in the consolidated balance sheet that include the above hedging instruments are "other financial assets" and "other financial liabilities".

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.6 Interest Rate Risk Management

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring that the most cost-effective hedging strategies are applied.

As per the Group's risk management policy to minimize the interest rate cash flow risk on foreign currency long term borrowings, interest rate swaps are taken for most of the borrowings to convert the variable interest rate risk into rupee fixed interest rate. Thus, there is no major interest rate risks associated with foreign currency long term borrowings. In respect of foreign currency short term borrowings the Group does not have any borrowings at variable rate of interest. Cash credit borrowings are subject to variable rate of interest. Considering the overall mix of the fixed and floating rate borrowings, the interest rate risk is minimised.

50.6.1 Interest Rate Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31st March, 2019 would decrease/increase by ₹ 135.74 Lakhs (net of tax) (for the year ended 31st March, 2018 decrease/increase by ₹ 239.95 Lakhs (net of tax)). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

50.6.2 Interest Rate Swap Contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

Details of Interest Rate Swap Contracts outstanding at the end of reporting period:

Particulars	Average Contracted Fixed Interest Rate		Notional Principal Value (₹ in Lakhs)		Fair value derivative assets/(liabilities) (₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Cash Flow Hedges						
HSBC Bank	8.24%	8.24%	4,065.95	5,748.66	59.41	112.72
MIZUHO Bank	8.24%	8.24%	4,065.95	5,748.66	59.41	112.72
ICICI BANK	10.55%	10.55%	3,073.27	3,620.96	11.79	(15.40)
RBL Bank	10.50%	10.50%	1,622.00	3,790.00	(81.52)	1.97
1 to 5 years	-	-	**12,827.17**	**18,908.28**	**49.09**	**212.01**
Total			**12,827.17**	**18,908.28**	**49.09**	**212.01**
Balance in the cash flow hedge reserve (net of tax and minority interest)					**12.30**	**137.14**

The interest rate swaps settle on quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposures resulting from variable interest rates on borrowing.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that floating rate interest payments on debt affect profit or loss.

The line-items in the consolidated balance sheet that includes the above hedging instruments is "Other financial assets" and "Other financial liabilities".

50.7 Other price risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Group is exposed to equity price risks arising from equity investments. Equity investments in Joint Ventures and Associates are held for strategic rather than trading purposes. The Group does not actively trade these investments. The Group is also exposed to price risk arising from investments in debt mutual funds, but these being debt instruments, the exposure to risk of changes in market rates is minimal.

50.7.1 Equity Price Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks for Investments in equity shares (including investments in equity oriented mutual funds) of companies other than joint ventures and associates at the end of the reporting period.

If equity prices had been 5% higher/lower, Profit for the year ended 31st March, 2019 would increase/decrease by ₹ 905.98 Lakhs (for the year ended 31st March, 2018: increase / decrease by ₹ 1176.36 Lakhs) as a result of the change in fair value of equity investments which are designated as FVTPL.

50.8 Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, balances with banks, loans and other receivables.

a) Trade receivables

Credit risk arising from trade receivables is managed in accordance with the established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products varies from company to company. The concentration of credit risk is limited due to the fact that the customer base is large and diverse. The Group is engaged in diverse line of businesses. All trade receivables are reviewed and assessed for default on a quarterly basis. There is no external customer representing more than 10% of the total balance of trade receivables.

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates for each Group Company depending on the credit risk of each entity.

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	1,153.41	1,344.51
Movement in expected credit loss allowance	739.83	(191.10)
Balance at the end of the year	**1,893.24**	**1,153.41**

b) Loans and Other Receivables

The Group applies Expected Credit Losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Group to the external parties. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the effective interest rate.

The Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.

c) Other financial assets

Credit risk arising from balances with banks, investment in mutual funds and derivative financial instruments is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such Investments.

50.9 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

50.9.1 Liquidity risk table

The following tables detail the analysis of derivative as well as non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Financial Liabilities:

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
As at 31st March, 2019				
Borrowings	1,54,496.98	64,298.08	-	2,18,795.06
Trade Payables	1,28,606.34	-	-	1,28,606.34
Security Deposits	746.48	942.12	-	1,688.60
Unpaid dividend	175.91	-	-	175.91
Other Payables	32,872.02	266.77	19.02	33,157.81
Derivative financial liabilities	718.26	-	-	718.26
Total	**3,17,615.99**	**65,506.97**	**19.02**	**3,83,141.98**
As at 31st March, 2018				
Borrowings	1,40,504.28	59,519.53	-	2,00,023.81
Trade Payables	84,154.05	-	-	84,154.05
Security Deposits	691.54	329.21	-	1,020.75
Unpaid dividend	177.31	-	-	177.31
Other Payables	36,717.37	401.72	21.30	37,140.39
Derivative financial liabilities	680.25	-	-	680.25
Total	**2,62,924.80**	**60,250.46**	**21.30**	**3,23,196.56**

The above liabilities will be met by the Group from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Group also has unutilised financing facilities.

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.10 Fair Value Measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities

50.10.1 Fair Value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

(₹ in Lakhs)

Financial Assets / financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31st March, 2019	31st March, 2018				
1. Principal only swaps designated in hedge accounting relationships (Note 12 and 24)	Assets - ₹ 713.97 Lakhs and Liabilities ₹ Nil	Assets - ₹ 428.36 Lakhs and Liabilities ₹ 666.83 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
2. Interest rate swaps designated in hedge accounting relationships (Note 12 and 24)	Assets - ₹ 130.62 Lakhs and Liabilities ₹ 81.52 Lakhs	Assets - ₹ 227.41 Lakhs and Liabilities ₹ 15.39 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
3. Forward foreign currency contracts (Note 12 and 24)	Assets - ₹ 97.79 Lakhs and Liabilities ₹ 854.11 Lakhs	Nil	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
4. Investments in Mutual Funds (Note 10)	Equity and Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 27856.76 Lakhs	Equity and Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 33,318.00 Lakhs	Level 1	Quoted prices in an active market	NA	NA
5. Investment in Venture Capital Funds (Note 10)	Investments in units of Venture capital fund: aggregate fair value of ₹ 18.85 Lakhs	Investments in units of Venture capital fund: aggregate fair value of ₹ 538.85 Lakhs	Level 3	Net asset approach - in this approach value per unit of investment is derived by dividing net assets of Venture Capital Fund with total no. of units issued by Venture Capital Fund	Net assets of venture capital fund, taking into account all assets and liabilities as reported in the audited financials of venture capital fund	A significant change in the Net assets in isolation would result in significant change in the fair value of Investment in Venture capital Fund
6. Investments in Alternate Investment Funds (Note 10)	Alternate Investment Funds: aggregate fair value of ₹ 10,863.53 Lakhs	Alternate Investment Funds: aggregate fair value of ₹ 15,084.04 Lakhs	Level 1	Quoted prices in an active market	NA	NA

During the period, there were no transfers between Level 1 and level 2

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

50. Financial Instruments: (Contd..)

50.10.2 Fair Value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

51. Related Party disclosures

(A) Where control exists:

Holding company –

Inox Leasing and Finance Limited

(B) Other related parties with whom there are transactions during the year:

The following Companies were accounted for as Associates have now been reclassifed as Subsidiaries w.e.f 15th December, 2018

Khatiyu Wind Energy Private Limited-Subsidiary of IWISL incorporated on 17th April, 2017

Ravapar Wind Energy Private Limited-Subsidiary of IWISL incorporated on 20th April, 2017

Nani Virani Wind Energy Private Limited-Subsidiary of IWISL incorporated on 20th April, 2017

Associates-

Following subsidiaries of IWISL incorporated during the previous year, have subsequently ceased to be subsidiaries and accounted as an "associate"

Name of the Company	Date of incorpration	Accounted as “associate” w.e.f.
Wind Two Renergy Private Limited	20/04/2017	30/12/2017
Wind Four Renergy Private Limited	21/04/2017	30/12/2017
Wind Five Renergy Private Limited	20/04/2017	30/12/2017
Wind One Renergy Private Limited	26/04/2017	29/11/2018
Wind Three Renergy Private Limited	20/04/2017	29/11/2018

a) IWISL has cancelled various binding agreements (including call & put option agreement and voting rights agreement) with a party. Due to cancellation of the binding agreements, it is assessed that the IWISL has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the IWISL has accounted for investment in such companies as investment in ‘subsidiary’ from the date of gaining control.

b) During the year, IWISL has entered into various binding agreements with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that IWISL has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, IWISL has accounted for investment in such companies as investment in ‘associate’ from the date of cessation of control.

Joint Venture-

Swarnim Gujarat Private Limited

Notes to Consolidated Financial Statements

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51. Related Party disclosures (Contd..)

Key Management Personnel –

Mr. V K Jain (Managing Director)
Mr. D K Jain (Non Executive Director)
Mr. P K Jain (Non Executive Director)
Mr. D K Sachdeva (Whole Time Director)
Mr. Anand Bhusari (Whole Time Director)
Mr. Shailendra Swarup (Non Executive Director)
Mr. Om Prakash Lohia (Non Executive Director)
Mr. Deepak Asher (Non Executive Director)
Mr. Shanti Prasad Jain (Non Executive Director)
Mr. Rajagopalan Doraiswami (Non Executive Director)
Ms. Vanita Bhargava (Non Executive Director)
Mr. Chandra Prakash Jain (Non Executive Director)
Mr. Devansh Jain- (Whole Time Director in Inox Wind Limited)
Mr. Rajeev Gupta (Whole Time Director in Inox Wind Limited upto 18th May, 2018)
Mr. Kailash Lal Tarachandani- (Chief Executive Officer in Inox Wind Limited & Whole Time Director w.e.f. 19th May, 2019)
Mr. Alok Tandon – (Chief Executive Officer in Inox Leisure Limited)
Mr. Siddharth Jain – (Non Executive Director in ILL & IWL)
Mr. V.Sankaranarayanan - (Non Executive Director in IWL & IRL)
Mr. Amit Jatia – (Non Executive Director in Inox Leisure Limited)
Ms. Girija Balkrishnan – (Non Executive Director in Inox Leisure Limited)
Mr. Haigreve Khaitan – (Non Executive Director in Inox Leisure Limited)
Mr. Kishore Biyani – (Non Executive Director in Inox Leisure Limited)
Mr. Bhupesh Kumar Juneja- (Whole Time Director in Inox Renewables Limited)
Ms. Pooja Paul - (Non Executive Director in IRL)
Mr. Manoj Dixit - (Executive Director in Inox Wind Infrastructure Services Limited)
Mr. Vineet Davis - (Executive Director in Inox Wind Infrastructure Services Limited)
Mr. Mukesh Manglik - (Non Executive Director in IWISL)
Mr. Mukesh Patni - (Non Executive Director in MSEIL)
Ms. Bindu Saxena - (Non Executive Director in IWL)

Enterprises over which a Key Management Personnel, or his relatives, have significant influence –

Devansh Gases Private Limited
Devansh Trademart LLP
Inox India Private Limited
Inox Air Products Private Limited
Inox Chemicals LLP
Refron Valves Limited
Rajni Farms Private Limited
Siddhapavan Trading LLP
Siddho Mal Trading LLP
Inox FMCG Private Limited
Swarup & Company

Shareholder having significant influence in a subsidiary-

Global Mines SARL, Morocco

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

Particulars of transactions

(₹ in Lakhs)

Particulars	Holding Company		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
A) Transactions during the year										
Sale of Goods										
Inox Air Products Private Limited							1.40	1.26	1.40	1.26
Refron Valves Limited							0.06	0.11	0.06	0.11
Inox India Private Limited							3.18	2.44	3.18	2.44
Inox FMCG Private Limited							-	3.72	-	3.72
Wind Two Renergy Private Limited			24,361.90	-					24,361.90	-
Wind Three Renergy Private Limited			3,393.22	-					3,393.22	-
Wind Four Renergy Private Limited			6,190.48	-					6,190.48	-
Wind Five Renergy Private Limited			12,542.86	-					12,542.86	-
Total			**46,488.46**	-			**4.64**	**7.53**	**46,493.10**	**7.53**
Purchase of Assets										
Inox India Private Limited							0.56	8.25	0.56	8.25
Inox Air Products Private Limited							-	19.37	-	19.37
Total							**0.56**	**27.62**	**0.56**	**27.62**
Purchase of Goods										
Inox Air Products Private Limited							1,204.72	557.49	1,204.72	557.49
Inox India Private Limited							4,083.76	3,625.21	4,083.76	3,625.21
Refron Valves Limited							-	0.08	-	0.08
Inox FMCG Private Limited							0.18	118.90	0.18	118.90
Total							**5,288.66**	**4,301.68**	**5,288.66**	**4,301.68**
Purchase of Services										
Inox India Limited							-	1.05	-	1.05
Total							**-**	**1.05**	**-**	**1.05**
Equity shares Subscribed										
Swarnim Gujarat Private Limited			10.00	-					10.00	-
Total			**10.00**	-					**10.00**	**-**
Advances given towards purchases of goods/assets										
Inox India Private Limited							-	1,019.75	-	1,019.75

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Total							-	1,019.75	-	1,019.75
Advances received against sale of goods/services										
Wind Two Energy Private Limited			-	7,175.00					-	7,175.00
Wind Four Energy Private Limited			-	5,381.25					-	5,381.25
Wind Five Energy Private Limited			-	5,381.25					-	5,381.25
Total			-	17,937.50					-	17,937.50
Inter Corporate deposit given										
Inox FMCG Private Limited							-	100.00	-	100.00
Wind One Energy Private Limited			0.11	-					0.11	-
Wind Two Energy Private Limited			-	0.55					-	0.55
Wind Three Energy Private Limited			51.44	-					51.44	-
Wind Four Energy Private Limited			-	0.55					-	0.55
Wind Five Energy Private Limited			-	0.55					-	0.55
Total			51.55	1.65			-	100.00	51.55	101.65
Inter corporate deposits received back										
Wind Two Energy Private Limited			0.85	-					0.85	-
Wind Four Energy Private Limited			0.85	-					0.85	-
Wind Five Energy Private Limited			0.85	-					0.85	-
Inox FMCG Private Limited							100.00	-	100.00	-
Total			2.55	-			100.00	-	102.55	-
Interest income										
Inox FMCG Private Limited				-			1.38	5.55	1.38	5.55
Wind One Energy Private Limited			0.04	-					0.04	-
Wind Two Energy Private Limited			0.10	0.02					0.10	0.02
Wind Three Energy Private Limited			1.35	-					1.35	-
Wind Four Energy Private Limited			0.10	0.02					0.10	0.02
Wind Five Energy Private Limited			0.10	0.02					0.10	0.02
Total			1.69	0.06			1.38	5.55	3.07	5.61
Expenses (Repairs)										

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Associates/Joint Venture		Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Inox Air Products Private Limited							-	0.50	-	0.50
Refron Valves Limited							-	1.17	-	1.17
Total							**-**	**1.67**	**-**	**1.67**
Reimbursement of expenses (paid)/Payments made on behalf of the Company										
Devansh Gases Private Limited							7.32	7.32	7.32	7.32
Inox Leasing & Finance Limited	3.20	3.80							3.20	3.80
Total	**3.20**	**3.80**					**7.32**	**7.32**	**10.52**	**11.12**
Reimbursement of expenses (received)/Payments made on behalf by the Company										
Inox Air Products Private Limited							8.37	6.28	8.37	6.28
Total							**8.37**	**6.28**	**8.37**	**6.28**
Reimbursement of Expenses of IWL Offer For Sale of shares										
Devansh Trademart LLP							-	20.92	-	20.92
Inox Chemicals LLP							-	20.92	-	20.92
Siddho Mal Trading LLP							-	20.92	-	20.92
Siddhapavan Trading LLP							-	20.92	-	20.92
Total							**-**	**83.68**	**-**	**83.68**
Rent Received										
Inox Air Products Private Limited							144.90	144.90	144.90	144.90
Others			0.76	0.44			0.72	0.72	1.48	1.16
Total			**0.76**	**0.44**			**145.62**	**145.62**	**146.38**	**146.06**
Rent paid										
Inox Air Products Private Limited							2.40	2.40	2.40	2.40
Devansh Gases Private Limited							24.00	24.00	24.00	24.00
Inox Leasing and Finance Limited	69.00	69.00							69.00	69.00
D.K.Sachdeva					1.20	1.20			1.20	1.20
Total	**69.00**	**69.00**			**1.20**	**1.20**	**26.40**	**26.40**	**96.60**	**96.60**
O&M Charges & Lease Rents paid										
Inox Air Products Private Limited							194.93	188.18	194.93	188.18

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

Transaction with shareholder having significant influence in a subsidiary:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Royaty Expense		
Global Mines SARL, Morocco	62.23	-

(₹ in Lakhs)

Particulars	Holding Company		Associates/Joint Venture		Enterprises over which KMP or their relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
B) Amounts outstanding								
Amounts payable								
Inox Leasing and Finance Limited	13.19	0.78					13.19	0.78
Inox India Private Limited					327.34	-	327.34	-
Refron Valves Limited					-	1.37	-	1.37
Inox Air Products Private Limited					153.52	101.80	153.52	101.80
Inox FMCG Private Limited					-	1.86	-	1.86
Total	**13.19**	**0.78**			**480.86**	**105.03**	**494.05**	**105.81**
Advance From Customers								
Wind Two Energy Private Limited			-	7,175.00			-	7,175.00
Wind Four Energy Private Limited			1,571.87	5,381.25			1,571.87	5,381.25
Wind Five Energy Private Limited			-	5,381.25			-	5,381.25
Total			**1,571.87**	**17,937.50**			**1,571.87**	**17,937.50**
Amount Receivables								
a) Trade /Other Receivables								
Inox Air Products Private Limited					4.94	13.33	4.94	13.33
Wind Two Energy Private Limited			5,180.00	-			5,180.00	-
Wind Three Energy Pvt. Ltd.			3,504.19	-			3,504.19	-
Wind Five Energy Private Limited			3,090.00	-			3,090.00	-
Inox India Private Limited					0.33	-	0.33	-
Others			4.38	2.30			4.38	2.30
Total			**11,778.57**	**2.30**	**5.27**	**13.33**	**11,783.84**	**15.63**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Associates/Joint Venture		Enterprises over which KMP or their relatives have significant influence		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
b) Loans & Advances								
Inox India Private Limited					-	546.87	-	546.87
Total					**-**	**546.87**	**-**	**546.87**
c) Inter Corporate Deposit given								
Wind One Energy Private Limited			0.41	-			0.41	-
Wind Two Energy Private Limited			-	0.85			-	0.85
Wind Three Energy Private Limited			51.74	-			51.74	-
Wind Four Energy Private Limited			-	0.85			-	0.85
Wind Five Energy Private Limited			-	0.85			-	0.85
Inox FMCG Private Limited					-	100.00	-	100.00
Total	**-**	**-**	**52.15**	**2.55**	**-**	**100.00**	**52.15**	**102.55**
d) Interest Accrued on ICD given								
Wind One Energy Private Limited			0.06	-			0.06	-
Wind Two Energy Private Limited			-	0.03			-	0.03
Wind Three Energy Private Limited			0.18	-			0.18	-
Wind Four Energy Private Limited			-	0.03			-	0.03
Wind Five Energy Private Limited			-	0.03			-	0.03
Inox FMCG Private Limited			-	-	-	4.99	-	4.99
Total	**-**	**-**	**0.24**	**0.09**	**-**	**4.99**	**0.24**	**5.08**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

51. Related Party disclosures (Contd..)

(C) Compensation of Key Management Personnel:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
(i) Remuneration paid -		
Mr. V K Jain	702.67	651.32
Mr. D K Jain	740.67	479.21
Mr. P K Jain	185.00	-
Mr. D K Sachdeva	23.80	23.46
Mr. Anand Bhusari	162.67	137.72
Mr. Devansh Jain	92.64	50.64
Mr. Rajeev Gupta	9.99	76.20
Mr. Kailash Lal Tarachandani	128.53	120.66
Mr. Manoj Dixit	28.11	24.52
Mr .Vineet Davis	40.79	40.79
Mr. Alok Tandon	127.67	107.35
Mr. Bupesh Juneja	83.64	79.08
(ii) Director sitting fees paid	66.90	63.64
Total	**2,393.08**	**1,854.59**

Note: The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Group as a whole, the amount pertaining to KMP are not included above. Contribution to Providend Fund (defined contribution plan) is ₹ 44.89 Lakhs (previous year ₹ 37.44 Lakhs) included in the amount of remuneration reported above.

The amount of remuneration reported above includes:

Share options exercised under ESOP of ₹ 12.14 Lakhs (previous year Nil)

(D) Professional fees includes payment made to:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
1) Mr. Deepak Asher	30.00	30.00
2) Swarup & Company	-	25.00
Total	**30.00**	**55.00**

Notes to Related Party Disclosures

(a) Sales, purchases and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for the year ended 31st March, 2019 and 31st March, 2018 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) There have been no gurantees received or provided for any related party receivables or payables.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

52. Treasury shares in case of Inox Leisure Limited (ILL):

Pursuant to the Composite Scheme of Amalgamation ("Scheme") of ILL's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with ILL, which was operative from 1st April, 2012, ILL had allotted fully paid up 3,45,62,206 equity shares of ₹ 10 each to the shareholders of the transferor companies on 10th July, 2013, including fully paid up 2,44,31,570 equity shares of ₹ 10 each to INOX Benefit Trust ("Trust") towards shares held by ILL in Fame. These shares are held by the Trust exclusively for the benefit of ILL.

Particulars of shares of ILL held by the Trust, at cost, are as under:

Particulars	As at 31st March, 2019	As at 31st March, 2018
No. of shares	43,50,092	43,50,092
Cost (₹ in Lakhs)	3,266.98	3,266.98

The ILL's interest in the Trust, being akin to Treasury Shares, in accordance with their substance and economic reality, is deducted from Total Equity. Any profit or loss arising from sale of Treasury Shares by the Trust will be recorded separately as 'Reserve on sale of Treasury Shares' in other equity, being transactions relating to the capital of ILL.

53. Exceptional Items:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Expenses		
(a) Loss on measurement of non-current assets held for sale pursuant to sale of wind farm projects and other related items (see Note (a) below)	-	(102.76)
(b) Provision towards claim for reimbursement of cost of fit-outs incurred by the Group at one of its proposed multiplex (see Note (b) below)	-	(854.16)
(c) Non-utilization penalty for extension of time limit to utilize industrial plot for completion of construction of factory building (see Note (c) below)	(824.00)	-
(d) Provision towards entertainment tax along with interest due to High Court order passed against entertainment tax exemption in respect of one of the multiplexes of the Group (see Note (d) below)	(499.69)	-
Total	**(1,323.69)**	**(956.92)**
Net Exceptional Items	**(1,323.69)**	**(956.92)**

Note (a):

The Group was operating wind farm projects comprising of 139 Wind Turbine Generators (WTGs) for generation and sale of power. During the year ended 31st March, 2017, the Group has entered into Business Transfer Agreements (BTAs) to sell the projects comprising of 125 WTG's to Independent Power Producers (IPPs). Accordingly, these WTGs were classified as 'assets classified as held for sale'. The loss of ₹ 20,784.02 Lakhs being the difference between the amount on measurement of these non-current assets at the lower of their carrying amounts and fair value less cost of sale, after considering the amount available in revaluation reserve, was recognised in the Statement of Profit and Loss and was included in exceptional items during year ended 31st March, 2017.

During the previous year ended 31st March, 2018, the Group had recognized further loss of ₹ 1,092.21 Lakhs being the lower of the carrying amounts of assets and fair value less cost of sale. The Group had recovered foreign exchange fluctuation loss (including amount capitalized to fixed assets in earlier years as per para D13AA of Ind AS 101) and charges paid on prepayment of borrowings in respect of these WTGs and the net surplus of ₹ 989.45 Lakhs was recognized during the previous year. The net loss of ₹ 102.76 Lakhs for the year ended 31st March, 2018 was included in exceptional items.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

53. Exceptional Items: (Contd..)

As per Business Transfer Agreements (BTAs) to sell the projects to Independent Power Producers (IPPs), all economic benefits of the Wind Turbine Generators (WTGs) belong to the IPPs with effect from 1st May, 2017. Accordingly, Other Expenses include the provision for amount payable towards such benefits to the IPPs of ₹ 8,918.23 Lakhs for the year ended 31st March, 2018. As per terms and conditions of the BTAs, the Group was also entitled to receive interest on equity capital invested (as reduced by payments received on a time to time basis) and net outgoings paid by the Group for operation of above projects during the period. Such interest of ₹ 2,265.19 Lakhs for year ended 31st March, 2018 is included in other income.

Note (b):

The Group had issued termination notice for one of its proposed multiplex seeking refund of security deposit and reimbursement of cost of fit outs incurred by the Group aggregating to ₹ 914.16 Lakhs which was carried forward as amount recoverable towards claim in Note 12 "Other financial assets". During the year Group has received Arbitration Award and the claim of the Group towards reimbursement of cost of fit outs is decided against the Group. Even though the Group is taking further legal steps in this regard, provision of ₹ 854.16 Lakhs is made towards this claim.

Note (c):

The Group has taken an industrial plot on lease at Dahej-2 from Gujarat Industrial Development Corporation and was required to commence construction of factory building within stipulated period. During current year, the Group was required to pay a sum of ₹ 824 Lakhs as non-utilization penalty for permitting extension of time limit to utilize the said plot.

Note (d):

In respect of one of the multiplexes of the Group, the jurisdictional High Court has passed an order upholding the reversal of entertainment tax exemption. Even though the Group is taking further legal steps in this regard, the amount of entertainment tax exemption of ₹ 410 Lakhs recognized earlier, along with interest of ₹ 90 Lakhs payable thereon, is charged to the Statement of Profit and Loss.

54. Non - controlling Interests

Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the group that have material non-controlling interests:

(₹ in Lakhs)

Name of Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non- controlling interests		Accumulated non-controlling interests	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Inox Leisure Limited	India	48.68%	51.91%	6,416.03	5,704.12	44,601.81	33,132.48
Inox Wind Limited	India	43.02%	43.02%	(1,673.60)	(6,874.47)	84,537.73	86,224.05
Individually immaterial subsidiaries with non controlling interests						(352.83)	(68.16)
Total				**4,742.43**	**(1,170.35)**	**1,28,786.71**	**1,19,288.37**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

54. Non - controlling Interests (Contd..)

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below.

The summarized financial information below represents amounts before intragroup eliminations:

(a) Inox Leisure Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current assets	1,32,747.60	1,14,156.29
Current assets	15,131.51	14,344.49
Non-current liabilities	14,566.71	34,128.58
Current liabilities	36,930.67	27,410.28
Equity attributable to owners of the company	51,779.92	33,829.44
Non-controlling interest	44,601.81	33,132.48

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue	1,70,710.29	1,36,258.36
Expenses	1,50,300.44	1,25,636.41
Share of Profit/(loss) of Joint ventures	-	(3.43)
Profit before exceptional items and tax	**20,409.85**	**10,618.52**
Profit for the year	**13,349.12**	**11,462.94**
Profit attributable to owners of the company	6,936.08	5,791.08
Profit attributable to non-controlling interests	6,413.04	5,671.86
Profit for the year	**13,349.12**	**11,462.94**
Other comprehensive income attributable to the owners of the company	2.93	32.93
Other comprehensive income attributable to the non-controlling interests	2.99	32.26
Other comprehensive income for the year	**5.92**	**65.19**
Total comprehensive income attributable to the owners of the company	6,939.01	5,824.01
Total comprehensive income attributable to the non-controlling interests	6,416.03	5,704.12
Total comprehensive income for the year	**13,355.04**	**11,528.13**
Net cash inflow /(outflow) from operating activities	27,967.53	21,111.48
Net cash inflow /(outflow) from investing activities	(23,563.41)	(15,385.54)
Net cash inflow /(outflow) from financing activities	(4,559.81)	(5,400.61)
Net cash inflow/(outflow)	**(155.69)**	**325.33**

(b) Inox Wind Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-current assets	1,66,582.23	1,47,623.55
Current assets	3,07,522.81	2,62,178.28
Non-current liabilities	40,018.30	38,101.88
Current liabilities	2,37,638.59	1,71,271.93
Equity attributable to owners of the company	1,11,910.42	1,14,203.97
Non-controlling interest	84,537.73	86,224.05

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

54. Non - controlling Interests (Contd..)

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue	1,46,084.92	50,548.97
Expenses	1,52,271.87	78,595.29
Profit/(loss) before exceptional items and tax	**(6,210.83)**	**(28,047.88)**
Profit/(loss) for the year	**(3,997.91)**	**(18,761.84)**
Profit/(loss) attributable to owners of the company	(2,296.62)	(11,801.91)
Profit/(loss) attributable to non-controlling interests	(1,701.29)	(6,959.93)
Profit/(loss) for the year	**(3,997.91)**	**(18,761.84)**
Other comprehensive income attributable to the owners of the company	36.68	145.75
Other comprehensive income attributable to the non-controlling interests	27.69	85.46
Other comprehensive income for the year	**64.37**	**231.21**
Total comprehensive income attributable to the owners of the company	(2,259.94)	(11,656.16)
Total comprehensive income attributable to the non-controlling interests	(1,673.60)	(6,874.47)
Total comprehensive income for the year	**(3,933.54)**	**(18,530.63)**
Net cash inflow /(outflow) from operating activities	14,701.12	26,935.88
Net cash inflow /(outflow) from investing activities	(26,355.02)	33,246.71
Net cash inflow /(outflow) from financing activities	7,620.92	(76,047.59)
Net cash inflow/(outflow)	**(4,032.98)**	**(15,865.00)**

55. Details of subsidiaries at the end of the reporting period are as follows.

a) Subsidiaries of the Company

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Inox Leisure Limited (ILL)	Operating and mangaging multiplex theatres and cinemas in India	India	51.32%	48.09%
Inox Infrastructure Limited (IIL)	Real estate and property development	India	100.00%	100.00%
Inox Wind Limited (IWL)	Manufacture and sale of Wind Turbine Generators (WTGs). It also provides Erection, Procurement and Commissioning (EPC), Operations and Maintainance (O&M) and Common Infrastructure Facilities services for WTGs and Wind Farm development services.	India	56.98%	56.98%
Inox Renewables Limited (IRL)	Generation and sale of wind energy and providing services for Erection, Procurement and Commissioning (EPC) of wind farms	India	100.00%	100.00%

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

55. Details of subsidiaries at the end of the reporting period are as follows (Contd..)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Inox Fluorochemicals Limited	See Note 1: Group information	India	100.00%	0.00%
Gujarat Fluorochemicals Americas, LLC (GFL Americas)	Trading of Polytetrafluorethylene (PTFE) and allied products	USA	100.00%	100.00%
Gujarat Fluorochemicals Singapore Pte. Limited	Investment activities	Singapore	100.00%	100.00%
Gujarat Fluorochemicals GmbH, Germany (GFL GmbH)	Trading of Polytetrafluorethylene (PTFE) and allied products	Germany	100.00%	100.00%

b) Subsidiary of GFL Singapore Pte. Limited

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
GFL GM Flourspar SA	Exploration of fluorspar mines and sale of resultant fluorspar	Morrocco	74.00%	74.00%

c) Subsidiaries of ILL

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Shouri Properties Private Limited	Holds a license to operate a multiplex cinema theatre which is operated by Inox Leisure Limited.	India	99.29%	99.29%
Swanston Multiplex Cinemas Private Limited (SMCPL)	SMCPL was engaged in the business of operating a multiplex and has ceased its operations since July 2012.	India	100.00%	See note below
Inox Leisure Limited - Employees Welfare Trust	Manages the ESOP Scheme of Inox Leisure Limited	India	Controlled by Inox Leisure Limited	
Inox Benefit Trust	Holds treasury shares for the benefit of Inox Leisure Limited	India	Controlled by Inox Leisure Limited	

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

55. Details of subsidiaries at the end of the reporting period are as follows (Contd..)

d) Subsidiaries of IWL

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Inox Wind Infrastructure Services Limited (IWISL)	Providing EPC, O&M, Common Infrastructure Facilities services for WTGs and development of wind farms	India	100.00%	100.00%
Waft Energy Private Limited	Generation and sale of wind energy	India	100.00%	-
Subsidiaries of IWISL:				
Marut Shakti Energy India Limited	All subsidiaries are engaged in either the business of providing wind farm development services or generation of wind energy	India	100.00%	100.00%
Satviki Energy Private Limited (SEPL)		India	100.00%	100.00%
Sarayu Wind Power (Tallimadugula) Private Limited (SWPTPL)		India	100.00%	100.00%
Vinirrmaa Energy Generation Private Limited (VEGPL)		India	100.00%	100.00%
Sarayu Wind Power (Kondapuram) Private Limited (SWPKL)		India	100.00%	100.00%
RBRK Investments Limited		India	100.00%	100.00%
Wind One Renergy Private Limited		India	-	100.00%
Wind Three Renergy Private Limited		India	-	100.00%
Vasuprada Renewables Private Limited		India	100.00%	100.00%
Suswind Power Private Limited		India	100.00%	100.00%
Ripudaman Urja Private Limited		India	100.00%	100.00%
Vibhav Energy Private Limited		India	100.00%	100.00%
Haroda Wind Energy Private Limited		India	100.00%	100.00%
Vigodi Wind Energy Private Limited		India	100.00%	100.00%
Aliento Wind Energy Private Limited		India	100.00%	100.00%
Tempest Wind Energy Private Limited		India	100.00%	100.00%
Flurry Wind Energy Private Limited		India	100.00%	100.00%

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

55. Details of subsidiaries at the end of the reporting period are as follows (Contd..)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Vuelta Wind Energy Private Limited	All subsidiaries are engaged in either the business of providing wind farm development services or generation of wind energy	India	100.00%	100.00%
Flutter Wind Energy Private Limited		India	100.00%	100.00%
Nani Virani Wind Energy Pvt. Ltd. (w.e.f. 15th December, 2018)		India	100.00%	-
Ravapar Wind Energy Pvt. Ltd. (w.e.f. 15th December, 2018)		India	100.00%	-
Khatiyu Wind Energy Pvt. Ltd. (w.e.f. 15th December, 2018)		India	100.00%	-
Sri Pavan Energy Private Limited		India	51.00%	-

e) Subsidiary of IRL

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Inox Renewables (Jaisalmer) Limited (IRJL)	Generation and sale of wind energy	India	-	100.00%

f) Amalgamation of Inox Renewables (Jaisalmer) Limited with its holding company Inox Renewables Limited

The National Company Law Tribunal ("NCLT"), Ahmedabad bench vide its Order dated 3rd April, 2019, has approved the Scheme of Amalgamation of Inox Renewables (Jaisalmer) Limited, a wholly owned subsidiary, with the Company. The Scheme was approved by the Board of Directors on 26th September, 2018. Consequent to the said Order and filing of the final certified Orders with the Registrar of the Companies, Gujarat on 25th April, 2019, the Scheme has become effective upon the completion of the filing with effect from the Appointed Date of 1st April, 2018.

g) Preferential allotment of Inox Leisure Limited

During the current year, the Company has acquired 64,00,000 additional equity shares in Inox Leisure Limited (ILL). These shares are allotted by ILL, by way of a preferential allotment, after taking necessary approvals, at a price of ₹ 250 per equity share (including share premium of ₹ 240 per equity share), aggregating to ₹ 16,000 Lakhs. Consequently, the shareholding of the Company in ILL has increased from 48.09% to 51.32%. Even prior to the said preferential allotment, ILL was a subsidiary of GFL since the shareholders of ILL had passed a resolution at the Annual General Meeting held on 23rd August, 2013, amending its Articles of Association entitling GFL to appoint majority of directors on the Board of ILL if GFL holds not less than 40% of the paid-up equity capital of ILL and accordingly, GFL was having control over ILL.

h) See Note 9(c) in respect of particulars of subsidiary companies which have become 'associate' on cessation of control during the year.

The financial year of the above entities is 1st April to 31st March.

There are no restrictions on the Parent or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III

(a) As at and for the year ended 31st March, 2019

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Gujarat Fluorochemicals Limited	64.83%	4,70,898.20	94.68%	1,27,730.78	(52.75%)	(109.90)	94.45%	1,27,620.88
Subsidiaries (Group's share)								
Indian Subsidiaries								
Inox Infrastructure Limited	0.81%	5,918.47	0.07%	101.13	0.00%	-	0.07%	101.13
Inox Fluorochemicals Limited	(0.00%)	(0.25)	(0.00%)	(1.25)	0.00%	-	(0.00%)	(1.25)
Inox Wind Limited	27.68%	2,01,081.88	0.09%	125.94	3.20%	6.66	0.10%	132.60
Waft Energy Private Limited	0.00%	0.44	(0.00%)	(0.56)	0.00%		(0.00%)	(0.56)
Inox Wind Infrastructure Services Limited	0.51%	3,713.75	(4.24%)	(5,718.93)	27.70%	57.71	(4.19%)	(5,661.22)
Marut Shakti Energy India Limited	(0.23%)	(1,656.08)	(0.21%)	(286.11)	0.00%	-	(0.21%)	(286.11)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.01%)	(107.44)	(0.02%)	(26.81)	0.00%	-	(0.02%)	(26.81)
Sarayu Wind Power (Kondapuram) Private Limited	(0.01%)	(43.46)	(0.01%)	(15.83)	0.00%	-	(0.01%)	(15.83)
Satviki Energy Private Limited	0.01%	76.32	(0.00%)	(1.42)	0.00%	-	(0.00%)	(1.42)
Vinirrmaa energy generation Private Limited	(0.02%)	(113.51)	(0.02%)	(21.89)	0.00%	-	(0.02%)	(21.89)
RBRK Investments Limited	(0.17%)	(1,217.39)	(0.57%)	(763.00)	0.00%	-	(0.56%)	(763.00)
Ripudaman Urja Private Limited	(0.00%)	(1.08)	(0.00%)	(0.91)	0.00%	-	(0.00%)	(0.91)
Suswind Power Private Limited	(0.00%)	(16.93)	(0.01%)	(16.76)	0.00%	-	(0.01%)	(16.76)
Vasuprada Renewables Private Limited	(0.00%)	(1.20)	(0.00%)	(1.02)	0.00%	-	(0.00%)	(1.02)
Vibhav Energy Private Limited	(0.00%)	(1.32)	(0.00%)	(1.35)	0.00%	-	(0.00%)	(1.35)

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Haroda Wind Energy Private Limited	(0.00%)	(0.43)	(0.00%)	(0.87)	0.00%	-	(0.00%)	(0.87)
Vigodi Wind Energy Private Limited	(0.00%)	(0.40)	(0.00%)	(0.87)	0.00%	-	(0.00%)	(0.87)
Aliento Wind Energy Private Limited	(0.00%)	(13.33)	(0.01%)	(13.96)	0.00%	-	(0.01%)	(13.96)
Tempest Wind Energy Private Limited	(0.00%)	(13.34)	(0.01%)	(13.96)	0.00%	-	(0.01%)	(13.96)
Flurry Wind Energy Private Limited	(0.00%)	(13.34)	(0.01%)	(13.96)	0.00%	-	(0.01%)	(13.96)
Vuelta Wind Energy Private Limited	(0.00%)	(13.24)	(0.01%)	(13.86)	0.00%	-	(0.01%)	(13.86)
Flutter Wind Energy Private Limited	(0.00%)	(17.87)	(0.01%)	(18.48)	0.00%	-	(0.01%)	(18.48)
Nani Virani Wind Energy Private Limited(*)	(0.00%)	(0.02)	(0.00%)	(0.67)	0.00%	-	(0.00%)	(0.67)
Ravapar Wind Energy Private Limited(*)	(0.00%)	(0.02)	(0.00%)	(0.67)	0.00%	-	(0.00%)	(0.67)
Khatiyu Wind Energy Private Limited(*)	(0.00%)	(0.02)	(0.00%)	(0.67)	0.00%	-	(0.00%)	(0.67)
Sri Pavan Energy Private Limited	(0.01%)	(78.60)	(0.07%)	(88.60)	0.00%	-	(0.07%)	(88.60)
Inox Renewables Limited	1.74%	12,672.07	(1.57%)	(2,111.96)	1.75%	3.64	(1.56%)	(2,108.32)
Inox Leisure Limited	13.27%	96,385.49	9.89%	13,347.33	2.84%	5.92	9.88%	13,353.25
Shouri Properties Private Limited	0.01%	80.14	0.00%	2.89	0.00%	-	0.00%	2.89
Swanston Multiplex Cinemas Private Limited	0.00%	3.34	(0.00%)	(1.25)	0.00%	-	(0.00%)	(1.25)
Inox Leisure Limited Employees welfare trust	0.00%	13.98	0.00%	0.16	0.00%	-	0.00%	0.16

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
INOX Benefit Trust	0.00%	0.88	(0.00%)	(0.02)	0.00%	-	(0.00%)	(0.02)
Foreign Subsidiaries								-
GFL GmbH	0.24%	1,756.40	0.65%	883.59	(44.53%)	(92.78)	0.59%	790.81
GFL LLC USA	0.46%	3,319.40	1.29%	1,744.23	32.59%	67.90	1.34%	1,812.13
GFL Singapore	1.16%	8,458.57	0.11%	151.93	122.60%	255.43	0.30%	407.36
GFL GM Moroccoo	(0.17%)	(1,210.35)	(0.69%)	(925.30)	6.60%	13.75	(0.67%)	(911.55)
Minority Interest in all subsidiaries	17.73%	1,28,786.71	3.28%	4,420.33	16.44%	34.26	3.30%	4,454.59
Indian Associates								
Megnasolace City Private Limited	0.44%	3,201.88	0.00%	-	0.00%	-	0.00%	-
Wind Two Renergy Private Limited	(0.00%)	(2.91)	(0.00%)	(2.91)	0.00%	-	(0.00%)	(2.91)
Wind Four Renergy Private Limited	(0.00%)	(2.61)	(0.00%)	(2.61)	0.00%	-	(0.00%)	(2.61)
Wind Five Renergy Private Limited	(0.00%)	(16.36)	(0.01%)	(16.36)	0.00%	-	(0.01%)	(16.36)
Wind One Renergy Private Limited	(0.00%)	(1.00)	(0.00%)	(1.00)	0.00%	-	(0.00%)	(1.00)
Wind Three Renergy Private Limited	(0.00%)	(1.00)	(0.00%)	(1.00)	0.00%	-	(0.00%)	(1.00)
Joint Ventures (Investments as per equity method)								
Indian Joint Venture								-
Swarnim Gujarat Flourspar Private Limited	0.01%	88.33	(0.00%)	(2.66)	0.00%	-	(0.00%)	(2.66)
Intercompany eliminations								-
Consolidation eliminations / adjustments	(28.28%)	(2,05,443.60)	(2.60%)	(3,511.42)	(16.44%)	(34.25)	(2.62%)	(3,545.67)
Total	**100.00%**	**7,26,469.17**	**100.00%**	**1,34,909.41**	**100.00%**	**208.34**	**100.00%**	**1,35,117.75**

(*) see Note 9

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(b) As at and for the year ended 31st March, 2018

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Gujarat Fluorochemicals Limited	58.39%	3,47,912.37	202.99%	48,731.09	21.99%	167.96	197.41%	48,899.05
Subsidiaries (Group's share)								
Indian Subsidiaries								
Inox Infrastructure Limited	0.98%	5,817.34	0.21%	50.26	0.00%	-	0.20%	50.26
Inox Wind Limited	33.72%	2,00,949.49	(65.47%)	(15,716.91)	23.24%	177.51	(62.73%)	(15,539.40)
Inox Wind Infrastructure Services Limited	(0.10%)	(573.95)	(24.12%)	(5,789.93)	7.03%	53.70	(23.16%)	(5,736.23)
Marut Shakti Energy India Limited	(0.23%)	(1,369.97)	(1.29%)	(310.16)	0.00%	-	(1.25%)	(310.16)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.01%)	(80.63)	(0.08%)	(19.39)	0.00%	-	(0.08%)	(19.39)
Sarayu Wind Power (Kondapuram) Private Limited	(0.00%)	(27.63)	(0.06%)	(15.19)	0.00%	-	(0.06%)	(15.19)
Satviki Energy Private Limited	0.01%	77.74	(0.00%)	(1.08)	0.00%	-	(0.00%)	(1.08)
Vinirrmaa energy generation Private Limited	(0.02%)	(91.62)	(0.15%)	(35.99)	0.00%	-	(0.15%)	(35.99)
RBRK Investments Limited	(0.08%)	(454.38)	(2.09%)	(501.94)	0.00%	-	(2.03%)	(501.94)
Wind One Renergy Private Limited	(0.00%)	(0.25)	(0.01%)	(1.25)	0.00%	-	(0.01%)	(1.25)
Wind Three Renergy Private Limited	(0.00%)	(0.25)	(0.01%)	(1.25)	0.00%	-	(0.01%)	(1.25)
Ripudaman Urja Private Limited	(0.00%)	(0.17)	(0.00%)	(1.17)	0.00%	-	(0.00%)	(1.17)
Suswind Power Private Limited	(0.00%)	(0.17)	(0.00%)	(1.17)	0.00%	-	(0.00%)	(1.17)
Vasuprada Renewables Private Limited	(0.00%)	(0.18)	(0.00%)	(1.18)	0.00%	-	(0.00%)	(1.18)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Vibhav Energy Private Limited	0.00%	0.03	(0.00%)	(0.97)	0.00%	-	(0.00%)	(0.97)
Haroda Wind Energy Private Limited	0.00%	0.44	(0.00%)	(0.56)	0.00%	-	(0.00%)	(0.56)
Vigodi Wind Energy Private Limited	0.00%	0.47	(0.00%)	(0.53)	0.00%	-	(0.00%)	(0.53)
Aliento Wind Energy Private Limited	0.00%	0.58	(0.00%)	(0.42)	0.00%	-	(0.00%)	(0.42)
Tempest Wind Energy Private Limited	0.00%	0.57	(0.00%)	(0.43)	0.00%	-	(0.00%)	(0.43)
Flurry Wind Energy Private Limited	0.00%	0.57	(0.00%)	(0.43)	0.00%	-	(0.00%)	(0.43)
Vuelta Wind Energy Private Limited	0.00%	0.57	(0.00%)	(0.43)	0.00%	-	(0.00%)	(0.43)
Flutter Wind Energy Private Limited	0.00%	0.57	(0.00%)	(0.43)	0.00%	-	(0.00%)	(0.43)
Wind Two Renergy Private Limited(*)	0.00%	-	(0.00%)	(0.83)	0.00%	-	(0.00%)	(0.83)
Wind Four Renergy Private Limited(*)	0.00%	-	(0.00%)	(0.83)	0.00%	-	(0.00%)	(0.83)
Wind Five Renergy Private Limited(*)	0.00%	-	(0.00%)	(0.83)	0.00%	-	(0.00%)	(0.83)
Nani Virani Wind Energy Private Limited(*)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ravapar Wind Energy Private Limited(*)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Khatiyu Wind Energy Private Limited(*)	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Notes to Consolidated Financial Statements
for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Inox Renewables Limited	1.93%	11,488.79	1.10%	263.46	18.65%	142.44	1.64%	405.90
Inox Renewables (Jaisalmer) Limited	2.33%	13,896.60	4.31%	1,033.74	(0.36%)	(2.77)	4.16%	1,030.97
Inox Leisure Limited	11.24%	66,967.47	47.75%	11,464.21	8.54%	65.19	46.55%	11,529.40
Shouri Properties Private Limited	0.01%	77.25	0.01%	2.56	0.00%	-	0.01%	2.56
Swanston Multiplex Cinemas Private Limited	0.00%	4.59	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Inox Leisure Limited Employees welfare trust	0.00%	13.82	0.00%	0.50	0.00%	-	0.00%	0.50
INOX Benefit Trust	0.00%	0.91	(0.00%)	(0.09)	0.00%	-	(0.00%)	(0.09)
Foreign Subsidiaries								-
GFL GmbH	0.16%	965.59	2.33%	558.78	14.46%	110.47	2.70%	669.25
GFL LLC USA	0.25%	1,507.27	2.08%	499.27	1.63%	12.45	2.07%	511.72
GFL Singapore	1.00%	5,933.01	0.21%	49.79	6.04%	46.10	0.39%	95.89
GFL GM Moroccoo	(0.05%)	(298.80)	(0.90%)	(216.77)	(1.22%)	(9.28)	(0.91%)	(226.05)
Minority Interest in all subsidiaries	20.02%	1,19,288.37	(5.60%)	(1,344.46)	15.10%	115.30	(4.96%)	(1,229.16)
Indian Associates								
Megnasolace City Private Limited	0.54%	3,201.88	0.00%	-	0.00%	-	0.00%	-
Wind Two Renergy Private Limited	(0.00%)	(1.00)	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Wind Four Renergy Private Limited	(0.00%)	(1.00)	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Wind Five Renergy Private Limited	(0.00%)	(1.00)	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Nani Virani Wind Energy Private Limited	(0.00%)	(0.35)	(0.00%)	(0.35)	0.00%	-	(0.00%)	(0.35)
Ravapar Wind Energy Private Limited	(0.00%)	(0.35)	(0.00%)	(0.35)	0.00%	-	(0.00%)	(0.35)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

56. Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Khatiyu Wind Energy Private Limited	(0.00%)	(0.35)	(0.00%)	(0.35)	0.00%	-	(0.00%)	(0.35)
Joint Ventures (Investments as per equity method)								
Indian Joint Venture								-
Swarnim Gujarat Flourspar Private Limited	0.02%	90.52	(0.01%)	(2.66)	0.00%	-	(0.01%)	(2.66)
Swanston Multiplex Cinemas Private Limited	0.00%	2.39	(0.01%)	(3.43)	0.00%	-	(0.01%)	(3.43)
Intercompany eliminations								-
Consolidation eliminations / adjustments	(30.09%)	(1,79,329.10)	(61.13%)	(14,674.65)	(15.10%)	(115.30)	(59.71%)	(14,789.95)
Total	**100.00%**	**5,95,968.04**	**100.00%**	**24,006.55**	**100.00%**	**763.77**	**100.00%**	**24,770.32**

(*) see Note 9

As per our report of even date attached
For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A.D. TALAVLIKAR
Partner
Mem No: 130432

Place : Noida
Dated: 27th May, 2019

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director
DIN: 00029968

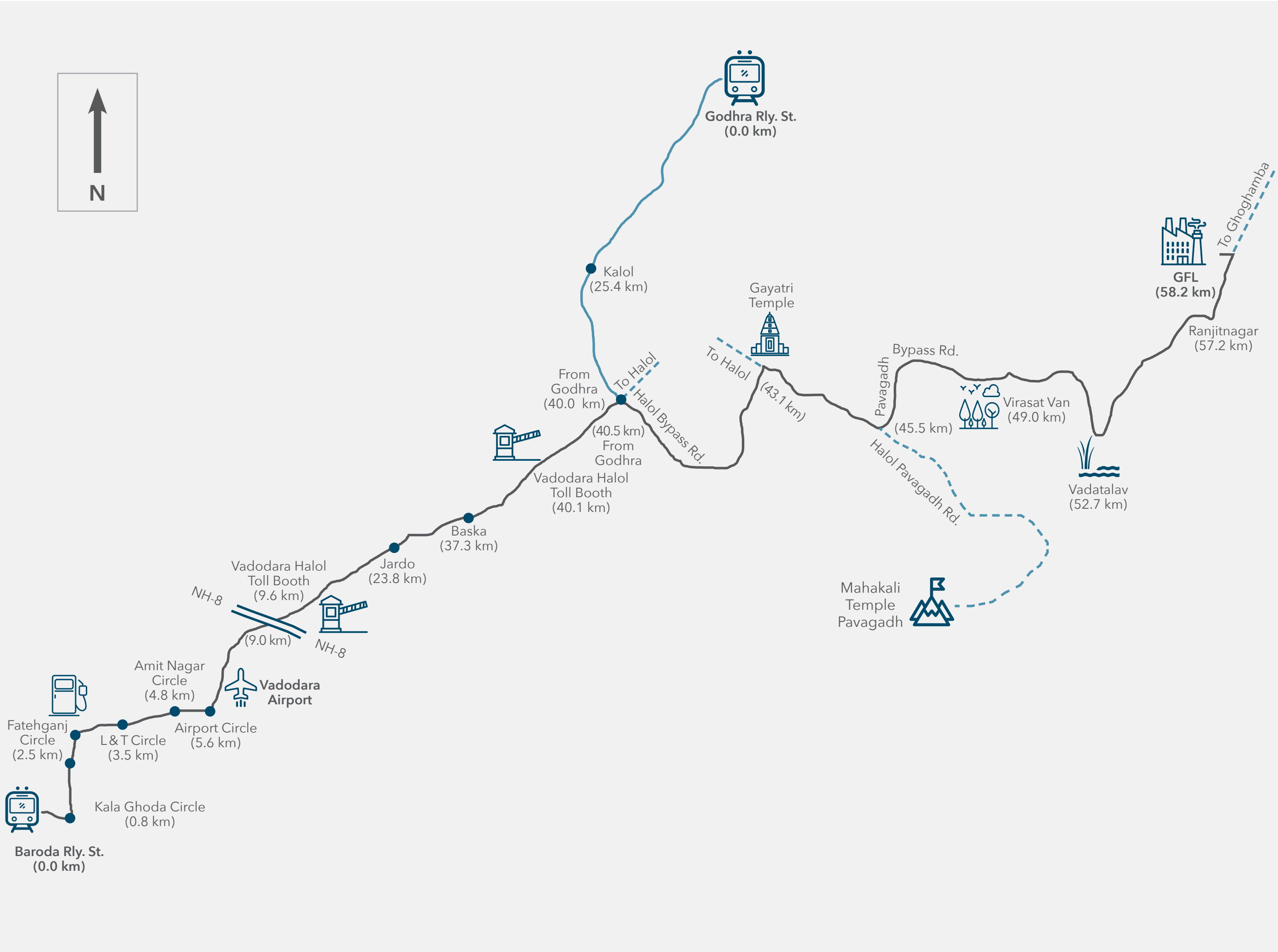
DEEPAK ASHER
Director & Group Head
(Corporate Finance)
DIN: 00035371

B. V. DESAI
Company Secretary

MANOJ AGRAWAL
Chief Financial Officer

Place : Noida
Dated: 27th May, 2019

Route Map for the Venue of the Meeting



Way layout for GFL - Site from Baroda Railway Station &
Way layout from Godhra Railway Station to Halol Bypass (Toll Booth)

GFL LIMITED

Earlier known as Gujarat Fluorochemicals Limited
(CIN: L24110GJ1987PLC009362)

Registered office: Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
Telephone: 02678-248153, Fax: 02678-248153
Website: www.gfllimited.co.in Email id: bvdesai@gfl.co.in

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

32nd Annual General Meeting – 18th September, 2019

Name of the Member(s)	:
Registered Address	:
E-mail ID	:
Folio No./ Client ID	:
DP ID	:

I/ We, being the Member(s) of ________________________ shares of the above named Company, hereby appoint

Name: ____ E-mail ID:____

Address:____

____ Signature:_________________________ Or failing him/ her

Name: ____ E-mail ID:____

Address:____

____ Signature:_________________________ Or failing him/ her

Name: ____ E-mail ID:____

Address:____

____ Signature:_________________________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Wednesday, 18th September, 2019 at 03:00 p.m. at Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal and at any adjournment thereof in respect of such Resolutions as are indicated below.

Resolution Number	**Resolution**	**Vote (Optional see Note 2)(Please mention no. of shares)**		
		For	**Against**	**Abstain**
Ordinary business				
1 a	Adoption of			
	Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019, the report of Auditors thereon and the report of the Board of Directors for the said year; and			
1 b	Adoption of			
	Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the report of the Auditors thereon.			
2	Declaration of Dividend for the Financial Year ended on 31st March, 2019.			
3	Re-appointment of Director in place of Shri Pavan Kumar Jain, (DIN: 00030098) who retires by rotation and, being eligible, seeks re-appointment.			
Special Business				
4	Continuation of Directorship of Mr. Shanti Prashad Jain (DIN: 00023379) as Non- Executive and Independent Director of the Company.			
5	Continuation of Directorship of Mr. Shailendra Swarup (DIN: 00167799) as Non- Executive and Independent Director of the Company.			
6	Appointment of Mr. Devendra Kumar Jain (DIN: 00029782) as Managing Director of the Company			
7	Re-appointment of Ms. Vanita Bhargava (DIN: 07156852) as Independent Director of the Company			

Signed this ________________________day of _________________2019.

Affix a Revenue Stamp not less than ₹ 1

___________________ ________________________

Signature of Member Signature of Proxy Holder(s)

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

GFL LIMITED

Earlier known as Gujarat Fluorochemicals Limited
(CIN: L24110GJ1987PLC009362)

Registered office: Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
Telephone: 02678-248153, Fax: 02678-248153
Website: www.gfllimited.co.in Email id: bvdesai@gfl.co.in

ATTENDANCE SLIP

(To be handed over at the entrance of Meeting Hall)

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 32nd Annual General Meeting of the Company held at the Registered Office of the Company at Survey Number 16/3, 26 and 27, Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal, Gujarat, on Wednesday, 18th September, 2019 at 3:00 pm

Sr. No. :

Member's Name and Address details	
DP ID*	
Client ID*	
Folio No.	
No of Shares	

* Applicable only for Investors holding shares in Electronic Form.

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

Members attending the meeting are requested to bring their copies of the Annual Report with them.

Member's/Proxy's Signature

ELECTRONIC VOTING PARTICULARS

Members may please note the user id and password given below for the purpose of e-voting in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration), Rules, 2014, as amended. Details instructions for e-voting are given in the attached AGM Notice.

E VOTING SEQUENCE NUMBER (EVSN)	USERID	SEQUENCE NUMBER (PASSWORD)
190821009		

Note: The Voting period starts from Sunday, 15th September, 2019 (9:00 a.m.) and ends on Tuesday, 17th September, 2019 (5:00 p.m.). The voting module shall be disabled by CDSL for voting thereafter.

Note

GFL LIMITED

Earlier known as Gujarat Fluorochemicals Limited

Registered Office

Survey Number 16/3, 26 & 27
Village Ranjitnagar 389380,Taluka Ghoghamba
District Panchmahal, Gujarat