

**INOX LEASING AND
FINANCE LIMITED**



**ANNUAL REPORT
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INOX LEASING AND FINANCE LIMITED

18th ANNUAL REPORT

2012 – 2013

BOARD OF DIRECTORS

Shri D.K. Jain	<i>Chairman</i>
Shri P.K. Jain	<i>Managing Director</i>
Shri V.K. Jain	<i>Director</i>
Shri Siddharth Jain	<i>Director</i>
Shri Deepak Asher	<i>Whole-time Director</i>

AUDIT COMMITTEE

Shri Deepak Asher

Shri V.K. Jain

Shri Siddharth Jain

COMPANY SECRETARY

Shri Vijay Saxena

AUDITORS

M/s. S. C. Bandi & Co.
Chartered Accountants

BANKERS

Standard Chartered Bank
HDFC Bank Limited
Axis Bank Limited

REGISTERED OFFICE

69, Jolly Maker Chambers II
Nariman Point,
Mumbai – 400021.



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of **INOX LEASING AND FINANCE LIMITED** will be held on Monday, the 30th day of September, 2013 at 10.00 a.m. at 69, Jolly Maker Chambers II, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2013 the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report for the said year.
2. To note payment of interim dividend and declare final dividend for the year ended 31st March, 2013.
3. To appoint a Director in place of Shri D.K. Jain who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Deepak Asher who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification(s), as may be deemed fit, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 Mr. Deepak Asher, be and is hereby re-appointed as Whole-time Director of the company for a period of one year with effect from 1st January, 2013 on the terms and conditions as given in the Explanatory Statement annexed hereto.

"RESOLVED FURTHER THAT for giving effect to the aforesaid resolution, the Board of Directors be and are hereby authorized to do all such acts, deeds and things as may be necessary in this regard."

By Order of the Board of Directors

D. K. JAIN
Chairman

New Delhi, 5th August, 2013

REGISTERED OFFICE:

69, Jolly Maker Chambers II,
Nariman Point, Mumbai – 400 021.

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE DULY EXECUTED INSTRUMENT OF PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2013 to 30th September, 2013 (both days inclusive).
- 3) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business as set out above is annexed hereto.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 6.

At the Annual General Meeting of the Company held on 29th September, 2008, Mr. Deepak Asher was appointed as Whole-time Director for a period of five years with effect from 1st January, 2008. The Board of Directors of the Company at their meeting held on 25th January, 2013 have, subject to approval of the members, re-appointed Mr. Deepak Asher as Whole-time Director of the Company for a period of one year with effect from 1st January, 2013 on the following remuneration:

I. Salary

Basic Salary of Rs.77,025 per month.

II. Perquisites

1. House Rent Allowance

The Whole-time Director shall be entitled to house rent allowance of Rs. 21,000/- p.m.

2. Conveyance Allowance

The Whole-time Director shall be entitled to conveyance allowance of Rs. 20,000/- per month.

3. Other Allowances

This includes Books & Periodicals of Rs. 200/- p.m. and Education Allowance of Rs. 100/- p.m.

4. Medical Reimbursement

Expenses incurred for the Whole-time Director and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

5. Leave Travel Allowance

For the Whole-time Director and his family, once in a year incurred in accordance with any rules specified by the Company.

6. Incentive Bonus

Incentive Bonus of 20% of the Annual Basic Salary.

7. Gratuity

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

8. Leave Encashment

Encashment of leave as per rules of the Company.

III. Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of his service, Mr. Deepak Asher will be paid remuneration by way of salary, perquisites and other allowances as per the limits prescribed under Schedule XIII of the Companies Act, 1956.

The terms and conditions of the above remuneration payable to Mr. Deepak Asher may be varied/ enhanced from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amounts payable to Whole-time Director as per Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in this regard.

The Board recommends the resolution for approval of the members.

None of the Directors of the Company, except Mr. Deepak Asher is concerned or interested in the resolution.

The proposed resolution as set out in item No. 6 and this explanatory statement may be treated as an abstract of the terms and conditions of the remuneration of Mr. Deepak Asher, Whole-time Director of the Company in terms of Section 302 of the Companies Act, 1956.

By Order of the Board of Directors

D. K. JAIN
Chairman

New Delhi, 5th August, 2013

Registered Office:

69, Jolly Maker Chambers II,
Nariman Point, Mumbai – 400 021.

**DIRECTORS' REPORT**

To

The Members of
Inox Leasing and Finance Limited

Dear Member,

Your Directors have pleasure in presenting to you their Eighteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

1. Financial Results

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31st March 2013.

(Rs. in lacs)

	(Rupees) 2012-2013	(Rupees) 2011-2012
Total Income	2719.40	3406.81
Profit before Interest & Depreciation	2589.36	3237.22
Less: Interest	—	—
Profit before Depreciation	2589.36	3237.22
Less: Depreciation	39.17	10.56
Profit before Tax	2550.19	3226.66
Less: Provision for Taxation	105.21	88.92
Profit for the year	2444.98	3137.74
Add: Profit brought forward from previous year	4724.23	4655.18
Profit available for appropriations	7169.21	7792.92
Appropriations		
Transferred to Statutory Reserve Fund	500.00	630.00
Transferred to General Reserve	250.00	315.00
Interim Dividend	1061.85	1061.85
Proposed Dividend	530.92	1061.84
Balance carried to Balance Sheet	4826.44	4724.23
	7169.21	7792.92

2. Dividend

Your Company has paid an Interim Dividend of Rs. 10.00 per share (100%) and now recommend a final dividend of Rs. 5/- per share (50%) for the year ended 31st March, 2013 subject to approval of the shareholders. The total dividend pay out for the year will be Rs. 1592.77 lacs.

3. Responsibility Statement

As required under Section 217(2AA) of the Companies Act, 1956, your Directors would like to confirm that:

- I. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- II. the Directors have 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 the year under review;



III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;

IV. the Directors have prepared the Annual Accounts on a going concern basis.

4. Fixed Deposits

Your Company has neither invited nor accepted any Deposits from the public.

5. Directors

Mr. D.K. Jain and Mr. Deepak Asher, Directors retire by rotation and being eligible offer themselves for re-appointment.

The Board of Directors have re-appointed Mr. Deepak Asher as Whole-time Director of the Company for a period of one year subject to the approval of the members at the ensuing Annual General Meeting.

6. Subsidiaries

Ministry of Corporate Affairs, New Delhi vide its General Circular No. 2/2011 dated 8th February, 2011 has granted general exemption to Holding Companies from attaching the Balance Sheet(s) of Subsidiary Company(ies) as required under Section 212 of the Companies Act, 1956. In view of the above, the Board of Directors of your company have by resolution dated 5th August, 2013 accorded consent for not attaching Annual Accounts for the financial year ended on 31st March, 2013 of all the Company's subsidiaries. The financial data of the subsidiaries have been furnished under 'Statement pursuant to exemption under section 212(8) of the Companies Act, 1956 relating to Subsidiary Companies' and forms part of this Annual Report.

7. Audit Committee

In compliance with Section 292A of the Companies Act, 1956, an Audit Committee of the Board has been formed comprising of Mr. Deepak Asher, Mr. V.K. Jain and Mr. Siddharth Jain.

8. Auditors' Report

The notes forming part of the accounts are self explanatory and do not call for any further clarifications under Section 217(3) of the Companies Act, 1956.

9. Auditors

M/s. S.C. Bandi & Company, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

10. Particulars regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

As the Company is not a manufacturing Company, matters relating to conservation of energy and technology absorption as required under the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is not applicable.

11. Particulars of Employees

There was no employee drawing remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Company's (Particulars of Employees) Rules, 1975.

12. Insurance

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

By Order of the Board of Directors

D.K.JAIN
Chairman

New Delhi, 5th August, 2013



INOX LEASING AND FINANCE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1. Name of the Company	Gujarat Fluorochemicals Limited	Inox Leisure Limited
2. Financial year ended	: 31 st March, 2013	31 st March, 2013
3. Shares held by the Holding Company in the Subsidiary Company	: 5,77,15,310 Equity Shares of Rs. 1/- each	5,87,461 Equity Shares of Rs. 10/- each
4. Holding Company's interest	: 52.54%	0.95%
5. The net aggregate of Profits or Losses for the current and previous financial periods of the Subsidiary so far as it concerns the members of the Holding Company :		
a) dealt with or provided for in the accounts of the Holding Company	: —	—
b) not dealt with or provided for in the accounts of the Holding Company	: Rs. 39,834.33 lacs (Rs. 43,159.65 lacs)	Rs. 1844.63 lacs (Rs. 1027.69 lacs)

Note:

1. Inox Leisure Limited is a subsidiary of Gujarat Fluorochemicals Limited. (Ceased to be subsidiary w.e.f. 10th July, 2013).
2. The Company has no investments in the other subsidiary companies of Gujarat Fluorochemicals Limited or Inox Leisure Limited.

By Order of the Board of Directors

D.K.JAIN
Chairman

New Delhi, 5th August, 2013



INDEPENDENT AUDITORS' REPORT

To the Members of Inox Leasing and Finance Limited

Report on the Financial Statements

I have audited the accompanying financial statements of INOX Leasing and Finance Limited (the Company), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the said financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- ii. in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, I report that:
 - a. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
 - b. In my opinion proper books of account as required by law have been kept by the company so far as appears from my examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. in my opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - e. On the basis of written representation received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.C. BANDI & CO.
Chartered Accountants
Firm Registration No. 130850W

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 5th August, 2013



ANNEXURE REFERRED TO IN MY REPORT OF EVEN DATE FOR THE YEAR ENDED 31ST MARCH, 2013

In terms of the information and explanations given to me and the books and records examined by me in the normal course of audit and to the best of my knowledge and belief, I state as under:

- (i)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) During the year, the company has not disposed off substantial part of its fixed assets, which will affect the going concern status of the Company.
- (ii)
 - (a) The stock of shares have been physically verified by the management during the year. In my opinion the frequency of verification is reasonable.
 - (b) The procedures of physical verification of stocks of shares followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) I am informed that no material discrepancies have been noticed on physical verification of stocks of shares as compared to the book records.
- (iii) During the year, Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of my audit, no major weakness has been noticed in internal control system.
- (v)
 - (a) In my opinion and according to the information and explanations given to me, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - (b) In my opinion and according to the information and explanations given to me, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company has no internal audit system. However internal controls exercised by the management of the Company commensurate with its size and nature of its business.
- (viii) Being an Investment Company the maintenance of cost records as prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the company.
- (ix)
 - (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - (b) According to the information and explanations given to me, no undisputed amounts payable in respect of income tax, wealth tax, sales tax were in arrears, as at 31.03.2013 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanation given to me, there are no dues of sales tax, income tax, customs duty and wealth tax, which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses as at 31st March, 2013 and has not incurred any cash losses in the current financial year and the immediately preceding financial year.



- (xi) In my opinion and according to the information and explanations given to me, the company has not taken any loans from Financial Institutions, Banks and debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In my opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) The Company is engaged in the business of trading in shares, securities and other investments. The Company has maintained proper records of transactions and contracts in respect of trading of shares and other securities and timely entries have been made therein. The Company's investments are held in its own name.
- (xv) The company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company has not obtained any term loan for any purpose.
- (xvii) According to information and explanations given to me and on overall examination of the Balance Sheet of the Company, I report that no funds raised on short term basis have been used for long term investments and vice versa.
- (xviii) According to information and explanations given to me, during the year under audit the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during the financial year covered by my audit.
- (xx) The company has not raised any money by public issue during the financial year covered by my audit.
- (xxi) According to the information and explanations given to me, no fraud on or by the company has been noticed or reported during the course of my audit.

For S.C. BANDI & CO.
Chartered Accountants
Firm Registration No. 130850W

S.C. BANDI
Proprietor
M. No: 16932

Place : Mumbai
Date : 5th August, 2013



INOX LEASING AND FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2013

Amount (Rs. In lacs)

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
		Rupees	Rupees	Rupees	Rupees
EQUITY AND LIABILITIES					
(1) Shareholders' funds:					
(a) Share Capital	4		1,061.85		1,061.85
(b) Reserves and Surplus	5		12,142.72		11,290.52
			13,204.57		12,352.37
(2) Non-current liabilities					
(a) Long-term Provisions	6		18.83		14.41
(b) Other Long-term liabilities	7		76.33		—
			95.16		14.41
(3) Current liabilities					
(a) Trade Payables	8		9.46		4.83
(b) Other Current Liabilities	9		80.77		44.61
(c) Short-term Provisions	10		544.47		1,065.45
			634.70		1,114.89
TOTAL			13,934.43		13,481.67
ASSETS					
(1) Non-current Assets					
(a) Fixed assets					
Tangible assets	11		63.32		46.81
(b) Capital work-in-progress			1,794.18		2,151.36
(c) Deferred Tax Asset	26		15.98		14.41
(d) Non-current investments	12		4,945.06		4,328.93
(e) Long-term Loans and advances	13		1,178.32		858.33
(f) Other non-current assets	14		195.16		138.96
(2) Current Assets					
(a) Current investments	15		5,102.42		4,958.46
(b) Trade receivables	16		34.00		3.79
(c) Cash and cash equivalents	17		514.11		899.83
(d) Short-term loans and advances	18		63.49		64.25
(e) Other current assets	19		28.39		16.54
TOTAL			13,934.43		13,481.67

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
for **S.C. BANDI & CO.**
Chartered Accountants

On behalf of the Board of Directors

S.C. BANDI
Proprietor

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Membership No. 16932

Place: Mumbai
Date: 5th August, 2013

Place: New Delhi
Date: 5th August, 2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013**

Amount (Rs. In lacs)

	Note No.	2012-2013		2011-2012	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Revenue from Operations (Gross)	20		2,659.18		3,356.24
Other Income	21		60.22		50.57
Total Revenue			2,719.40		3,406.81
EXPENSES					
Employee benefits expense	22		72.52		67.90
Depreciation and amortization	23		39.17		10.56
Other expenses	24		57.52		101.69
Total Expenses			169.21		180.15
Profit before tax			2,550.19		3,226.66
Tax Expense					
a) Current Tax		165.10		134.50	
b) Deferred Tax		(1.57)		(0.63)	
c) Mat Credit entitlement		(56.20)		(44.95)	
d) Taxation for earlier years		(2.12)		—	
			105.21		88.92
Profit for the year			2,444.98		3,137.74
Basic & diluted earning per equity share			23.03		29.55

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
for **S.C. BANDI & CO.**
Chartered Accountants

On behalf of the Board of Directors

S.C.BANDI
Proprietor

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Membership No. 16932

Place: Mumbai
Date: 5th August, 2013

Place: New Delhi
Date: 5th August, 2013



INOX LEASING AND FINANCE LIMITED

Cash Flow Statement for the year ended 31st March, 2013

Amount (Rs. In lacs)

Particulars	2012-13	2011-12
A Cash flow from operating activities		
Profit before tax	2,550.19	3,226.67
<u>Adjustments for :</u>		
Depreciation and Amortisation	39.18	10.56
Provision for diminution in value of investments	—	50.00
Income in respect of investing activities (Net)	(2,585.75)	(3,336.79)
	(2,546.57)	(3,276.23)
Operative profit before working capital changes	3.62	(49.57)
<u>Adjustments for :</u>		
Long-term provisions	4.41	4.20
Long-term liabilities	76.33	—
Trade payables	4.63	(26.25)
Other current liabilities	36.16	20.97
Short-term provisions	(520.98)	(7.79)
Long-term loans and advances	37.19	679.03
Trade receivables	(30.21)	2.54
Other non current assets	(11.85)	(15.43)
Short-term loans and advances	0.76	(2.68)
	(403.55)	654.59
Cash generated from operations	(399.93)	605.03
Income-tax paid (Net)	(162.98)	(134.50)
Net cash used in operating activities	(562.91)	470.53
B Cash flow from investing activities		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(979.66)	(0.37)
Purchase of investments	(4,980.59)	(6,633.09)
Redemption/Sale of Investments	5,874.19	5,318.83
Interest and Dividend received (Net of expenses)	1,856.03	2,820.92
Net cash from investment activities	1,769.96	1,506.29
C Cash flow from financing activities		
Dividend paid (Including Tax on Dividend)	(1,592.77)	(2,123.69)
Net cash (used) in financing activities	(1,592.77)	(2,123.69)
Net increase/(decrease) in cash and cash equivalent	(385.72)	(146.88)
Cash and cash equivalents as at the beginning of the year	899.83	1,046.70
Cash and cash equivalents as at the end of the year	514.11	899.83

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**
Chartered Accountants

S.C.BANDI
Proprietor

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Membership No. 16932

Place: Mumbai
Date: 5th August, 2013

Place: New Delhi
Date: 5th August, 2013



Notes to Financial Statements for the year ended 31st March 2013

1. CORPORATE INFORMATION

Inox Leasing and Finance Limited (the "Company") is a public Company engaged in the business of financial services, investments in shares, bonds and units of mutual funds and earns brokerage income on investments in mutual funds etc.

The company is the holding company of Gujarat Fluorochemicals Limited.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis.

These financial statements comply in all material respects with the applicable Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

3. SIGNIFICANT ACCOUNTING POLICIES:

(a) Revenue Recognition

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.

Dividend income is accounted for when the right to receive the same is established.

(b) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation, amortization and impairment. Depreciation is provided on Written Down Value Method on prorata basis at the rates specified in Schedule XIV of the Companies Act, 1956.

(c) INVESTMENTS

Non current Investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary in the value of these investments.

Current investments are carried at lower of cost and fair value.

(d) EMPLOYEE BENEFITS

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered.

Company's contribution towards Provident and Pension Funds vis-à-vis defined contribution plan paid/payable during the year are charged to the Statement of Profit and Loss.

Post employment benefits in the form of Gratuity and Leave encashment are recognised as expense in the Statement of Profit and Loss at present value of the amounts payable determined on the basis of actuarial value technique, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(e) TAXES ON INCOME

Income Tax expense comprises current tax and deferred tax charge. Deferred tax is recognized on timing differences, subject to consideration of prudence, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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 asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax within the period prescribed for utilisation of such credit.

(f) IMPAIRMENT OF ASSETS

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.

(g) PROVISIONS & CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. 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. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

**INOX LEASING AND FINANCE LIMITED****(h) USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities, at the end of the accounting year and reported amounts of revenue and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4. SHARE CAPITAL	As at 31st March, 2013		Amount (Rs. In lacs)	
	Rupees	Rupees	As at 31st March, 2012	Rupees
Authorised capital				
11,000,000 Equity Shares of Rs.10/- Each		1,100.00		1,100.00
1,500,000 Redeemable Cumulative Preference Shares of Preference Shares of Rs.100/- each		1,500.00		1,500.00
Total		2,600.00		2,600.00
Issued, Subscribed and fully paid up capital				
10,618,467 Equity Shares of Rs.10/- Each		1,061.85		1,061.85
Total		1,061.85		1,061.85

*includes 2,43,367 equity shares allotted as fully paid up to shareholders of Roland Industrial Company Limited pursuant to Scheme of Amalgamation, without payment received in cash.

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at 31-03-2013		As at 31-03-2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	10,618,467	1,061.85	10,618,467	1,061.85
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	10,618,467	1,061.85	10,618,467	1,061.85

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rupees 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any.

During the financial year company has paid interim dividend of Rs. 10/- per share (previous year Rs. 10/- per equity share). Further, dividend of Rs. 5/- per equity share (previous year Rs. 10/- per equity share) is proposed to be distributed to the equity shareholders. The total distribution of dividend to the equity shareholders is Rs. 15/- per equity share (previous year Rs. 20/- per equity share).

c. Details of shareholders holding more than 5% shares in the Company

	31-03-2013		31-03-2012	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	2,474,378	23.30	2,473,478	23.29
Mr. Vivek Kumar Jain	2,374,205	22.36	2,366,405	22.29
Mr. Devansh Jain	1,307,618	12.31	1,257,618	11.84
Mrs. Nayantara Jain	1,172,832	11.05	1,122,832	10.57
Mrs. Nandita Jain	1,031,644	9.72	981,644	9.24
Mr. Siddharth Jain	1,018,292	9.59	968,292	9.12

**INOX LEASING AND FINANCE LIMITED****5. RESERVES AND SURPLUS**

	As at 31st March, 2013		Amount (Rs. In lacs)	
	Rupees	Rupees	As at 31st March, 2012	Rupees
Reconstruction Reserve				
Balance as per last Balance Sheet		639.52		639.52
Amalgamation Reserve				
Balance as per last Balance Sheet		75.76		75.76
Capital Redemption Reserve				
Balance as per last Balance Sheet		1,400.00		1,400.00
Statutory Reserve Fund*				
Balance as per last Balance Sheet	3,436.00		2,806.00	
Add: Transferred from Profit and Loss Account	500.00		630.00	
*Pursuant to Reserve Bank of India (Amendment) Act, 1947.		3,936.00		3,436.00
General Reserve				
Balance as per last Balance Sheet	1,015.00		700.00	
Add: Transferred from Profit and Loss Account	250.00		315.00	
Balance at the end of the year		1,265.00		1,015.00
Surplus in the statement of Profit & Loss				
Balance as per last Balance Sheet	4,724.23		4,655.19	
Add: Profit for the year	2,444.98		3,137.74	
	7,169.21		7,792.93	
Less: Appropriations				
Interim Dividend	1,061.85		1,061.85	
Proposed dividend	530.92		1,061.85	
Transfer to Statutory Reserve Fund	500.00		630.00	
Transfer to General Reserve	250.00		315.00	
Total Appropriations	2,342.77		3,068.70	
Balance at the end of the year		4,826.44		4,724.23
Total		12,142.72		11,290.52
6. LONG TERM PROVISIONS				
Provision for employee benefits				
For Gratuity		12.70		9.78
For Leave benefits		6.13		4.63
Total		18.83		14.41
7. LONG TERM LIABILITIES				
For lease hold land		76.33		—
		76.33		—


INOX LEASING AND FINANCE LIMITED

	Amount (Rs. In lacs)	
	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
8. TRADE PAYABLES		
Dues to		
Micro and Small Enterprises	—	—
Others	9.46	4.83
Total	9.46	4.83
9. OTHER CURRENT LIABILITIES		
Unclaimed dividend (see note below)	58.20	38.11
Other current liabilities	22.07	6.08
Statutory dues and taxes	0.50	0.42
Total	80.77	44.61
<p>In respect of unpaid dividends, the actual amount to be transferred to the Investor Protection Fund shall be determined on the due date.</p>		
10. SHORT TERM PROVISIONS		
Provision for employee benefits		
Gratuity	2.47	1.90
Leave benefits	0.38	0.27
Proposed Dividend	530.92	1,061.85
Provision for tax (net of income tax paid)	10.70	1.43
Total	544.47	1,065.45

11. TANGIBLE ASSETS

Amount (Rs. In lacs)

Sr. No.	Description of Asset	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		As at 01.04.12	Addition during the year	Addition during the year	Deletion during the year	As at 31.03.13	As at 01.04.12	Addition during the year	Deletion during the year	As at 31.03.13	As at 31.03.13	As at 31.03.12
1	BUILDINGS	31.28	—	—	—	31.28	21.57	0.49	—	22.06	9.22	9.71
2	FURNITURE & FIXTURES	18.26	27.94	0.00	—	46.20	11.86	4.79	—	16.66	29.54	6.40
3	VEHICLES	109.09	0.69	0.00	—	109.78	89.44	5.21	—	94.65	15.13	19.65
4	OFFICE EQUIPMENTS	24.92	—	—	—	24.92	13.87	1.63	—	15.49	9.43	11.05
	TOTAL	183.55	28.63	0.00	—	212.18	136.74	12.12	—	148.86	63.32	46.81
	PREVIOUS YEAR:	183.18	0.37	0.00	—	183.55	126.18	10.56	—	136.74	46.81	


INOX LEASING AND FINANCE LIMITED

12. NON CURRENT INVESTMENTS (1) Investment in Securities (Long term, non-trade, at cost, unless otherwise stated)	Face Value	As at 31st March, 2013		As at 31st March, 2012	
		Nos.	Rs. in lacs	Nos.	Rs. in lacs
QUOTED					
i) In Subsidiary Company					
Gujarat Fluorochemicals Limited	1	57,715,310	1,921.18	57,715,310	1,921.18
Inox Leisure Limited* (subsidiary of Gujarat Fluorochemicals Limited)	10	587,461	257.20	587,461	257.20
ii) In Other Companies					
Damania Capital Market Limited	10	124,200	37.26	124,200	37.26
Eastern Mining Limited	10	10,300	3.30	10,300	3.30
Konar Organics Limited	10	41,100	4.11	41,100	4.11
Rajinder Pipes Limited	10	8,300	3.32	8,300	3.32
Unified Agro Industries (India) Limited	10	1,800	0.45	1,800	0.45
W S Telesystem Limited	10	8,300	3.32	8,300	3.32
Orient Fabritex Limited	10	140,000	14.00	140,000	14.00
BOC India Limited	10	200	0.21	200	0.21
Ahmedabad Gases Limited	10	200	0.02	200	0.02
Mount Everest Mineral Water Limited	10	0	—	255,400	186.01
Bombay Oxygen Corpn. Limited	100	5	0.06	5	0.06
			2,244.43		2,430.44
Less: Provision for dimunition in value of investments			60.99		60.99
			2,183.44		2,369.45
UNQUOTED					
i) In Equity shares					
Ideas & U Limited	10	500,000	50.00	500,000	50.00
			50.00		50.00
Less: Provision for dimunition in value of investments			50.00		50.00
ii) Investments in Mutual Funds					
BSL FTP Series EV-Growth	10		—	2000000.000	200.00
DSP BR FMP Series 41-12.5M-Growth	10		—	2000000.000	200.00
DSP BR FMP Series 38-12.5M-Growth	10		—	1015629.870	101.56
HDFC FMP 400D March'12(1) series XXII-Growth	10		—	2000000.000	200.00
ICICI Prudential FMP Series 60-18M Plan B-Growth	10		—	2000000.000	200.00
IDFC FMP 18M Series 9-Growth	10		—	2000000.000	200.00
TATA FMP Series 39 Scheme H-Growth	10		—	1500000.000	150.00
TATA FMP Series 42 Scheme 419D-Growth	10	2,000,000.000	200.00	—	—
DSP BR Bond Fund Growth	10	329,570.736	121.48	—	—
ICICI PRU Income Plan -Growth	10	454,121.494	165.43	—	—
TATA Income Fund Plan A-Growth	10	1,020,409.695	356.42	—	—
Templeton India Income Builder Fund Plan A-Growth	10	477,621.706	186.40	—	—
			1,029.73		1,251.56
iii) Investments in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	250.00	250	250.00
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	250.00	250	250.00
PFC 8.20% Tax Free Bonds	1,000	8,544	85.44	8,544	85.44
REC 7.93% Tax Free Bond	1,000	12,248	122.48	12,248	122.48
PFC 7.19% Tax Free Bonds	1,000	10,000	100.00	—	—
			807.92		707.92
Total Investments			4,021.09		4,328.93
Aggregate value of quoted investments			2,244.43		2,430.44
Market value of quoted investments			173,095.44		297,021.87
Aggregate value of unquoted investments			1,887.65		2,009.48
Aggregate provision for dimunition in value of investments			110.99		110.99



INOX LEASING AND FINANCE LIMITED

(2) Investment in Property (Long term and Non-trade)

(Amount Rs. in lacs)

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 01.04.12	Additions	As at 31.03.13	As at 01.04.12	For the year	As at 31.03.13	As at 31.03.13	As at 31.03.12
Leasehold Land	—	204.05	204.05	—	0.20	0.20	203.85	—
Building	—	746.98	746.98	—	26.85	26.85	720.12	—
Total	—	951.03	951.03	—	27.06	27.06	923.97	—
Previous Year	—	—	—	—	—	—	—	—

Total Non Current Investments [1+2]

4,945.06 4,328.93

As at 31st March, 2013	Amount (Rs. In lacs)
Rupees	As at 31st March, 2012
Rupees	Rupees

13. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advances	—	182.70
Loans to employees	3.32	0.63
Advances recoverable in cash or in kind	—	—
- Considered Good	75.00	75.00
Inter corporate Deposits - to subsidiary company *	1,100.00	600.00
Total	1,178.32	858.33

*ceased to be subsidiary w.e.f 10th July, 2013

14. OTHER NON-CURRENT ASSETS

MAT Credit entitlement	195.16	138.96
	195.16	138.96


15. CURRENT INVESTMENTS

	As at 31st March, 2013			As at 31st March, 2012	
	Face Value	Nos.	Rs. in lacs	Nos.	Rs. in lacs
A Current Portion of Long Term Investment					
Investment in Mutual Funds					
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	—	—	2031509.000	203.15
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	—	—	2416246.000	241.62
BSL FTP Series CY-Growth	10	—	—	1001661.000	100.17
BSL FTP Series EW-Growth	10	—	—	2651942.000	265.19
BSL FTP Series FA-Growth	10	—	—	2049704.000	204.97
DSP BR FMP 12M Series 19-Growth	10	—	—	2250585.000	225.06
DSP BR FMP Series 39-12M-Growth	10	—	—	1302272.762	130.23
HDFC FMP 370D June'11(4) series XVIII-Growth	10	—	—	2500000.000	250.00
HDFC FMP 375D July'11(2) series XVIII-Growth	10	—	—	2000000.000	200.00
ICICI Prudential FMP Series 54-1Yr Plan C-Growth	10	—	—	750000.000	75.00
ICICI Prudential FMP Series 54-1Yr Plan D-Growth	10	—	—	1499939.000	149.99
ICICI Prudential interval Fund Annual Plan 1-Growth	10	—	—	2207245.652	300.00
ICICI Prudential FMP Series 60-1 Yr Plan J-Growth	10	—	—	1506316.000	150.63
TATA FMP Series 30 Scheme C-Growth	10	—	—	2244260.000	224.43
TATA FMP Series 38 Scheme D-Growth	10	—	—	2002005.000	200.20
TATA FMP Series 39 Scheme E-Growth	10	—	—	1003851.010	100.39
UTI Fixed Term Income Fund IX-II 369D -Growth	10	—	—	1619820.000	161.98
UTI Fixed Term Income Fund Series IX-VI 368D-Growth	10	—	—	2684493.171	268.45
UTI FTIF Series X-III 370D-Growth	10	—	—	2151600.000	215.16
Birla Sunlife FTP Series EV-Growth	10	2,000,000.000	200.00		
Birla Sunlife FTP Series FI-Growth	10	1,098,020.000	109.80		
Birla Sunlife FTP Series FR-Growth	10	2,000,000.000	200.00		
Birla Sunlife FTP Series GO 369D-Growth	10	2,070,329.000	207.03		
DSP BR FMP Series 38-12.5M-Growth	10	1,015,629.870	101.56		
DSP BR FMP-Series 41-12.5M	10	3,000,000.000	309.70		
DSP BR FMP Series 48-12M-Growth	10	2,500,000.000	250.00		
DSP BR FMP Series 57-12M-Growth	10	1,578,609.974	157.86		
DSP BR FMP Series 59-12M-Growth	10	903,709.688	90.37		
DSP BR FMP Series 86-12M-Growth	10	2,000,000.000	200.00		
HDFC FMP 399D Mar'12 (I) Growth	10	2,410,719.000	259.06		
HDFC FMP 400D Mar'12 (I) Growth	10	2,000,000.000	200.00		
ICICI PRUFMP Series 60-18M Plan B-Growth	10	2,000,000.000	200.00		
ICICI PRU FMP Series 64-367D Plan A-Growth	10	1,645,478.000	164.55		
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	2,768,899.000	327.09		
IDFC FMP 13M Series 7- Growth	10	1,100,000.000	113.13		
IDFC FMP 18M Series 9 - Growth	10	2,000,000.000	200.00		
IDFC FMP 366D Series 74-Growth	10	2,000,000.000	200.00		
IDFC YS Interval Fund Series III-Growth	10	2,002,192.170	200.22		
TATA FMP Series 39 Scheme H-Growth	10	1,500,000.000	150.00		
TATA FMP Series 40 Scheme F-Growth	10	2,000,000.000	200.00		
TATA FMP Series 42 Scheme A-Growth	10	1,000,000.000	100.00		
UTI FIIF Series XIV-II 366D-Growth	10	2,000,000.000	200.00		
UTI FTIF Series XII-III 366 D-Growth	10	901,646.168	90.16		
UTI FTIF Series XII-V-367D-Growth	10	2,943,519.917	294.35		
UTI FTIF Series XIV-I (366D)-Growth	10	2,000,000.000	200.00		
UTI FTIF Series XI-VIII (366D) Growth	10	1,775,387.513	177.54		


INOX LEASING AND FINANCE LIMITED

	As at 31st March, 2013			As at 31st March, 2012	
	Face Value	Nos.	Rs. in lacs	Nos.	Rs. in lacs
Current Investment					
Investment in Mutual Funds					
BSL Short Term FMP Series 23-Growth	10	—	—	2171040.000	217.10
BSL QLY Interval Series 4-Growth	10	—	—	1519344.788	204.65
DSP BR FMP Series 42-3M-Growth	10	—	—	1537033.225	153.70
ICICI Prudential interval Fund II QLY Plan D-Growth	10	—	—	2351847.000	256.88
IDFC FMP QS 69-Growth	10	—	—	2068397.627	206.84
UTI FIIF Series II QLY Interval Plan VI-Growth	10	—	—	2241899.837	252.67
Total			5,102.42		4,958.46
				Amount (Rs. In lacs)	
			As at 31st March, 2013	As at 31st March, 2012	
			Rupees	Rupees	
16. TRADE RECEIVABLES					
(Unsecured, considered good, unless otherwise stated)					
Outstanding for a period exceeding six months			—	—	
Others			34.00	3.79	
Total			34.00	3.79	
17. CASH AND CASH EQUIVALENTS					
Balances with banks in current accounts			83.77	54.53	
Cash on hand			2.95	2.19	
In Liquid fund of Mutual Funds			369.19	305.00	
			455.91		361.72
Other bank balances					
Unpaid dividend account			58.20	38.11	
Deposits with original maturity of more than 3 months but less than 12 months			—	500.00	
			58.20		538.11
Total			514.11		899.83
18. SHORT TERM LOANS AND ADVANCES					
(Unsecured, considered good, unless otherwise stated)					
Prepaid Expenses			1.52		1.86
Loans to employees			0.57		1.77
Security Deposits			61.40		60.62
Total			63.49		64.25
19. OTHER CURRENT ASSETS					
Interest accrued on Bank deposits			—		0.24
Interest accrued on Tax Free Bonds			28.39		16.19
Others			—		0.11
Total			28.39		16.54

**INOX LEASING AND FINANCE LIMITED**

	Amount (Rs. In lacs)	
	2012-13	2011-12
20. REVENUE FROM OPERATIONS		
Brokerage received	73.64	22.02
Dividend Income		
— on long term investments	—	—
i) from subsidiary company	1,731.46	2,597.18
ii) from others	0.19	0.15
— on current investments	—	8.53
Profit on sale of investments		
— on long term investments	489.11	388.39
— on current investments	240.61	127.48
Interest income		
— on inter corporate deposits	17.17	139.48
— on bank deposits	50.64	52.61
— on tax free bonds	56.36	20.40
Total	2,659.18	3,356.24
21. OTHER INCOME		
Interest income		
— Others	0.22	2.57
Rent received	60.00	48.00
Total	60.22	50.57
22. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	65.42	60.49
Contribution to Provident fund and other fund	3.05	2.77
Gratuity	3.49	3.53
Staff Welfare expenses	0.56	1.11
Total	72.52	67.90
23. DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Tangible assets	12.12	10.56
Depreciation on Investment property	26.85	—
Amortization of Investment property	0.20	—
Total	39.17	10.56
24. OTHER EXPENSES		
Rates & Taxes	4.25	0.21
Legal & Professional Expenses	4.29	4.79
Rent paid	12.00	12.00
Insurance	0.89	0.89
General Repairs	1.20	1.28
Repairs & Maint Building	—	0.32
Miscellaneous Expenses	34.89	32.20
Provision for dimunition for value of investments	—	50.00
Total	57.52	101.69
25. Commitments		
Estimate amounts of contracts remaining to be executed on capital account and not provided for (net of advances)		
Rs. NIL (previous year Rs. 2,24,86,909/-).		


INOX LEASING AND FINANCE LIMITED

	Amount (Rs. In lacs)	
	2012-13	2011-12
26 The major components of the net deferred tax liability are as under:		
Particulars		
Deferred Tax Liability -	—	—
Deferred Tax Assets:		
Provision for retirement benefits	7.03	5.38
Depreciation (on account of difference between tax depreciation and depreciation charged in the books)	6.81	7.06
Expenses allowable on payment basis	2.14	1.97
Total assets	15.98	14.41
27 Payments to the firm of auditors:		
Particulars		
Audit Fees	1.10	1.00
Tax Audit Fees	0.60	0.50
For Other services	1.45	1.63
Service Tax	0.39	0.35
Total	3.54	3.48
28 Basic and diluted Earning per share:		
Basic and Diluted Earnings have been calculated as follows:		
Profit after taxation (Rs)	2,444.98	3,137.74
No. of equity shares outstanding at the beginning and end of the year	10,618,467	10,618,467
Nominal value of each share (Rs).	10	10
Basic and diluted Earnings per Share (Rs)	23.03	29.55
29 Expenditure in foreign currency:		
Particulars		
Others - Travelling	—	3.94
Total	—	3.94
30 Earnings in foreign currency:	—	—
31 Disclosure as required by Accounting Standard - AS 19 on "Leases"		
(a) In respect of Assets given on Operating Lease:		
(i) Gross carrying amount of asset given on operating lease included in Buildings of Fixed Assets	14.86	14.86
(ii) Accumulated Depreciation as at the end of the year	11.31	1.12
(iii) Depreciation for the year	0.19	0.20
(iv) Future minimum lease payments-	—	—
(a) Not later than one year	60.00	60.00
(b) Later than one year and not later than five years	168.00	228.00
Later than five years	—	—
(v) General description		
Asset given on operating lease is Office Premises.		
The non-cancellable initial tenure is for five years, which can be further extended at the mutual option of both the parties.		
(b) In respect of assets taken on operating lease:		
Payable in future		
(i) Not later than one year	3.00	3.00
(ii) Later than one year and not later than five years	—	—
(iii) Later than five years	—	—
(iv) The company's significant leasing arrangements are in respect of operating leases for premises taken on lease. Generally, these lease arrangements are non-cancellable, for a period of 11 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals are charged as expenses in the Statement of Profit and Loss Account.		



32 Related party disclosures as required by Accounting Standard (AS18) are as under:

(i) Names of Related Parties:

A) Where control exists:

Subsidiary Company:

Gujarat Fluorochemicals Limited

Subsidiary Companies of Gujarat Fluorochemicals Limited:

Inox Leisure Limited *

Inox Infrastructure Private Limited

Inox Motion Pictures Limited

Inox Wind Limited

Gujarat Fluorochemicals Americas-LLC, USA.

Inox Renewables Limited

GFL Singapore Pte Ltd.

GFL GM Fluorspar SA

Inox Wind Infrastructure Limited (Incorporated on 11th May 2012)

Inox Renewables (Jaisalmer) Limited (Incorporated on 24th July 2012)

* Ceased to be a subsidiary w.e.f. 10th July, 2013.

(B) Other related parties with whom there are transactions during the year:

Enterprises over which key management personnel or his relative has significant influence

— Rajni Farms Private Limited

Key Management Personnel

Mr. Pavan Kumar Jain (Managing Director)

Mr. Deepak Asher (Whole time Director)

(ii) Particulars of Transactions:

Amount Rs. In lacs

Particulars	Subsidiary Company and sub-subsidiary company		Enterprises over which KMP has significant influence		Key Management Personnel		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
(A) Transactions during the year								
i) Rent received								
Gujarat Fluorochemicals Ltd	60.00	48.00					60.00	48.00
ii) Dividend received								
Gujarat Fluorochemicals Ltd	1,731.46	2,597.19					1,731.46	2,597.19
iii) Reimbursement of expenses (paid)								
Gujarat Fluorochemicals Ltd	0.13	0.28					0.13	0.28
iv) Reimbursement of expenses (received)								
Gujarat Fluorochemicals Ltd	0.75	0.57					0.75	0.57
v) Rent paid								
Rajni Farms Pvt Ltd.	12.00	12.00					12.00	12.00
vi) Inter-Corporate Deposit paid								
Inox Leisure Limited	1,100.00	—					1,100.00	—
vii) Inter-Corporate Deposit received back								
Inox Leisure Limited	600.00	1,200.00					600.00	1,200.00
viii) Interest received								
Inox Leisure Limited	17.17	139.48					17.17	139.48
ix) Remuneration paid								
Shri Deepak Asher					17.59	17.59	17.59	17.59
(B) Amounts outstanding								
i) Deposit paid								
Rajni Farms Pvt Ltd.	60.00	60.00					60.00	60.00
ii) Inter-corporate Deposit paid								
Inox Leisure Limited	1,100.00	600.00					1,100.00	600.00
(C) Amounts payable								
i) Reimbursement of expenses								
Gujarat Fluorochemicals Ltd	0.41	0.08					0.41	0.08
ii) Remuneration								
Shri Deepak Asher					1.85	1.85	1.85	1.85

**INOX LEASING AND FINANCE LIMITED****33 Employee Benefits**

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 2,75,760/- (Previous year Rs. 2,49,540/-) is recognised as an expense and included in Contribution to Provident and Other Funds in the Profit and Loss Account.
- b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Encashment - as per Actuarial Valuation as on 31st March, 2013.

(Amount Rs. in lacs)

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Change in Benefit Obligation				
Liability at the beginning of the year	11.68	8.15	3.75	2.45
Interest Cost	1.05	0.65	0.34	0.20
Current Service Cost	3.02	2.49	1.99	1.73
Benefit paid				
Actuarial (Gain)/Loss	(0.58)	0.39	(0.88)	(0.63)
Liability at the end of the year	15.17	11.68	5.20	3.75
Expenses recognized in the Profit and Loss Account				
Current Service Cost	3.02	2.49	1.99	1.73
Interest Cost	1.05	0.65	0.34	0.20
Actuarial (Gain)/Loss	(0.58)	0.39	(0.88)	(0.63)
Expenses recognized in the Profit and Loss Account	3.49	3.53	1.44	1.30
Actuarial Assumptions				
Discount Rate	8.06%	9%	8.06%	9%
Salary Escalation Rate	10%	10%	10%	10%
Retirement Age		58 years		
Mortality		LIC (1994-96) published table of rates		

The above defined benefit plans are unfunded. The estimate of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**
Chartered Accountants**S.C.BANDI**
Proprietor**VIJAY SAXENA**
Company Secretary**D. K. JAIN**
Chairman**P.K. JAIN**
Managing Director**Membership No. 16932**Place: Mumbai
Date: 5th August, 2013Place: New Delhi
Date: 5th August, 2013



INDEPENDENT AUDITOR'S ADDITIONAL REPORT

To The Board of Directors of Inox Leasing and Finance Limited

I have audited the Balance Sheet of Inox Leasing and Finance Limited (the company) as at 31st March, 2013 and the Statement of Profit and Loss and Cash Flow statement for the year ended on that date.

On the basis of such checks of the books and records of the company as I considered appropriate and according to the information and explanations given to me, I report on the matter specified in paragraph 3(A) and 4 (C) of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Pursuant to the requirements of the Directions it is my responsibility to examine the books and records of the Company and report on the matters specified in the Directions to the extent applicable to the Company.

Opinion

Based on my examination of the books and records of the Company as produced for my examination and the information and explanations given to me, I further report that:

1. The company is engaged in the business of Non-Banking Financial Institution and has obtained the Certificate of Registration (CoR) from RBI U/s 45-IA of the RBI Act, 1934.
2. The asset/ income pattern of the company as on 31st March, 2013 shows that financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets is more than 50 per cent of the gross income so the company continued to undertake the business of Non Banking Financial Institution (NBFI) during the year ended on 31st March, 2013, thereby that company is entitled to continue to hold such CoR in terms of its asset/income pattern as on March 31, 2013.
3. The Board of Directors have passed a resolution for non- acceptance of any public deposits.
4. The company has not accepted any public deposits during the relevant period/year;
5. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.
6. The capital adequacy ratio as disclosed in the return submitted to the Reserve Bank of India has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio as prescribed by the Reserve Bank of India in Directions applicable to the 'Systemically important non-deposit taking non-banking financial company' as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions, 2007. It has also furnished the statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7).

For S.C. BANDI & CO.
Chartered Accountants
Firm Registration No. 130850W

S.C. BANDI
Proprietor
Mem. No. 16932

Place: Mumbai
Date : 5th August, 2013



Assets Side	Amount out-standing	Amount out-standing
(4) Break -up of Investments:		
<u>Current Investmentmmts</u>		
1. Quoted:		
(l) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	—	—
(iv) Government Securities	—	—
(v) Others (Please specify)	—	—
2. Unquoted:		
(l) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	5,102.43	4958.46
(iv) Government Securities	—	—
(v) Others (Please specity)	—	—
<u>Long Term investments:-</u>		
1. Quoted:		
(l) Shares		
(a) Equity	2,183.44	2369.44
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	—	—
(iv) Government Securities	—	—
(v) Others (please specify)	—	—
2. Unquoted:		
(l) Shares		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	1,029.73	1251.56
(iv) Government Securities	—	—
(v) Others - Tax free Bonds	807.92	707.92


INOX LEASING AND FINANCE LIMITED

- (5) Borrower group-wise classification of assets financed as in (2) and (3) above.
Please see Note 2 below

Category	Amount net of provisions			Previous year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries*	—	1100.00	1100.00	—	600.00	600.00
b) Companies in the same group**	—	60.00	60.00	—	60.00	60.00
c) Other related parties	—	NIL	NIL	—	NIL	NIL
2. Other than related parties	—	81.81	81.81	—	262.58	262.58
Total	—	1241.81	1241.81	—	922.58	922.58

*Inter Corporate Deposit to Inox Leisure Limited sub-subsidiary company

**Security Deposit paid for lease of property.

- (6) Investor group-wise classification of all investments (current and long term)
in shares and securities (both quoted and unquoted):
Please see note 3 below

Category			Previous year	
	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties*				
a) Subsidiaries (including their subsidiaries)	173094.62	2178.38	295484.85	2178.38
b) Other related parties	NIL	NIL	NIL	NIL
2 Other than related parties	7,303.58	6,945.13	7,704.68	7,109.01
Total	180,398.20	9,123.51	303,189.53	9,287.39

* As per Accounting Standard of ICAI (Please see Note 3)

** Break up or fair value of investments in unquoted equity shares has been taken at Book Value.

- (7) Other information

Particulars	Previous year	
	Amount	Amount
(i) Gross Non -Performing Assets		
(a) Related Parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(ii) Net Non -Performing Assets	NIL	NIL
(a) Related Parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(iii) Assets acquired in satisfaction of debt	NIL	NIL

**Notes:**

- 1 As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 have been followed.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

Additional Disclosures by a Systemically important Non-Deposit taking Non-Banking Financial Company as required by Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

1) Capital to Risk Assets Ratio (CRAR)

	Current year	Previous year
(i) CRAR (%)	95.71%	95.61%
(ii) CRAR - Tier I capital (%)	95.71%	95.61%
(iii) CRAR - Tier II capital (%)	NIL	NIL

2) Exposure to Real Estate Sector

(a) Direct Exposure

(i) Residential Mortgages	NIL	NIL
(ii) Commercial Real Estate	NIL	NIL
(iii) Investments in Mortgage Backed Securities (MBS)	NIL	NIL

(b) Indirect Exposure

	NIL	NIL
--	-----	-----

3) Asset Liability Management

Maturity pattern of certain items of assets and liabilities as on 31.03.2013

(Amount Rs. in lacs)

	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 month upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities :									
Borrowings from Banks	—	—	—	—	—	—	—	—	—
Market Borrowings	—	—	—	—	—	—	—	—	—
Assets :									
Advances (net of NPA's)	0.23	0.23	0.21	0.60	62.22	1,178.32	—	—	1,241.81
Investments (net of Provision)	1,675.54	759.80	290.17	1,456.07	1,950.58	—	—	2,991.36	9,123.52

On behalf of the Board of Directors

D.K. JAIN
Chairman

VIJAY SAXENA
Company Secretary

P.K. JAIN
Managing Director

Place: New Delhi

Date: 5th August, 2013



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

CONSOLIDATED ANNUAL ACCOUNTS

2012-2013



INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF INOX LEASING AND FINANCE LIMITED

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of Inox Leasing and Finance Limited (the Company), and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013 the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, and based on the consideration of the report of the other auditors on the financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- ii. in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

I have not audited the financial statements of the subsidiaries, joint venture and associate of a subsidiary which reflect the Group's share of total assets of Rs. 653625.97 lacs, as at 31st March, 2013, total revenues of Rs. 319770.32 lacs and net cash outflows of Rs. 22987.33 lacs. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to me, and my opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate is based solely on the reports of the other auditors. My opinion is not qualified in respect of this matter.

For S.C. BANDI & CO.
Chartered Accountants
Firm Registration No. 130850W

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 5th August, 2013



INOX LEASING AND FINANCE LIMITED

Consolidated Balance Sheet of Inox Leasing and Finance Limited and its Subsidiary Companies as at 31 st March, 2013

		Amount (Rs. in Lacs)	
	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	4	1,061.85	1,061.85
(b) Reserves and surplus	5	184,147.08	161,513.32
		185,208.93	162,575.17
(2) Minority interest		176,577.67	135,613.71
(3) Non-current liabilities			
(a) Long-term borrowings	6	119,753.94	88,973.68
(b) Deferred tax liabilities (Net)	41	20,118.58	16,847.68
(c) Other Long term liabilities	7	5,792.80	532.05
(d) Long-term provisions	8	1,222.94	969.93
		146,888.26	107,323.34
(4) Current liabilities			
(a) Short-term borrowings	9	70,205.47	51,101.99
(b) Trade payables	10	39,226.04	22,284.36
(c) Other current liabilities	11	40,875.44	44,441.42
(d) Short-term provisions	12	5,300.19	5,789.47
		155,607.14	123,617.24
TOTAL		664,282.00	529,129.46
II. ASSETS			
(1) Non-current assets			
(a) Goodwill on consolidation		—	6950.83
(b) Fixed assets			
(i) Tangible assets	13	349,834.61	258,084.54
(ii) Intangible assets	14	5,356.29	4,656.19
(iii) Capital work-in-progress		54,092.64	76,245.20
(c) Deferred tax assets	40	1,664.51	42.53
(d) Non-current investments	15	33,559.35	17,503.98
(e) Long-term loans and advances	16	30,888.23	34,766.44
(f) Other non-current assets	17	752.19	630.23
		476,147.82	398,879.94
(2) Current assets			
(a) Current investments	18	27,456.54	8,035.74
(b) Inventories	19	51,412.74	53,309.70
(c) Trade receivables	20	89,015.07	29,032.76
(d) Cash and bank balances	21	6,427.05	30,011.41
(e) Short-term loans and advances	22	11,910.07	9,572.34
(f) Other current assets	23	1,912.71	287.57
		188,134.18	130,249.51
TOTAL		664,282.00	529,129.46

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**

Chartered Accountants

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 5th August, 2013

Place: New Delhi
Date: 5th August, 2013



Consolidated Statement of Profit and Loss of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31 st March, 2013

		Amount (Rs. in Lacs)	
	Note No.	2012-2013	2011-2012
I. Revenue from operations	24	325,657.97	289,532.23
Less: Excise Duty		8,105.59	5,897.01
		317,552.38	283,635.22
II. Other income	25	3,128.71	4,683.26
III. Total Revenue (I + II)		320,681.09	288,318.48
IV. Expenses:			
Cost of materials consumed	26	107,292.28	75,961.13
Purchases of Stock-in-Trade	27	2,013.96	1,365.65
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(7,668.05)	(10,326.98)
Employee benefits expense	29	14,942.55	12,818.62
Finance costs	30	13,184.58	8,769.51
Depreciation and amortization expense	31	17,105.27	14,912.69
Goodwill on consolidation written off		—	12.85
Other expenses	32	137,725.93	130,531.74
Total expenses		284,596.52	234,045.21
V. Less: Expenditure capitalized		(39,317.96)	(50,011.91)
VI Net Expenditure		245,278.56	184,033.30
VII. Profit before exceptional item and tax (III-VI)		75,402.53	104,285.18
VIII Exceptional item	34	—	1,797.51
IX Profit before tax (VII- VIII)		75,402.53	102,487.67
X (A) Tax expense:			
(1) Current tax		21,311.87	25,351.33
(2) MAT credit entitlement		(3,503.09)	(2,934.33)
(3) Deferred tax		1,827.94	2,080.89
		19,636.72	24,497.89
(B) Taxation pertaining to earlier years			
(1) Income tax		19.54	26.46
(2) Deferred tax		(184.23)	(153.92)
		(164.69)	(127.46)
XI Profit for the year (IX-X)		55,930.50	78,117.24
XII Less : Share of minority interest in profit / (loss)		(27,104.81)	(36,389.68)
XIII Add: Share in profit of associates		—	0.29
XIV Net Profit		28,825.69	41,727.85
XV Earnings per equity share:			
Basic and diluted Earnings Per Share of Rs. 10 each	50	271.47	392.97

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**
Chartered Accountants

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 5th August, 2013

Place: New Delhi
Date: 5th August, 2013



Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31 st March, 2013

Amount (Rs. in Lacs)

	2012-2013	2011-2012
A Cash flow from operating activities		
Profit before tax	75,402.53	102,487.67
<u>Adjustments for :</u>		
Depreciation and Amortisation	17,105.27	14,912.69
Loss on assets sold/scrapped (Net)	573.13	44.33
Provision for diminution in value of investments	486.28	4,239.04
Provision for doubtful trade receivables (Net)	12.14	160.02
Provision for doubtful advances	2.63	298.60
Bad debts and remissions	18.08	96.10
Liabilities and provisions written back	(794.14)	(254.03)
Provision for doubtful advances written back	—	(7.21)
Amounts written-off	4.86	29.52
Expenses on Abandoned Projects Written Off	—	119.27
Amortization of value of Stock Options	1.06	(4.78)
Amortization of goodwill on consolidation	—	12.85
Unrealised Foreign exchange Loss (Net) and exchange loss on FCCB	323.35	4,768.14
Income in respect of investing activities (Net)	(2,087.66)	(4,096.96)
Finance Costs	13,175.71	8,908.99
	28,820.71	29,226.58
Operative profit before working capital changes	104,223.23	131,714.25
<u>Adjustments for :</u>		
Other Long term liabilities	1,361.12	(8,837.27)
Long-term provisions	254.71	183.07
Trade payables	12,557.74	6,601.26
Other current liabilities	(11,839.11)	2,526.27
Short-term provisions	5.92	1,460.71
Long-term loans and advances	1,091.99	4,376.46
Inventories	1,555.78	(27,466.24)
Trade receivables	(57,054.82)	(18,891.29)
Other non current assets	(1,190.46)	5.43
Other current assets	(737.90)	
Short-term loans and advances	(2,991.47)	(2,320.22)
	(56,986.50)	(42,361.82)
Cash generated from operations	47,236.73	89,352.43
Income-tax paid (Net)	(17,949.45)	(31,679.73)
Net cash from operating activities	29,287.28	57,672.69
B Cash flow from investing activities		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(76,264.96)	(121,170.76)
Sale of fixed assets	618.45	160.31
Purchase of shares of subsidiary company	(501.62)	(483.75)
Purchase of other investments	(83,385.64)	(100,709.42)
Redemption/Sale of Investments	68,109.09	123,512.47
Inter-corporate and other loans given (Net)	(55.00)	(1,330.31)



Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31 st March, 2013

	Amount (Rs. in Lacs)	
	2012-2013	2011-2012
Interest and Dividend received (Net of expenses)	2,679.44	4,604.62
Movement in bank fixed deposits with original maturity of more than three months and margin money deposits (Net)	234.72	1,381.29
Adjustment for receivables on investment account	13.52	(8.16)
Net cash used in investment activities	(88,552.00)	(94,043.71)
C Cash flow from financing activities		
Securities premium received on issue of shares	—	28.26
Proceeds from issue of share capital	—	13.83
Refund of Share application money	—	(12.50)
Right issue expenses	—	(169.93)
Proceeds from Long Term Loans (Net)	35,229.80	67,365.42
Proceeds from Short Term Loans (Net)	17,794.32	18,499.65
Proceeds from Cash Credit/Overdraft(Net)	1,415.21	(3,147.78)
Foreign currency convertible bond redeemed	—	(6,247.10)
Yield to maturity paid on redemption of Foreign Currency Convertible Bonds	—	(906.63)
Inter-corporate loans received (Net)	530.00	382.17
Finance costs	(13,675.71)	(9,240.24)
Dividend paid (Including Tax on Dividend)	(5,644.90)	(7,952.73)
Net cash from /used in financing activities	35,648.72	58,612.42
D Adjustment on accounts of Foreign Currency Translation Reserve	212.94	1,287.56
E Capital receipts	30.00	764.37
(Please refer to note no. 5 of Notes to Accounts)		—
Net increase/(decrease) in cash and cash equivalent	(23,373.06)	24,293.33
Cash and cash equivalents as at the beginning of the year	29,266.83	4,973.16
Adjustment on first time consolidation of subsidiary		0.34
Cash and cash equivalents as at the end of the year	5,893.77	29,266.83

As per our report of even date attached

for **S.C. BANDI & CO.**
Chartered Accountants**S.C.BANDI**
Proprietor
Membership No. 16932Place: Mumbai
Date: 5th August, 2013**VIJAY SAXENA**
Company Secretary**D. K. JAIN**
Chairman**P.K. JAIN**
Managing Director

On behalf of the Board of Directors

Place: New Delhi
Date: 5th August, 2013

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013****1. CORPORATE INFORMATION:-**

The Consolidated Financial Statements ("CFS") relate to Inox Leasing and Finance Limited ("the Company"), its subsidiaries, and the joint ventures of a subsidiary and an 'associate' of a subsidiary company (collectively referred to as the "Group").

The Subsidiary companies considered in the financial statements are:

(A) Subsidiaries and sub-subsidiaries of the Company:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2013	As at 31 st March 2012
Gujarat Fluorochemicals Limited	India	52.54%	52.54%
Inox Leisure Limited (ILL)*	India	0.95%	0.95%
Inox Infrastructure Limited (IIL)	India	NIL	NIL
Inox Motion Pictures Limited (IMPL)	India	NIL	NIL
Inox Wind Limited (IWL)	India	NIL	NIL
Gujarat Fluorochemicals Americas, LLC (GFL Americas)	USA	NIL	NIL
Inox Renewables Limited (IRL)	India	NIL	NIL
GFL Singapore Pte Limited (Incorporated on 25th July 2011) (GFL Singapore)	Singapore	NIL	NIL

*Ceased to be a subsidiary w.e.f. 10th July, 2013.

Gujarat Fluorochemicals Limited ("GFL" or the "Company" or "Parent Company") is a public company engaged in the business of manufacturing and trading of Refrigeration Gases, Anhydrous Hydrochloric Acid, Caustic Soda, Chlorine, Chloromethanes, Poly Tetrafluoroethylene (PTFE), Post Treated Poly Tetrafluoroethylene (PTPTE) and earns revenue from carbon credits. The Company caters to both domestic and international markets

IIL is engaged in the business of operating and managing multiplexes and cinema theatres. IIL is engaged in the business of real estate and property development. IMPL was engaged in the business of production and distribution of movies and the company has applied for winding up and striking of its name on 21st March, 2013. IWL is engaged in the business of manufacture and sale of wind turbine generators (WTGs) and providing erection, procurement and commission services for WTGs. GFL Americas is engaged in the business of manufacture and sale of PT-PTFE Compound. IRL is engaged in the business of generation of wind energy and providing services for erection & commissioning and operations and maintenance of wind farms. GFL Singapore has been set up for the purpose of investment activities.

As a security to Yes Bank Limited for the loan given to Inox Wind Limited, the Company has provided a undertaking not to dilute its stake in Inox Wind Limited below 51%.

(B) Subsidiary of GFL Singapore Pte Limited:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2013	As at 31 st March 2012
GFL GM Fluorspar SA (Incorporated on 16th August 2011 and a subsidiary of the Company upto 28th September 2011 and subsequently a subsidiary of GFL Singapore Pte Limited – see under 'changes during the year' below).	Morocco	74%	74%

GFL GM Fluorspar SA is in the business of exploration of fluorspar mines.

Capital commitment towards partly paid shares of GFL GM Fluorspar SA is Nil (Previous year MAD 1,66,500 i.e. Rs. 10.12 lacs.)

(C) Subsidiary of Inox Wind Limited:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2013	As at 31 st March 2012
Inox Wind Infrastructure Services Limited (Incorporated on 11 th May, 2012)	India	100%	N.A.

Inox Wind Infrastructure Services Limited is engaged in the business of providing erection and commissioning and operation & maintenance services for Wind Turbine Generators.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013****(D) Subsidiary of Inox Renewables Limited:-**

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2013	As at 31 st March 2012
Inox Renewables (Jaisalmer) Limited (Incorporated on 24th July 2012)	India	100%	N.A.

Inox Renewables (Jaisalmer) Limited is engaged in the business of generation of Wind energy.

(E) Joint Venture of the Company:-

- (a) The Company has a Joint Venture interest of 33.77% in Xuancheng Hengyuan Chemical Technology Company Ltd., a company incorporated in the People's Republic of China. As on 31st March 2013 the Company has invested a sum of Rs.1263.89 lacs in the share capital of this Joint Venture.

The JVC is engaged in the business of manufacture of Anhydrous Hydrogen Fluoride and allied activities.

The financial statements of this joint venture are drawn up to 31st December 2012.

- (b) The Company has a Joint Venture interest of 25% in Swarnim Gujarat Flourspar Private Limited, a company incorporated under the Companies Act, 1956 on 19th June, 2012. As on 31st March, 2013 the Company has invested a sum of Rs.1.25 lacs in the share capital of this Joint Venture.

The JVC is engaged in the business of manufacture of Acid Grade Fluorspar and allied activities.

The financial statements of this joint venture are drawn up to 31st March, 2013.

(F) Joint Venture of Inox Leisure Limited:-

Joint venture of **Inox Leisure Limited** considered in these CFS is:

Name of the Company	Country of incorporation	Proportion of ownership interest of Inox Leisure Limited as on 31 st March 2013	Proportion of ownership interest of Fame India Limited as on 31 st March 2012
Swanston Multiplex Cinemas Private Limited	India	50%	50%

SMCPL was engaged in the business of operating a multiplex.

The financial statements of this joint venture are drawn up to 31st March 2013.

(G) Associate of Inox Infrastructure Private Limited:-

Inox Infrastructure Private Limited (IIPL), a wholly owned subsidiary of the Company, holds 50% of the total equity capital of Megnasolace City Private Limited (Megnasolace). Megnasolace is treated as an 'Associate Company' and the investment is accounted under the equity method in accordance with AS 23 – 'Accounting for Investments in Associates'. The Group's share of the post acquisition profits is included in the carrying cost of the investment as under:-

Amount Rs. lacs

S.No.	Particulars	2012-2013	2011-2012
1	Book value of Investment on acquisition	3200.00	3200.00
2	Share of Profit – Up to Previous Year	1.47	1.18
3	Share of (Loss)/Profit – Current Year	0.00	0.29
4	Carrying amount	3201.47	3201.47

Capital commitment towards partly paid shares of Megnasolace is Rs. 16800 lacs (Previous year Rs. 16800 lacs).

(H) Changes during the year

Composite Scheme of Amalgamation of subsidiary of Inox Leisure Limited - Fame India Limited, and subsidiaries of Fame India Limited - Fame Motion Pictures Limited, Big Pictures Hospitality Services Private Limited and Headstrong Films Private Limited with Inox Leisure Limited (ILL)

- a. Pursuant to the Composite Scheme of Amalgamation ("the Scheme") under Section 391 to 394 read with Section 78, 100-104 of the Companies Act 1956, sanctioned by the Hon'ble High Courts of Judicature at Bombay and Gujarat vide their orders dated 10 May, 2013 and 12 March, 2013 (read with order dated 20 March, 2013), respectively, Fame India Limited (FAME), Fame Motion Pictures Limited (FMPL), Big Pictures Hospitality Services Private Limited (BPHSPL) and Headstrong Films Private Limited (HFPL) (hereinafter collectively referred as "Transferor Companies") were merged with ILL. The Scheme has become effective on 25 May, 2013 viz. the date on which the last of the certified copy of the order of the Bombay High Court and the High Court of Gujarat sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai and Registrar of Companies, Gujarat at Ahmedabad. Accordingly, all the movable and immovable properties including plant and machinery, equipments, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, etc. and all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Companies,

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

as on the Appointed Date vested in ILL with effect from 1 April, 2012 (the appointed date). The Scheme has accordingly been given effect to in the accounts.

- b. Nature of business of the amalgamating companies:
- FAME was engaged in the business of owning, operating and managing multiplexes and cinema theatres in India.
 - FMPL was engaged in the business of exploitation of movie rights (including distribution) and programming.
 - BPHSPL was engaged in the business of operating food courts and restaurants in India.
 - HFPL was engaged in the business of film production and distribution in India.
- c. The amalgamation is accounted for under the "Pooling of Interest" method as prescribed in Accounting Standard (AS-14) notified under the Companies (Accounting Standards) Rules, 2006. Accordingly, the assets, liabilities and reserves of FAME, FMPL, BPHSPL and HFPL as at 1 April, 2012 have been taken over at their book value, except to ensure uniformity of accounting policies. The details of the same are given below:

Particulars	Rs. in lacs	Rs. in lacs
Gross Assets		21313.71
Less: Loans and other Liabilities	5183.23	
Reserves and Surplus (Net)	12311.50	17494.73
Net Amount (A)		3818.98
Shares to be issued on amalgamation		
a) 5 (Five) fully paid up equity shares of Rs. 10/- each of the Company to be issued/ allotted for every 8 (Eight) fully paid equity share of Rs. 10/- each held by shareholders of FAME		3456.22
b) 1 (One) fully paid up equity share of Rs. 10/- each of the Company to be issued/ allotted for every 74 (Seventy Four) fully paid equity shares of Rs. 10/- each held by shareholders of HFPL, other than shares held by FAME.	Nil	Being fraction less than Rs. 0.50
c) Since FMPL and BPHSPL were wholly owned subsidiaries of FAME, no shares are required to be issued and allotted in respect of the equity shares held by Fame in FMPL and BPHSPL; and no equity shares are required to be issued for the preference shares held by FMPL in Fame. These equity shares and preference shares (held by FAME and FMPL respectively) are deemed to be cancelled and stand extinguished.		Nil
Face Value of shares to be issued (B)		3456.22
Net Surplus (A-B)		362.76

- d. As per the terms of the Scheme, all assets and liabilities, including reserves, of Transferor Companies transferred to ILL are recorded in the books of account of the Company at the book value as recorded in books of account of Transferor Companies, except to ensure uniformity of accounting policies and the excess of amount recorded as share capital over the net book value of such assets, liabilities and reserves vested in the ILL aggregating to Rs. 362.76 lacs is credited as Amalgamation Reserve by ILL.
- e. As per the Scheme, in respect of the equity shares of FAME held by ILL, 2,44,31,570 equity shares of ILL will be issued to the Inox Benefit Trust, set up pursuant to the Scheme, for the benefit of ILL. The same are reflected as 'Interest in Inox Benefit Trust' under Non-current Investments at cost of Rs. 18348 lacs.

2. BASIS OF PREPARATION AND PRINCIPLES OF CONSOLIDATION :-

The CFS are prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements", Accounting Standard (AS) 23 "Accounting for Investment in the Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Ventures" notified under the Companies (Accounting Standard) Rules, 2006.

The CFS have been prepared on the following basis.

- The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Inter-company balances, inter-company transactions and unrealised profits are fully eliminated. Unrealised losses resulting from Inter-company transactions are eliminated unless cost cannot be recovered.
- Interest in joint ventures is reported using proportionate consolidation method.
- The share of profit/loss of associate company is accounted under the 'equity method' as per which the share of profit/loss of the associate company is adjusted to the cost of investment.
- Financial statements of foreign subsidiaries have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the Accounting Standard-11 "Effects of Changes in Foreign Exchange Rates".
- Goodwill on consolidation represents excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, and is recognized as an asset in the consolidated financial statements. The Goodwill on consolidation is evaluated for impairment whenever there is any indication that its carrying amount may have been impaired. When the cost to the parent of its investment in a subsidiary

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

is less than that the parent's portion of equity of the subsidiary, the difference is treated as capital reserve in the consolidated financial statements.

- f) The CFS are prepared using uniform accounting policies for the like transactions and other events in similar circumstances, except where it is not practicable to do so. The CFS are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements.
- g) The Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to minority at the date on which investment in subsidiary is made and the minority's share of movement in equity since the date the parent subsidiary relationship comes into existence.

3. (A) CHANGES IN ACCOUNTING POLICIES

- a) During the previous year, option was exercised for accounting of exchange differences arising on reporting of long term monetary items under Clause 46A of AS 11 "The Effects of Changes in Foreign Exchange Rates" as per notification no. G.S.R. 914(E) dated 29th December, 2011 issued by the Ministry of Corporate Affairs, Government of India.

Accordingly, the exchange difference arising after 1st April, 2011 on the reporting of long term foreign currency monetary items at the rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far they relate to acquisition of depreciable capital assets, had been added to the cost of assets and shall be depreciated over the balance useful life of the assets.

Up to the financial year 2010-11 such exchange difference were charged to statement of profit and loss. Due to this change in accounting policy the profit before tax for the previous year was higher by Rs. 4941.65 lacs (net of depreciation charge of Rs. 156.56 lacs) and cost of fixed assets was higher by Rs.3662.73 lacs.

In the Current year such exchange difference of Rs.6281.59 lacs (Net) is added to the Cost of assets and shall be depreciated over the balance useful life of the assets.

- b) In respect of GFL Americas:

Up to 31st March, 2011 depreciation on tangible fixed assets was provided on the basis of rates as prescribed by Schedule XIV of the Companies Act, 1956 being the minimum rates of depreciation. In the previous year the depreciation was provided on the basis of the management's estimate of the useful life of a fixed asset, at the time of acquisition of the asset or of the remaining useful life on a subsequent review, which is shorter than that envisaged in the aforesaid schedule, thus depreciation was provided at a higher rate. In the opinion of the management this change will result in more appropriate presentation of the financial statements of the Company.

Due to the above change in method for providing depreciation, the depreciation arising on retrospective re-computation for the period up to 31st March, 2011 was Rs.26.93 lacs debited to Statement of Profit and Loss and depreciation for the previous year was higher by Rs.30.47 lacs. Consequently, total charge for the depreciation was higher, the profit before tax for the previous year was lower and the net block of fixed assets was lower by Rs.57.39 lacs.

3. (B) SIGNIFICANT ACCOUNTING POLICIES**a) FIXED ASSETS AND INTANGIBLE ASSETS**

- i. In respect of assets other than those mentioned in (ii) below:

Freehold land is carried at cost. Leasehold Land is carried at cost, comprising of lease premium and expenses on acquisition thereof, as reduced by accumulated amortisation. Other Fixed Assets are carried at cost less accumulated depreciation.

- ii. In respect of fixed assets of IRL, acquired under slump sale from GFL during the previous year ended 31st March, 2012:

On 31st March, 2012, IRL had revalued the fixed assets of the Wind Energy Business, acquired under 'slump sale', as per the report of government approved valuer. In previous year's CFS, Rs. 6232.48 lacs is credited to revaluation reserve with corresponding additions to net block of respective fixed assets which represents the revalued amount of the fixed assets, over and above the carrying value of such fixed assets by GFL.

The cost of fixed assets comprises of purchase price / cost of construction, including any expenses attributable to bring the asset to its working condition for its intended use, and is net of CENVAT & VAT Credit. Borrowing costs directly attributable to acquisition or construction of qualifying fixed assets are capitalised. In respect of accounting period commencing on or after 1st April, 2011, consequent to the amendment of para 46 of AS 11, 'The Effects of Changes in Foreign Exchange Rates', notified under the Companies (Accounting Standards) Rules, 2006, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items.

b) DEPRECIATION & AMORTIZATION

- i) On tangible fixed assets:

In respect of assets revalued as on 31st March, 2012, except freehold land, depreciation is provided on straight line method over the remaining useful life of the respective assets as specified by the government approved valuer or the rates specified in Schedule XIV to the Companies Act, 1956, whichever is higher.

In respect of other assets:

Cost of leasehold land is amortised over the period of the lease. Depreciation on other Fixed Assets, excluding freehold land, is provided on straight line method as under:

- On leasehold improvements, electrical installations and air-conditioners in leased premises, over the period of useful life on the basis of the respective agreements or the useful life as per Schedule XIV of the Companies Act, 1956, whichever is shorter.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

- On other fixed assets, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Fixed Assets costing Rs. 5,000 or less are fully depreciated in the year of acquisition. Based on technical opinion Windmill is considered as a continuous process plant and depreciation is provided at the rate applicable thereto.
- ii) On intangible fixed assets:
Cost of technical know-how is amortized equally over a period of ten years and cost of Software is amortized @ 16.21% p.a. on straight line method. Cost of film distribution rights and negative rights is amortized in proportion to the management's estimate of gross revenue expected to be realized over a period. Cost of movie script acquired is amortized over a period of five year from the date of agreement. The value of mining exploitation permit/licence is amortised over the period of the permit/licence on a straight line basis.
- iii) In respect of GFL Americas:
Depreciation on all fixed assets (except land) is provided under Straight Line Method. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset 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.
Pursuant to this policy, depreciation on the assets has been provided at rates which are higher than the corresponding rates prescribed in Schedule XIV as under:

Asset Category	Recovery Period
Buildings	30 Years
Plant & Equipment	7 Years
Furniture and Fixtures	7 Years
Vehicle	5 Years
Computers	5 Years
Leasehold Improvements	15 Years

c) IMPAIRMENT OF ASSETS

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets and impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

d) INVESTMENTS

- i) In Securities
Long Term Investments are carried at cost. Provision for diminution is made to recognise the decline, other than temporary, in the values of these investments. Current Investments are carried at lower of cost and fair value.
- ii) In Investment Property
Leasehold Land is carried at cost, comprising of lease premium and expenses on acquisition thereof, as reduced by accumulated amortisation. Building is carried at cost of acquisition, less accumulated depreciation.

e) INVENTORIES

Inventories are valued at lower of cost and net realisable value. Cost is determined using Weighted Average Method, except for multiplex inventories where cost is determined using FIFO method, and is inclusive of appropriate overheads. Closing stock of finished goods and imported materials include excise duty and customs duty payable thereon, wherever applicable. Obsolete, defective and unserviceable stocks are duly provided for.

f) REVENUE RECOGNITION

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the customers, which is generally at the point of dispatch of goods. Gross revenue from operations includes excise duty but are exclusive of sales tax. Revenue from Carbon Credits is recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer and is net of payment towards cancellation of contracts.

Revenue from generation and sale of electricity is recognised 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.

Revenue from Erection, Procurement and Commissioning contracts is recognized as the services are rendered, in terms of the contract, and is net of taxes. Revenue from Operations & Maintenance contracts is recognized pro-rata over the period of the contract, as per the terms of the agreement, and is net of taxes.

Income from Box Office is recognized as and when the movie is exhibited. Income from Sale of Food & Beverages is accounted at the point of sale. Income is net of refunds and complimentary. Conducting fees are in respect of charges received from parties to conduct business from the Company's Multiplexes and the revenue is recognized as per the contractual arrangements. Advertisement income is recognized on exhibition of the advertisement or over the period of contract, as applicable.

Interest income is recognised on a time proportion basis, except in cases where interest is doubtful of recovery. Dividend income is recognised when the unconditional right to receive the dividend is established.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013****g) EMPLOYEE BENEFITS**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered. Company's contributions towards provident and pension funds viz. Defined Contribution Plan paid/payable during the year are charged to the Statement of Profit and Loss. Retirement benefits in the form of Gratuity and Leave Encashment are recognized as an expense in the Statement of Profit and Loss at the present value of the amounts payable determined on the basis of actuarial valuation techniques, using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

h) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset. Other borrowing costs are charged to the Statement of Profit and Loss.

i) TAXES ON INCOME

Income tax expense comprises of current tax & deferred tax charge. Deferred tax is recognised on timing differences, subject to consideration of prudence, being the differences between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. The deferred tax in respect of timing differences which reverse during the tax holiday period is not recognised to the extent the gross total income is subject to the deduction during the tax holiday period. 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 recognized as an asset in the Balance Sheet if there is convincing evidence that normal tax will be payable within the period prescribed for utilization of such credit.

j) FOREIGN CURRENCY TRANSACTIONS AND FORWARD CONTRACTS

(i) Transactions in foreign currency are recorded in rupees by applying the exchange rate at the date of the transaction. At the Balance Sheet date, monetary assets and liabilities in foreign currency are restated by applying the closing rate. Gains or losses on settlement of the transactions and restatement of monetary assets and liabilities are recognised in the Statement of Profit and Loss, except as mentioned in para (ii) below. In respect of forward exchange contracts entered, the difference between the forward rate and the exchange rate at the date of the transaction is recognised as income or expense over the life of such contract. Currency and interest rate swaps are accounted in accordance with the respective contracts. All other derivatives, which are not covered by AS 11, are measured using the mark-to-market principles and the net loss after considering the offsetting effect on the underlying hedge items is charged to the Statement of Profit and Loss. Net gains on the mark-to-market basis are not recognised.

(ii) The Central Government has vide its Notification no. G.S.R. 914(E) dated 29 December 2011, amended AS 11 - 'The Effects of Changes in Foreign Exchange Rates', notified under the Companies (Accounting Standards) Rules, 2006, to the extent it relates to the recognition of losses or gains arising on restatement of long-term foreign currency monetary items in respect of accounting periods commencing on or after 1 April 2011.

As stipulated in the Notification, the Group has exercised the option to adopt the following policy irrevocably for accounting periods commencing from 1 April 2011:

Long term foreign currency monetary items are translated at the exchange rate prevailing on the balance sheet date and the net exchange gain / loss on such conversion and on settlement of the liability, is adjusted to the cost of the asset, where the long-term foreign currency monetary items relate to the acquisition of a depreciable capital asset (whether purchased within or outside India), and depreciated over the balance life of the assets.

k) LEASE

Assets taken on operating lease

Lease rentals in respect of assets acquired on operating lease are charged to the Statement of Profit and Loss as per the terms of the respective lease agreements.

Assets given on operating lease

Assets given under operating lease are capitalised and included in the fixed assets. Lease income arising there from is recognised as income in the Statement of Profit and Loss as per the terms of the respective lease agreements.

l) GOVERNMENT GRANTS

Government Grants are accounted for when it is reasonably certain that the ultimate collection will be made. The grants in the nature of promoters' contribution are credited to Capital Reserve.

m) PRE-OPERATIVE EXPENSES ON SURVEY AND INVESTIGATION

Expenditure on survey and investigation of the mines are charged to expenses in the year in which they are incurred.

n) PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. 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. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

o) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities, at the end of the accounting year and reported amounts of revenue and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

	Amount Rs. in Lacs	
	As at 31st March, 2013	As at 31st March, 2012
4 Share Capital		
4.1 Equity		
Authorized		
11,000,000 Equity Shares of Rs.10/- Each	1100.00	1100.00
1,500,000 Redeemable Cumulative Preference Shares of Preference Shares of Rs.100/- each	1500.00	1500.00
Total	2600.00	2600.00
Issued, Subscribed and fully paid up capital		
10,618,467 Equity Shares of Rs.10/- Each	1061.85	1061.85
Total	1061.85	1061.85

4.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any. During the financial year 2012-13 the Company has paid interim dividend of Rs. 10 per equity share (previous year Rs. 10 per equity share). Further, dividend of Rs. 5 per equity share (previous year Rs. 10 per equity share) is proposed to be distributed to the equity shareholders. The total distribution of dividend to the equity shareholders for the year is Rs. 15 per share (previous year Rs. 20 per share).

4.3 Details of shareholders holding more than 5% shares in the company

	As on 31-03-2013		As on 31-03-2012	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	2474378	23.30	2473478	23.29
Mr. Vivek Kumar Jain	2374205	22.36	2366405	22.29
Mr. Devansh Jain	1307618	12.31	1257618	11.84
Mrs. Nayantara Jain	1172832	11.05	1122832	10.57
Mrs. Nandita Jain	1031644	9.72	981644	9.24
Mr. Siddharth Jain	1018292	9.59	968292	9.12

5 Reserves and surplus

	Amount Rs. in Lacs	
	As at 31st March, 2013	As at 31st March, 2012
Capital Reserves		
As per last Balance Sheet	6,643.64	6,242.04
Additions during the year (see note below)	11.82	401.60
	6,655.46	6,643.64
Reconstruction Reserve		
As per last Balance Sheet	639.52	639.52
Amalgamation Reserve		
As per last Balance Sheet	210.00	210.00
Less : Increase in Minority interest during the year	(14.67)	—
	195.33	210.00

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013****5 Reserves and surplus (Contd...)**

Amount Rs. in Lacs

	As at 31st March, 2013	As at 31st March, 2012
Capital Redemption Reserve		
As per last Balance Sheet	1,459.30	1,459.30
Capital Reserve on consolidation	2,699.53	—
Securities Premium Account		
As per last Balance Sheet	4,386.37	4,325.70
Less : Increase in Minority interest during the year	(496.49)	—
Add/(Less): Adjustment on account of FCCB premium and grant of stock options to employees in subsidiaries etc.	(0.32)	60.67
	3,889.56	4,386.37
Revaluation Reserve		
As per last Balance Sheet	3,274.54	—
Add: Addition during the year	—	3,274.54
Less: Transfer to statement of profit and loss a/c	(176.45)	—
	3,098.09	3,274.54
Statutory Reserve Fund*		
As per last Balance Sheet	3,436.00	2,806.00
Add: Transfer from Profit and Loss Account	500.00	630.00
	3,936.00	3,436.00
Consolidation Reserve		
As per last Balance Sheet	24,555.76	24,526.50
Add: Adjustments during the year	—	29.26
	24,555.76	24,555.76
General Reserve		
As per last Balance Sheet	97,721.18	58,906.18
Less : Increase in Minority interest during the year	(204.27)	—
Add: Transfer from Profit and Loss Account	35,250.00	38,815.00
	132,766.91	97,721.18
Foreign currency translation reserve		
As per last Balance Sheet	722.22	281.25
Add: Movements during the year	199.38	440.97
	921.60	722.22
Surplus in the Statement of Profit & Loss		
As per last Balance Sheet	18,443.30	20,765.88
Add: Profit for the year	28,825.69	41,727.85
Less : Increase in Minority interest during the year	(4,179.05)	—
	43,089.94	62,493.73
Less : Appropriations		
Interim Dividend	1,946.75	2,104.55
Proposed Dividend	1,573.62	1,843.87
Tax on Dividend	640.69	623.71
Statutory surplus reserve	—	33.31
Statutory reserve fund	500.00	630.00
General Reserve	35,250.00	38,815.00
	3,178.88	18,443.30
Group Share in Joint Ventures	151.14	21.49
Total	184,147.08	161,513.32

During the year, Inox Wind Limited has received subsidy of Rs. 30.00 lacs under the Central Capital Investment Subsidy Scheme, 2003. The same being in the nature of promoters' contribution is credited to Capital Reserve.

During the previous year, the Company had received compensation of Rs. 764.37 lacs, equivalent to US \$ 1.64 million, for phased reduction and cessation of CFC production and dismantling of plant, unless otherwise used, as stipulated. The Company had been advised that the compensation is a capital receipt and hence this amount was credited to Capital Reserve.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	As at 31st March, 2013	As at 31st March, 2012
6 Long-term borrowings		
Term Loans		
Secured Loans		
From Banks		
- Rupee Loans	9603.76	1590.06
- Foreign Currency Loans	78744.66	87383.62
	88348.42	88973.68
From Other Parties		
- Rupee Loans	31405.52	—
	119,753.94	88,973.68
6.1 For nature of securities and terms of repayment please refer to note no. 33		
7 Other Long-term liabilities		
Security Deposits	464.40	464.06
Retention Money	28.38	61.92
Income received in advance	1320.79	—
Sundry creditors for capital expenditure	3900.91	—
For leasehold land	76.33	—
Statutory dues and taxes payable	1.99	4.76
	5,792.80	530.74
Group Share in Joint Ventures	—	1.31
Total	5,792.80	532.05
8 Long-term provisions		
Provision for employee benefits		
- For Gratuity	839.10	668.02
- For Leave benefits	383.84	300.19
	1,222.94	968.21
Group Share in Joint Ventures	—	1.72
Total	1222.94	969.93
9 Short-term borrowings		
9.1 (i) Secured Loans		
From Banks		
- Cash Credit/Overdraft	5359.16	3228.97
- Rupee Loans	4156.41	1305.34
- Foreign Currency Loans	18782.78	16135.86
	28298.35	20670.17
9.2 (ii) Unsecured Loans		
From Banks		
- Cash Credit/Overdraft	12060.15	—
- Rupee Loan	12500.00	5000.00
- Foreign Currency Loans	15039.53	23483.54
	39599.68	28483.54
Group Share in Joint Ventures	67898.03	49153.71
	2307.44	1948.28
Total	70205.47	51101.99
9.3 For nature of securities and terms of repayment please refer to note no. 33		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	As at 31st March, 2013	As at 31st March, 2012
10 Trade Payables		
Trade Payables		
- dues to Micro and Small Enterprises (see note no. 49)	7.04	17.13
- others	<u>38,171.04</u>	<u>21,512.45</u>
	38,178.08	21,529.58
Group Share in Joint Ventures	<u>1047.96</u>	<u>754.78</u>
Total	<u>39,226.04</u>	<u>22,284.36</u>
11 Other Current Liabilities		
Debentures		
10,00,000 7% Unsecured Fully Convertible Debentures of Rs. 100 each (optionally convertible into fully paid equity shares at par after a period of three years from the date of allotment viz. on 19.3.2013)	—	1000.00
Others Liabilities		
Current maturities of long-term debt	22379.53	13493.61
Interest accrued but not due on borrowings	483.23	451.14
Interest accrued and due on borrowings	528.73	37.05
Creditors for capital expenditure	8596.95	14623.31
Security deposits	578.55	491.89
Income received in advance	844.71	598.57
Advances from customers	1001.86	9638.10
Unpaid dividends (see note below)	285.57	243.63
Retention money	283.15	231.28
Statutory dues and taxes payable	4,676.51	3,107.81
Other Payables	<u>868.60</u>	<u>312.25</u>
	40,527.39	44,228.64
Group Share in Joint Ventures	<u>348.05</u>	<u>212.78</u>
Total	<u>40,875.44</u>	<u>44,441.42</u>

In respect of unclaimed dividends, the actual amount to be transferred to the Investor Education and Protection Fund shall be determined on the due date.

12 Short-term provisions		
Provision for employee benefits		
- For Gratuity	176.99	141.74
- For Leave benefits	<u>428.59</u>	<u>304.61</u>
	605.58	446.35
Provision for Municipal tax - (see note no 42)	207.40	154.60
Provision for Service tax - (see note no 34)	1,033.14	1,328.72
Provision for MVAT- (see note no 43)	39.61	39.61
Provision for amalgamation expenses	500.00	—
Provision for Proposed Dividend	1,573.62	1,843.87
Tax on Proposed Dividend	373.38	267.31
Provision for taxation(net of taxes paid)	967.46	60.10
Provision for mark-to-market losses on derivative contracts	—	1,603.68
	5,300.19	5,744.24
Group Share in Joint Ventures	—	45.23
Total	<u>5,300.19</u>	<u>5,789.47</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013



13 TANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block							Depreciation/Amortization					Net Block		
	As at 1 April 2012	Translation Difference	On Account of revaluation	Additions	Deductions	Exchange Differences	Borrowing Costs	As at 31 March 2013	As at 1 April 2012	Translation Difference	For the Year	Deductions	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
(a) Tangible Assets															
Land															
- Freehold Land	3384.96	5.12	0	90.07	0	0	0	3480.15	0	0	0	0	0	3480.15	3384.96
- Leasehold Land	5573.66	0	0	109.88	0	0	0	5683.54	226.79	0	66.58	0	293.37	5390.17	5346.87
Buildings	37453.71	18.03	0	5515.67	16.95	0	8.07	42978.53	3585.50	0.40	1031.45	0.47	4616.88	38361.65	33868.21
Lease hold improvements	19862.33	3.69	0	2141.93	402.84	0	32.81	21637.92	6110.19	0.13	1641.95	199.26	7553.01	14084.91	13752.14
Plant and Equipments	231515.11	22.30	0	90625.19	1591.32	6281.59	1126.35	327979.22	38019.82	5.43	12507.08	370.26	50162.07	277817.15	193495.29
Furniture and Fixtures	6643.28	1.07	0	1491.28	118.19	0	13.51	8030.95	2483.03	0.27	651.42	64.20	3070.52	4960.43	4160.25
Vehicles	793.91	0.47	0	82.53	18.27	0	0	858.64	317.26	0.06	76.85	13.96	380.21	478.43	476.65
Office Equipment	3271.71	0.54	0	2219.63	21.48	0	0	5470.40	1684.77	0.17	428.15	13.64	2099.45	3370.95	1586.94
Total (a)	308498.67	51.22	0	102276.18	2169.05	6281.59	1180.74	416119.35	52427.36	6.46	16403.48	661.79	68175.51	347943.84	256071.31
(b) Share in Joint Venture *	3309.97	159.67	0	55.12	555.64	0	0	2969.12	1296.74	45.44	249.06	512.89	1078.35	1890.77	2013.23
Grand Total (a + b)	311808.64	210.89	0	102331.30	2724.69	6281.59	1180.74	419088.47	53724.10	51.90	16652.54	1174.68	69253.86	349834.61	258084.54
Previous year	222523.53	525.58	6232.48	77668.65	650.15	4637.40	871.15	311808.64	39387.95	101.53	22993.50	8758.88	53724.10	258084.54	

Note:

1. Buildings includes offices given on operating lease

	As at 31-03-2013	As at 31-03-2012
Gross Block	929.38	929.38
Depreciation charge for the year	15.10	15.10
Accumulated Depreciation	117.22	102.12
Net book value	812.16	827.26

2. Free hold land includes share of undivided plot of land in respect of one of its multiplexes.
3. Building includes Rs. 4681.02 lacs in respect of building at Nariman Point, Deed of Apartment of which is to be executed.
4. Deductions during the year include Rs. 326.14 lacs on account of write back of provisions no longer required in respect of cost of fixed assets and adjustment of share of joint venture investor in the cost of fixed assets.
5. During the year Rs. 328.04 lacs has been withdrawn from Revaluation reserve on account of depreciation on revalued portion.

14 INTANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block						Depreciation/Amortization					Net Block		
	As at 1 April 2012	Translation Difference	Additions	Deductions	Exchange Differences	Borrowing Costs	As at 31 March 2013	As at 1 April 2012	Translation Difference	For the Year	Deductions	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
(a) Intangible Assets														
Technical Know How	4799.10		73.34				4872.44	880.90		508.18		1389.08	3483.36	3918.20
Software	847.62		119.74	2.01			965.35	561.37	111.81		1.64	671.54	293.81	286.25
Film Distribution Rights & Prints Cost	73.22			48.51			24.71	73.22			48.51	24.71		
Mining Rights			1144.61				1144.61		71.53			71.53	1073.08	
Negative Rights	155.50						155.50	6.45	31.10			37.55	117.95	149.05
Movie Production	375.01			375.01			375.01				375.01			
Total (a)	6250.45		1337.69	425.53			7162.61	1896.95		722.62		425.16	2194.41	4968.20
(b) Share in Joint Venture	375.52	21.50	91.93	4.59			484.36	72.83	3.96	24.07	4.59	96.27	388.09	302.69
Grand Total (a + b)	6625.97	21.50	1429.62	430.12			7646.97	1969.78	3.96	746.69	429.75	2290.68	5356.29	4656.18
Previous year	4598.81	66.75	2116.87	156.46			6625.97	1560.94	8.19	557.10	156.45	1969.78	4656.18	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

	Face Value Rs.	Nos. As at 31st March, 2013	Nos. As at 31st March, 2012	As at 31st March, 2013 Amount (Rs. in Lacs)	As at 31st March, 2012 Amount (Rs. in Lacs)
15 NON CURRENT INVESTMENTS (Long term, non-trade, at cost, unless otherwise stated)					
[1] INVESTMENTS IN SECURITIES					
A] UNQUOTED					
i) Investment in Equity instrument					
In Associate companies					
Megnasolace City Private Limited					
- Equity shares of Rs.10/- each		50,00,000	50,00,000	3,201.47	3201.47
- paid up Rs. 1.60 per share (previous year Rs. 1.60 per share)					
In Other companies					
Kaleidoscope Entertainment Private Limited	1	5,62,500	5,62,500	60.75	60.75
Ideas & U Ltd.	10	5,00,000	5,00,000	50.00	50.00
				3312.22	3312.22
				110.75	110.75
Less: Provision for diminution in value of Investment				3201.47	3201.47
ii) Investment in Govt. or Trust Securities					
National Saving Certificate				66.65	69.83
(Held in the name of Directors & Pledged with Government Authorities)				66.65	69.83
iii) Investment in Venture Capital Fund					
Indiareit Fund Scheme III	100000	759.57	850.78	759.57	850.78
Kshitij Venture Capital Fund	670 (920)	2,50,000	2,50,000	1,675.00	2300.00
				2434.57	3150.78
iv) Other Investment					
Interest in Inox Benefit Trust (see note no 1(H))				18348.45	0.00
v) Investments in Mutual Funds					
BSL FTP Series EV-Growth	10	0	2000000		200.00
DSP BR FMP Series 41-12.5M-Growth	10	0	2000000		200.00
DSP BR FMP Series 38-12.5M-Growth	10	0	1015630		101.56
HDFC FMP 400D March '12(1) series XXII-Growth	10	0	2000000		200.00
ICICI Prudential FMP Series 60-18M Plan B-Growth	10	0	2000000		200.00
IDFC FMP 18M Series 9-Growth	10	0	2000000		200.00
TATA FMP Series 39 Scheme H-Growth	10	0	1500000		150.00
TATA FMP Series 42 Scheme 419D-Growth	10	2000000		200.00	0
DSP BR Bond Fund Growth	10	329571		121.48	0
ICICI PRU Income Plan -Growth	10	454121		165.43	0
TATA Income Fund Plan A-Growth	10	1020410		356.42	0
Templeton India Income Builder Fund Plan A-Growth	10	477622		186.40	0
				1029.73	0
Investments in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100000	250	250	250.00	250.00
IRFC 7.55% Tax Free Bond Oct'11	100000	250	250	250.00	250.00
PFC 8.20% Tax Free Bonds	1000	8544	8544	85.44	85.44
REC 7.93% Tax Free Bond	1000	12248	12248	122.48	122.48
PFC 7.19% Tax Free Bonds	1000	10000	0.00	100.00	0
				807.92	707.92
Total Unquoted Investments				25888.79	8381.56
B] QUOTED					
Investment in Equity instrument					
Advanta India Limited	10	48,590	48,590	598.39	598.39
Clarus Finance & Securities Limited	10	9,07,000	9,07,000	560.13	560.13
ElH Limited	2	4,39,950	4,39,950	963.28	963.28
Future Ventures India Limited	10	0	1,50,00,000	0.00	1500.00
Garware Wall Ropes Limited	10	4,41,308	4,41,308	729.88	729.88
Housing Development & Infrastructure Limited	10	1,56,556	1,56,556	1176.02	1176.02
HEG Limited	10	1,16,000	1,16,000	500.91	500.91


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

15 NON CURRENT INVESTMENTS (Contd...)	Face Value Rs.	Nos. As at 31st March, 2013	Nos. As at 31st March, 2012	As at 31st March, 2013		As at 31st March, 2012	
				Amount (Rs. in Lacs)		Amount (Rs. in Lacs)	
K S Oils Limited	1	6,21,081	6,21,081	552.01		552.01	
Kesoram Textile Mills Limited (Received pursuant to a scheme of arrangement)	10	0	1,31,893	0.00		0.00	
Mount Everest Mineral Water Limited	10	21,74,592	23,35,592	2489.35		2613.06	
Praj Industries Limited	2	9,93,630	9,93,630	2461.04		2461.04	
Prime Focus Limited	1	7,72,560	7,72,560	989.21		989.21	
Reliance Communications Limited	5	56,981	56,981	362.76		362.76	
Taneja Aerospace & Aviation Limited	5	3,65,559	3,65,559	738.06		738.06	
Tantia Construction Limited	10	2,24,774	2,24,774	332.94		332.94	
Bajaj Finance Limited	10	0	640	0.00		4.79	
City Union Bank Limited	1	0	9,013	0.00		4.27	
Dewan Housing Finance Corporation.Limited	10	0	1,542	0.00		4.82	
Edelweiss Financial Services Limited	1	0	11,110	0.00		6.21	
Emkay Global Finance Service Limited	10	0	1,976	0.00		2.10	
GIC Housing Finance Limited	10	0	3,017	0.00		3.99	
India Infoline Limited	2	0	4,294	0.00		4.92	
Indian Bank	10	0	1,835	0.00		4.71	
Mahindra & Mahindra Financial Services Limited	10	0	573	0.00		4.55	
Motilal Oswal Financial Services Limited	1	0	2,496	0.00		4.43	
Phoneix Mills Limited	2	0	1,946	0.00		4.10	
Geojit BNP Paribas Financial Services Limited	1	0	7,787	0.00		2.97	
Federal Bank Limited	10	0	1,019	0.00		4.32	
LIC Housing Finance Limited	2	0	1,835	0.00		4.93	
Shriram City Union Finance Limited	10	0	144	0.00		0.99	
South Indian Bank Limited	1	0	15,365	0.00		3.57	
Sundaram Finance Limited	10	0	453	0.00		2.99	
Cholamandalam Investment & Finance Limited	10	0	1,398	0.00		2.55	
Manappuram Finance Limited	2	0	6,900	0.00		4.88	
Yes Bank Limited	10	0	896	0.00		2.37	
Shriram Transport Finance Company Limited	10	0	365	0.00		2.59	
Damania Capital Market Limited	10	124200	124200	37.26		37.26	
Eastern Mining Limited	10	10300	10300	3.30		3.30	
Konar Organics Limited	10	41100	41100	4.11		4.11	
Rajinder Pipes Limited	10	8300	8300	3.32		3.32	
Unified Agro Industries (India) Limited	10	1800	1800	0.45		0.45	
W S Telesystem Limited	10	8300	8300	3.32		3.32	
Orient Fabritex Limited	10	140000	140000	14.00		14.00	
Linde India Limited	10	200	200	0.21		0.21	
Ahmedabad Gases Limited	10	200	200	0.02		0.02	
Mount Everest Mineral Water Limited	10	0	255400	0.00		186.01	
Bombay Oxygen Corpn. Limited	10	5	5	0.06		0.06	
				12520.02		14410.79	
Less: Provision for diminution in value of Investment				6042.02		5555.74	
Net Quoted Investment				6478.00		8855.05	
Total Investments				32366.78		17236.61	
Aggregate amount of quoted investments				12520.02		14410.79	
Market value of quoted investments				4842.31		6645.33	
Aggregate amount of unquoted investments				25999.54		8492.31	
Aggregate provision for diminution in value of investments				6152.77		5666.49	

[2] Investment Property (Long term and Non-trade)

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 1-Apr-12	Additions	As at 31-Mar-13	As at 1-Apr-12	For the year	As at 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
Leasehold Land	169.37	204.05	373.42	0.42	0.37	0.79	372.64	168.96
Building	102.53	750.09	852.62	4.12	28.57	32.69	819.94	98.41
Total	271.90	954.14	1,226.05	4.53	28.94	33.47	1,192.57	267.37
Previous Year	271.90	-	271.90	2.69	1.84	4.53		

Total Non Current Investments [1+2]
33,559.35
17,503.98



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

	As at 31st March, 2013	As at 31st March, 2012
Amount Rs. in Lacs		
16 Long-term loans and advances (Unsecured, considered good, unless otherwise stated)		
Capital Advances	3260.96	9076.42
Security Deposits		
- Considered Good	8506.92	7841.07
- Considered Doubtful	62.32	—
	<u>8569.24</u>	<u>7841.07</u>
Less: Provision for doubtful deposits	62.32	—
	<u>8506.92</u>	<u>7841.07</u>
Loans to Employees	3.31	0.63
Advances recoverable in cash or in kind		
- Considered Good	476.04	2,649.47
- Considered Doubtful	5.00	67.32
	<u>481.04</u>	<u>2,716.79</u>
Less: Provision for doubtful advances	5.00	67.32
	<u>476.04</u>	<u>2,649.47</u>
Inter corporate Deposits	336.95	536.95
Prepaid expenses	163.64	33.39
Electricity Charges refund claimed	389.83	389.83
Balance in Cenvat Credit account	394.99	74.54
Entertainment Tax Refund Claimed	1238.44	1093.08
Income tax paid (Net of provisions)	7661.18	10380.15
MAT Credit Entitlement	8,387.62	2,619.51
	<u>30,819.88</u>	<u>34,695.04</u>
Group Share in Joint Ventures	68.35	71.40
Total	<u><u>30,888.23</u></u>	<u><u>34,766.44</u></u>
17 Other non-current assets		
Deposits	—	307.20
Non-current bank balances (bank balances with original maturity of more than 12 months)	590.72	92.43
Interest accrued		
- on Investment	18.99	16.47
- on bank fixed deposit	2.73	1.78
- others	139.75	111.54
Other recoverables	—	100.81
Total	<u><u>752.19</u></u>	<u><u>630.23</u></u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

18 CURRENT INVESTMENTS

(Non-trade, at cost, unless otherwise stated)

A] CURRENT PORTION OF LONG TERM INVESTMENTS

i) Investment in Mutual Funds

	Face Value Rs.	Nos. As at 31st March, 2013	Nos. As at 31st March, 2012	As at 31st March, 2013 Amount (Rs. in Lacs)	As at 31st March, 2012 Amount (Rs. in Lacs)
Kotak FMP 24 Months Series 1-Growth	10	0	50,00,000	0.00	500.00
Baroda Pioneer 367 Day FMP - Series 4 - Growth	10	1,00,00,000	0	1000.00	0.00
Birla Sun Life Fixed Term Plan - Series FH - Growth	10	1,00,00,000	0	1000.00	0.00
Birla Sun Life Mutual Fund Fixed Term Plan - Series FI- Growth	10	1,00,00,000	0	1000.00	0.00
BNP Paribas Fixed Term Fund - Series 23D - Growth	10	50,00,000	0	500.00	0.00
DSP BlackRock FMP - Series 47 - 12M - Growth	10	1,00,00,000	0	1000.00	0.00
DSP BlackRock FMP - Series 48 - 12M - Growth	10	99,99,990	0	1000.00	0.00
HDFC FMP 370D April 2012 (2) - Growth - Series XXI	10	1,00,00,000	0	1000.00	0.00
HDFC FMP 370D May 2012 (2) - Growth	10	1,00,00,000	0	1000.00	0.00
ICICI Prudential FMP Series 64 - 367 Days - Plan A - Cumulative	10	1,00,00,000	0	1000.00	0.00
ICICI Prudential FMP Series 64 - 367 Days - Plan C - Cumulative	10	1,00,00,000	0	1000.00	0.00
IDBI FMP - 366 Days - Series - II (April 2012) - H - Growth	10	99,99,990	0	1000.00	0.00
IDFC Fixed Maturity Plan - 366 Days - Series 71 - Growth	10	99,99,990	0	1000.00	0.00
IDFC Fixed Maturity Plan 366 Days Series 73 - Growth	10	1,00,00,000	0	1000.00	0.00
Kotak FMP Series 87-Growth	10	1,00,00,000	0	1000.00	0.00
Religare FMP Series XIV Plan E370 Days - Growth	10	1,00,00,000	0	1000.00	0.00
SBI SDFS - 366 Days - 2 Growth	10	99,99,990	0	1000.00	0.00
Sundaram Fixed Term Plan - CS 367 Days - Growth	10	99,99,990	0	1000.00	0.00
Taurus Fixed Maturity Plan 374 Days Series - S - Growth	10	1,00,00,000	0	1000.00	0.00
UTI Fixed Term Income Fund series XI-IX (368 days) - Growth Plan	10	1,00,00,000	0	1000.00	0.00
Kotak Bond (Short Term) - Growth	10	49,25,575	0	1000.00	0.00
Religare Short Term Plan - A, Growth	10	68,08,650	0	1000.00	0.00
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	0	2031509	0.00	203.15
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	0	2416246	0.00	241.62
BSL FTP Series CY-Growth	10	0	1001661	0.00	100.17
BSL FTP Series EW-Growth	10	0	2651942	0.00	265.19
BSL FTP Series FA-Growth	10	0	2049704	0.00	204.97
DSP BR FMP 12M Series 19-Growth	10	0	2250585	0.00	225.06
DSP BR FMP Series 39-12M-Growth	10	0	1302273	0.00	130.23
HDFC FMP 370D June'11(4) series XVIII-Growth	10	0	2500000	0.00	250.00
HDFC FMP 375D July'11(2) series XVIII-Growth	10	0	2000000	0.00	200.00
ICICI Prudential FMP Series 54-1Yr Plan C-Growth	10	0	750000	0.00	75.00
ICICI Prudential FMP Series 54-1Yr Plan D-Growth	10	0	1499939	0.00	149.99
ICICI Prudential interval Fund Annual Plan 1-Growth	10	0	2207246	0.00	300.00
ICICI Prudential FMP Series 60-1 Yr Plan J-Growth	10	0	1506316	0.00	150.63
TATA FMP Series 30 Scheme C-Growth	10	0	2244260	0.00	224.43
TATA FMP Series 38 Scheme D-Growth	10	0	2002005	0.00	200.20
TATA FMP Series 39 Scheme E-Growth	10	0	1003851	0.00	100.39
UTI Fixed Term Income Fund IX-II 369D -Growth	10	0	1619820	0.00	161.98
UTI Fixed Term Income Fund Series IX-VI 368D-Growth	10	0	2684493	0.00	268.45
UTI FTIF Series X-III 370D-Growth	10	0	2151600	0.00	215.16
Birla Sunlife FTP Series EV-Growth	10	2000000	0	200.00	
Birla Sunlife FTP Series FI-Growth	10	1098020	0	109.80	
Birla Sunlife FTP Series FR-Growth	10	2000000	0	200.00	
Birla Sunlife FTP Series GO 369D-Growth	10	2070329	0	207.03	
DSP BR FMP Series 38-12.5M-Growth	10	1015630	0	101.56	
DSP BR FMP-Series 41-12.5M	10	3000000	0	309.70	
DSP BR FMP Series 48-12M-Growth	10	2500000	0	250.00	
DSP BR FMP Series 57-12M-Growth	10	1578610	0	157.86	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

	Face Value Rs.	Nos. As at 31st March, 2013	Nos. As at 31st March, 2012	As at 31st March, 2013 Amount (Rs. in Lacs)	As at 31st March, 2012 Amount (Rs. in Lacs)
18 CURRENT INVESTMENTS (Contd...)					
DSP BR FMP Series 59-12M-Growth	10	903710	0	90.37	
DSP BR FMP Series 86-12M-Growth	10	2000000	0	200.00	
HDFC FMP 399D Mar'12 (I) Growth	10	2410719	0	259.06	
HDFC FMP 400D Mar'12 (I) Growth	10	2000000	0	200.00	
ICICI PRUFMP Series 60-18M Plan B-Growth	10	2000000	0	200.00	
ICICI PRU FMP Series 64-367D Plan A-Growth	10	1645478	0	164.55	
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	2768899	0	327.09	
IDFC FMP 13M Series 7- Growth	10	1100000	0	113.13	
IDFC FMP 18M Series 9 - Growth	10	2000000	0	200.00	
IDFC FMP 366D Series 74-Growth	10	2000000	0	200.00	
IDFC YS Interval Fund Series III-Growth	10	2002192	0	200.22	
TATA FMP Series 39 Scheme H-Growth	10	1500000	0	150.00	
TATA FMP Series 40 Scheme F-Growth	10	2000000	0	200.00	
TATA FMP Series 42 Scheme A-Growth	10	1000000	0	100.00	
UTI FIIF Series XIV-II 366D-Growth	10	2000000	0	200.00	
UTI FTIF Series XII-III 366 D-Growth	10	901646	0	90.16	
UTI FTIF Series XII-V-367D-Growth	10	2943520	0	294.35	
UTI FTIF Series XIV-I (366D)-Growth	10	2000000	0	200.00	
UTI FTIF Series XI-VIII (366D) Growth	10	1775388	0	177.54	
				25,602	4166.62
ii) Investment in Govt. or Trust Securities					
National Saving Certificate (Held in the name of Directors & Pledged with Government Authorities)				10.54	0.21
				10.54	0.21
B] CURRENT INVESTMENT					
Investment in Mutual Funds					
Liquid Benchmark Daily Dividend	1000	0	1	0.00	0.01
JM High Liquidity Fund Instl. Plan Daily Dividend	10	21,33,015	20,80,397	222.48	208.37
JP Morgan India Liquid Fund-Super Instl. Daily Dividend Plan	10	20,79,225	19,43,638	208.09	194.52
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	100	93,063	86,951	98.40	91.94
DSP BlackRock Liquidity Fund	1000	24,824	23,216	248.31	232.23
HDFC Liquid Fund Premium Plan	10	87,43,863	0	1066.30	0.00
Taurus Liquid Fund - Institutional Growth	10	0	34,168	0.00	400.00
Templeton India Treasury Management Account Institutional Plan - Growth.	10	0	27,170	0.00	450.00
JM High Liquidity Fund - Super Institutional Plan - Growth	10	0	35,93,611	0.00	600.00
Peerless Liquid Fund - Super Institutional Growth	10	0	34,36,839	0.00	400.00
BSL Short Term FMP Series 23-Growth	10	0	2,171,040	0.00	217.10
BSL QLY Interval Series 4-Growth	10	0	1,519,345	0.00	204.65
DSP BR FMP Series 42-3M-Growth	10	0	1,537,033	0.00	153.70
ICICI Prudential interval Fund II QLY Plan D-Growth	10	0	2,351,847	0.00	256.88
IDFC FMP QS 69-Growth	10	0	2,068,398	0.00	206.84
UTI FIIF Series II QLY Interval Plan VI-Growth	10	0	2,241,900	0.00	252.67
				1843.58	3868.91
Total Unquoted Investments				27456.54	8035.74
Total Investments				27456.54	8035.74



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	As at 31st March, 2013	As at 31st March, 2012
19 Inventories		
(at cost or net realizable value whichever is lower, for basis valuation, please refer note no. 3(e))		
Raw materials	17997.46	28761.14
Work-in-progress	5852.28	4014.67
Finished goods	19838.35	13488.98
Traded goods	170.85	0.00
Stores and spares	5299.39	3785.25
Others		
- Fuel	446.16	996.34
- Packing Material	337.24	528.08
- By products	356.58	240.70
- Food and Beverages	355.22	274.16
- Construction Materials	233.70	0.00
- Carbon Credits	57.79	786.35
	1786.69	2825.63
Group Share in Joint Ventures	467.72	434.03
Total	51412.74	53309.70
20 Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Considered good		
Outstanding for a period exceeding 6 months	3715.07	1842.61
Others	83,658.62	25,578.62
	87,373.69	27,421.23
Considered Doubtful		
Outstanding for a period exceeding 6 months	142.55	233.09
	87,516.24	27,654.32
Less: Provision for Doubtful Debts	(142.55)	(233.09)
	87,373.69	27,421.23
Group Share in Joint Ventures	1,641.38	1,611.53
Total	89015.07	29032.76
21 Cash and bank balances		
21.1 Cash & cash equivalents		
In Liquid funds of Mutual Fund	369.19	305.00
Balances with banks in current accounts	3,972.43	17,681.47
- Bank deposits with original maturity upto 3 months	119.71	10,260.77
Cash on hand	592.46	236.76
	5,053.79	28,484.00



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	As at 31st March, 2013	As at 31st March, 2012
21.2 Other Bank Balances		
- Unpaid Dividend with banks	285.57	243.63
- Margin Money with banks	74.68	176.40
- Deposit with original maturity for more than 3 months but less than 12 months	358.29	845.27
- Bank deposits with original maturity more than 12 months	22.93	17.39
	741.47	1,282.68
Group Share in Joint Ventures	5795.26	29,766.69
	631.79	244.72
Total	6,427.05	30,011.41
22 Short-term loans and advances (Unsecured, considered good, unless otherwise stated)		
Loans and advances to related parties (see note no 45)	38.92	1.17
Advance recoverable in cash or in kind		
- Considered Good	0.00	350.48
- Considered Doubtful	0.00	95.31
	0.00	445.79
Less: Provision for doubtful advances	0.00	95.31
	0.00	350.48
Others		
- Prepaid expenses	613.25	533.38
- Advances to employees	0.57	1.77
- Advances to suppliers	4,934.04	957.61
- Advances recoverable in cash or in kind	334.65	2,357.64
- Security deposits	1,746.48	125.35
- Inter-corporate Deposits		
Considered Good	175.00	1050.00
Considered Doubtful	0.00	377.35
	175.00	1427.35
Less: Provision for Doubtful Inter-corporate deposits	0.00	377.35
	175.00	1050.00
- Balances in Excise, Service Tax and VAT Accounts	3739.71	3660.24
	11,582.62	8,973.39
Group Share in Joint Ventures	327.45	534.71
Total	11,910.07	9,572.34
23 Other current assets		
Asset held for sale	374.77	0.00
Interest accrued	104.16	182.80
Insurance claim lodged	985.08	88.34
Un amortised premium on forward contract	405.10	-
Others	28.39	16.30
	1,897.50	287.44
Group Share in Joint Ventures	15.21	0.13
Total	1912.71	287.57



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	2012-2013	2011-2012
24 Revenue from operations		
Sale of products	237313.59	228256.09
Sale of services	67635.07	51631.55
Other operating revenues	14,008.88	2,106.95
	318,120.63	281,375.01
Less: Excise duty	8,105.59	5,897.01
	310,851.95	276,097.58
Group Share in Joint Ventures	6,700.43	7,537.64
Total	317,552.38	283,635.22
25 Other income		
Interest Income		
- on bank deposits	115.74	166.31
- on Inter corporate deposits	43.70	174.84
- on Income tax refund	76.75	0.00
- on others	71.38	277.95
- on long term investments	7.16	6.23
	314.73	622.76
Dividend Income		
- on long term investments	41.28	154.88
- on current investments	133.46	40.37
- from joint venture company	216.76	78.44
	391.50	273.69
Profit on sale of investments (Net)		
- on long term investments	134.86	2082.69
- on current investments	415.36	391.21
	550.22	2473.90
Provision for doubtful debts written back	5.60	10.66
Liabilities written back	774.33	254.03
Net gain on foreign currency translation and transaction	0.00	1.72
Profit on retirement /disposal of fixed assets (Net)	0.00	6.26
Rental income from operating leases	609.96	772.56
Miscellaneous income	437.59	263.01
	3,083.93	4,681.16
Group Share in Joint Ventures	44.78	2.10
Total	3,128.71	4,683.26
26 Cost of materials consumed		
Raw Materials consumed	92120.32	63533.99
Packing Materials consumed	4902.35	2928.97
Cost of food and Beverages	4259.10	3443.68
	101281.77	69906.64
Group Share in Joint Ventures	6010.51	6054.49
Total	107292.28	75961.13
27 Purchases of Stock-in-Trade		
Purchases of Stock-in-Trade	2013.96	1365.65
Total	2013.96	1365.65



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	2012-2013	2011-2012
28 Changes in inventories		
Opening Stock		
Finished Goods	13488.99	5778.28
Material-in-process	4014.67	1030.30
By-products	240.70	10.94
Carbon Credits	786.35	523.84
	18530.71	7343.36
Less : Closing Stock		
Finished Goods	20009.21	13488.98
Material-in-process	5275.59	4014.67
Erection and commissioning work-in-progress	576.69	0.00
By-products	356.58	240.70
Carbon Credits	57.79	786.35
	26275.86	18530.70
Excise Duty on Stock of Finished Goods (Net)	77.10	860.36
(Increase) / Decrease in Stock	(7668.05)	(10326.98)
29 Employee benefits expense		
Salaries and wages	13,316.16	11,360.59
Contribution to provident and other funds	747.21	644.29
Expense on ESOP (net)	1.06	(4.78)
Gratuity	268.72	211.61
Staff welfare expenses	518.13	507.48
	14,851.28	12,719.19
Group Share in Joint Ventures	91.27	99.43
Total	14,942.55	12,818.62
30 Finance costs		
Interest expense	10,664.06	5,904.40
Interest on deferred credit	182.05	0.00
Other borrowing costs	953.92	485.35
Loss on foreign currency transactions and translation	1153.53	2288.02
	12,953.56	8,677.77
Group Share in Joint Ventures	231.02	91.74
Total	13,184.58	8,769.51
31 Depreciation and amortization expense		
Depreciation and amortization on Tangible assets	16,080.56	14,153.65
Amortization of Intangible assets	722.62	534.29
Depreciation on Investment property	28.58	1.67
Amortization of Investment property	0.37	0.17
Depreciation written back	0.00	(90.92)
	16,832.14	14,598.86
Group Share in Joint Ventures	273.13	313.83
Total	17,105.27	14,912.69



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

	2012-2013	2011-2012
32 Other expenses		
Stores and Spare Consumed	4228.09	6111.86
Power and Fuel	33991.25	31481.63
Entertainment tax	10204.08	8303.52
Erection, Procurement & Commissioning Cost	12499.25	0.00
Distributors' share	20227.51	17010.60
Other exhibition cost	766.76	745.26
Amalgamation Expenses	568.07	0.00
Freight and Octroi	4272.94	2697.83
Insurance	742.43	684.85
Excise Duty, Custom Duty and Sales Tax	548.36	834.73
Production Labour Charges	1036.94	397.08
Processing Charges	1706.77	699.99
Outsourced Personnel Cost	1678.53	1339.33
Property Rent and Conducting Fees	9266.62	8094.47
Common Facility Charges	2523.59	2454.90
Factory Expenses	1215.46	809.07
Repairs to		
- Buildings	474.57	278.79
- Machinery	2165.07	4191.83
- Others	505.62	500.33
	3,145.26	4,971.27
Directors' Sitting Fees	9.00	11.15
Commission to Director	609.54	1275.04
Rent	191.53	164.73
Rates and Taxes	1,050.09	862.80
Service Tax	1947.02	1420.20
Travelling and Conveyance	1980.45	1621.70
Communication expenses	422.47	369.70
Legal and Professional Fees and Expenses	3,135.16	2,820.58
Lease Rentals and Hire Charges	1005.13	653.70
Loss on retirement /disposal of fixed assets (Net)	559.59	50.58
Net loss on foreign currency translation and transaction	8351.63	12201.26
Provision for trade receivables	23.78	163.47
Provision for doubtful advances	0.00	298.60
Provision for diminution in value of investments - Long term (Net)	486.28	4239.04
Bad debts and remission net of provision for doubtful debts of Rs. 103.00 Lacs (previous year Rs. Nil))	18.08	96.10
Expenditure on Sustainable Development Plan	73.71	80.48
Commission	407.02	326.90
Royalty	1392.26	775.72
Purchase of Carbon Credits	0.00	8751.52
Miscellaneous Expenses	6,850.66	6,993.19
	137,135.32	129,812.85
Group Share in Joint Ventures	590.61	718.89
Total	137,725.93	130,531.74

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

33. Securities and terms of repayment –

A. In respect of secured loans

In respect of loans taken by GFL :

Rupee Term Loan of Rs. NIL (previous year Rs. 1111.05 lacs) from Oriental Bank of Commerce was secured by the way of lease hold land and building and hypothecation of all movable fixed assets of the Company situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat, excluding assets related to Company's 18 MW coal based captive power plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, on first pari passu basis and by way of second pari passu charge over fixed assets situated at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat, except for R23 incineration project. The term loan was repaid in 16 equal quarterly instalments starting from 31st May 2008 and carried interest @ 8.50% p.a.

Foreign Currency Term Loan of Rs. 23489.85 lacs (previous year Rs. 24929.24 lacs) from Axis Bank Limited is secured by way of first charge on all movable and immovable assets of Mahidad (36 MW), Gujarat, and exclusive charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. Further, the lender also has a charge/lien over the Receivables and escrow account relating to Mahidad (36 MW). The term loan is repayable in 40 equal quarterly instalments starting from 15th June 2012 and carries interest @ 3 months LIBOR plus 4.25% p.a. Out of total sanctioned ECB of USD 49 million, ECB of USD 25 million is at the rate of 11.26% p.a. w.e.f. 11th October 2012, being hedged.

Foreign Currency Term Loan of Rs. 8940.24 lacs (previous year Rs. 8379.58 lacs) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/ mortgage/hypothecation on movable and immovable fixed assets including cash flow and receivables of project assets, Mahidad (14 MW). Further, the lender also has a charge/lien over the escrow account. Company is in the process of creation of security on the said loan. The term loan is repayable in 20 equal half yearly instalments starting from 20th September 2013 and carries interest @ 6 months LIBOR plus 4.14% p.a.

Foreign Currency Term Loan of Rs. 6774.75 lacs (previous year Rs. 9033.00 lacs) from DBS Bank Limited is secured by first pari passu charge over moveable fixed assets of the Company at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch except assets pertaining to 18 MW coal based captive power plant, DPTFE & PTPTFE plant. The term loan is repayable in 16 equal quarterly instalments starting from 16th April 2012 and carries interest @ 8.65% p.a.

Foreign Currency Term Loan of Rs. 1400.13 lacs (previous year Rs. 2800.25 lacs) from BNP Paribas Limited is secured by hypothecation of all movable property of the Company's 18 MW coal based captive power plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. The term loan is repayable in 16 equal quarterly instalments starting from 9th April 2010 and carries interest @ 7.07% p.a.

Foreign Currency Term Loan of Rs. 417.28 lacs (previous year Rs. 1955.55 lacs) from Citibank NA is secured by first pari passu charge over Company's fixed assets situated at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat (Security is yet to be created). The term loan is repayable in 16 equal quarterly instalments starting from 3rd July 2009 and carries interest @ 6 months LIBOR plus 4.00% p.a.

Working Capital Loans of Rs. 1559.82 lacs (previous year Rs. 3014.61 lacs) from HDFC Bank Limited is secured by first pari passu charge over stock and book debts of the Company's Dahej Plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. The loan was repayable on demand and carries interest @ 11.00% p.a.

Working Capital Loans in the form of buyers credit of Rs. 1590.57 lacs (previous year Rs. 5410.46 lacs) and over draft facility of Rs. 2870.00 lacs (previous year Nil) from The Royal Bank of Scotland is secured by way of 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 at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. Buyers credit is repayable in 30 days to 330 days carrying interest ranging @ 1 month LIBOR plus 1.65% to 11 month LIBOR plus 1.65%, and overdraft facility is repayable on demand and carries interest @ 9.90% p.a.

In respect of loans taken by IRL Group :

1. Foreign currency term loan from ICICI bank (Singapore) in 2 tranches taken by IRL
 - a. Rs. 3,26,33,58,000 (previous year Rs. 3,05,25,60,000) from ICICI Bank Limited carrying an interest rate of 6 months Libor+4.14% per annum, repayable in 20 equal half yearly installments starting from 3rd August 2013 and last installment falling due on 3rd February 2023 for 50 MW Dangri.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

- b. Rs. 1,27,97,48,235 (previous year Rs.1,19,70,82,353) from ICICI Bank Limited carrying an interest rate of 6 months Libor+4.14% per annum, repayable in 20 half yearly installments starting from 20th September 2013 and last installment falling due on 20th March 2023 for 20 MW Dangri.

Both the tranches are secured by way of:

- a) Exclusive charge over all the borrower's immovable assets, all present and future movable fixed assets identified under the project assets and Ossiya-1 i.e. 19.5 MW.
 - b) Exclusive charge over the escrow account to be opened with ICICI Bank Limited, India (Escrow Bank) for project Dangri and ossiya-1.
 - c) Exclusive charge on all project documents, rights, titles, permits, approvals in respect of all the assets of the project including power purchase agreement and wheeling agreements and all project documents including all insurance policies relating to project, project book debts, operating cash flows, revenue of whatsoever nature including "Certified Emission Reduction (CER) receivables.
 - d) First pari passu with ICICI Bank, Hong Kong over immovable assets and all present and future movable fixed assets identified at project of Gude Panchgani 23.1 MW.
 - e) First pari-passu charge over the escrow account w.r.t. Gude Panchagani.
2. Foreign currency term loan from ICICI bank (Hong Kong):

Foreign currency term loan of Rs. 54,85,49,477 (previous year Rs. 68,81,64,842) from ICICI Bank Limited carrying an interest rate of 5.86 % p.a. repayable in 38 equal quarterly installments starting from 20th December 2007 and last installment falling due in March 2017.

These loans are secured by way of:

- a) First mortgage/charge/security interest on all of the company's present and future assets pertaining to the Gude Panchagani project including all movable properties.
 - b) ICICI bank have a charge/lien over the escrow account (to be opened with ICICI), where the cash flows out of the project (sale proceeds from the power sold to Maharashtra State Electricity Board) are to be deposited by the company. The security cover is yet to be created.
3. Details of term loan from International Finance Corporation taken by IRLJ
- a) Foreign currency term loan from International Finance Corporation is secured by hypothecation of all movable and immovable fixed assets including cash flow and receivables of project assets of its Dangri (64MW) wind farm.
 - b) Corporate guarantee of Inox Renewables Limited.
 - c) Terms of repayment (including current maturities).

The term loan is repayable in 28 instalments starting from 14th October 2013 and the rate of interest on the loan is six months LIBOR and relevant spread of 4.25 % i.e. 11.44% per annum for the current year.

In respect of loans taken by IWL Group:

Term loan from bank of Rs. 7500.00 lacs is secured against equitable mortgage of fixed assets of Una and Rohika Plants, carrying interest at the rate of 11.85% p.a. and repayable in 20 quarterly installments starting from 01.02.2013.

Term loan from other parties of Rs. 5625.00 lacs is secured against first pari passu charge on entire current assets of the Company, both present and future, carrying interest at the rate of 12.25% p.a. and repayable in 4 quarterly installments starting from 02.03.2014.

Working capital short term loans from Banks amounting to Rs. 1305.34 lacs are repayable on demand and are secured by current assets.

Foreign currency short term loans from Banks amounting to Rs. 10725.39 lacs are repayable as per terms of avilment and are secured by current assets.

In respect of loans taken by ILL :

- a) Term loan from Axis Bank amounting to Rs. 220.29 lacs (previous year Rs. 660.81 lacs) carries interest @ bank base rate + 2.75 % p.a. which is in the range of 11.75% to 12.75% and is secured by mortgage of immovable property situated at Vadodara and charge on all stocks, debts and movable properties situated at Burdhan, Indore Central, Rajarhat

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

(Kolkata), Jayanagar (Bangalore), Siliguri and Maleshwaram (Bangalore) multiplexes. The loan is repayable in 16 equal quarterly installments beginning from 31st December, 2009.

- b) Term loan from Axis Bank amounting to Rs. 3510.00 lacs (previous year Rs. Nil) carries interest @ bank base rate + 1.25 % p.a. which is 11.25% and is secured by mortgage of immovable property situated at Vadodara and charge on all stocks, debts and movable properties situated at Amanora-Pune, Hyderabad-2, Udaypur, Bhuvaneshwar, Bhopal and five future properties. The loan is repayable in 16 equal quarterly installments beginning from 30th June, 2013.
- c) Term loan from Axis Bank amounting to Rs. 91.96 lacs (previous year Rs.1108.63 lacs) carries interest @ bank base rate + 2.75 % p.a. which is 12.75% and is secured against first charge on the entire movable fixed assets of the erstwhile Fame India Ltd, both present and future; and extension of first charge on the entire current assets of the erstwhile Fame India Ltd, both present and future. The loan is repayable in 18 equal quarterly installments beginning from 1st April, 2009 . The loan is further secured by first charge by way of equitable mortgage of property at Anand, Gujarat.
- d) Term loan from Axis Bank amounting to Rs. 500.00 lacs (previous year Rs. Nil) carries interest @ bank base rate + 2.25 % p.a. which is 12.25% and is secured against first charge on the entire movable fixed assets of the erstwhile Fame India Ltd, both present and future; and extension of first charge on the entire current assets of the erstwhile Fame India Ltd, both present and future. The loan is repayable in 10 equal quarterly installments beginning from 1st April, 2013. The loan is further secured by first charge by way of equitable mortgage of property at Anand, Gujarat.
- e) Term loan from Citi Bank amounting to Rs. 499.99 lacs (previous year Rs.1166.66 lacs) carries interest @ 8.75% p.a. and is secured by mortgage of immovable property situated at Pune and charge on all movable assets situated at Pune, Thane, Rajapark (Jaipur) and Madurai multiplexes and four future properties. The loan is repayable in 12 equal quarterly installments beginning from 29th January, 2011.
- f) Term loan from ING Vysya Bank amounting to Rs. 777.79 lacs (previous year Rs. 1944.44 lacs) carries interest @ 9.5% p.a. and is secured by charge on immovable property situated at Nariman Point and exclusive charge on all the current and fixed assets situated at Vizag Beach Road, Vizag CMR Mall, Kanpur, Belgaum, J.P.Nagar (Bangalore), Kharghar multiplexes and one future multiplexes. The loan is repayable in 36 equal monthly installments beginning from 1st December, 2010.
- g) Short Term loan from Axis Bank amounting to Rs. 800.00 lacs (previous year Rs.Nil) carries interest @ bank base rate + 1.75 % p.a. which is 11.75% and is secured by mortgage of immovable property situated at Vadodara and charge on all stocks, debts and movable properties situated at Amanora-Pune, Hyderabad-2, Udaypur, Bhuvaneshwar, Bhopal and five future properties. The loan is repayable in 3 equal monthly installments beginning from 30th November, 2013.
- h) Bank overdraft is secured against first charge on the entire current assets of the erstwhile Fame India Ltd, both present and future; and extension of first charge on the entire movable fixed assets of the erstwhile Fame India Ltd, both present and future. Further secured by first charge by way of equitable mortgage of property at Anand, Gujarat.

B. In respect of Unsecured loans

In respect of loans taken by GFL :

Foreign Currency working capital unsecured loans from various banks amounting to Rs.15039.53 lacs (previous year Rs. 23483.54 lacs) are repayable in the period ranging from 178 days to 355 days carrying interest ranging @ 1 month LIBOR plus 1.5% to LIBOR plus 1.95%.

Working Capital unsecured rupee loans from various banks amounting to Rs.12500.00 lacs (previous year Rs. 5000.00 lacs) are repayable in the period ranging from 89 days to 180 days carrying interest ranging @ 9.50% to 10.00%.

Unsecured overdraft facility from The Royal Bank of Scotland amounting to Rs.12060.15 lacs (previous year Rs. Nil) is repayable on demand carrying interest @ 9.90%.

In respect of loans taken by ILL :

The inter-corporate deposits are repayable in 3-5 years from the date of the respective deposits beginning from 8th June 2014 and carry interest in the range of 10% to 11%.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013****34. Exceptional items in respect of ILL:**

During the previous year, the levy of service tax on renting of immovable property was upheld by several High Courts. ILL has preferred a Special Leave Petition before the Hon'ble Supreme Court which is pending and the ILL has made the payments in this regard as directed by the Hon'ble Supreme Court. In these circumstances, the ILL had provided for service tax on renting of immovable properties. The amount of such service tax of Rs. 973.29 lacs being the charge for the period upto 31st March, 2011 was shown as an exceptional item in the Statement of Profit and Loss for the year ended 31st March, 2012.

The movement in the provision for service tax account is as under:

Particulars	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Opening Balance	1328.71	Nil
Provided during the year (including Rs. Nil - previous year Rs. 1797.51 lacs for earlier years)	33.51	2631.65
Amount paid and adjusted during the year	329.08	1302.94
Closing balance	1033.14	1328.71

35. During the year ended 31st March, 2006, ILL had issued 5,00,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to Inox Leisure Limited – Employees' Welfare Trust ("Trust") to be transferred to the employees of the Company under the scheme of ESOP framed by ILL in this regard. The Company has provided finance of Rs. 75 lacs to the Trust for subscription of these shares at the beginning of the plan.

Following stock options have been granted to the employees:

On 29th January 2007 (First Grant)	244,120 shares
On 27th October 2009 (Second Grant)	33,332 shares

The vesting period for these equity settled options is between one to four years from the date of the grant. The options are exercisable within one year from the date of vesting. The compensation costs of stock options granted to employees are accounted by ILL using the intrinsic value method.

The summary of stock options is as under:

Outstanding on 1st April 2012	10,000
Granted during the year	Nil
Lapsed during the year	Nil
Exercised during the year	5,000
Outstanding as on 31st March 2013	5,000
Exercisable as on 31st March 2013	Nil
Weighted average exercise price of all stock options	Rs. 15

All stock options are exercisable at the exercise price of Rs. 15 per option and the weighted average remaining contractual life is as under:

Options granted on 27th October 2009	1.08 years
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As per the terms of the Scheme of Amalgamation (referred to in Note no. 1(H)), the stock options granted by erstwhile Fame India Limited ("Fame") to its employees automatically stand cancelled. ILL will issue stock options to the eligible employees of Fame either under (i) existing or revised ESOP Scheme of ILL or (ii) a distinct and separate employee stock option plan formed and organized for granting stock options to employees of Fame. These stock options will be granted in the ratio of 5 options (each option being equal to one share) of ILL for every 8 options (each option being equal to one share) held under ESOP of Fame.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

36. In respect of income-tax matters of ILL:-

ILL's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by appellate authorities. Provision for current tax is made on this basis to the extent the entertainment tax exemption is held as capital receipt.

37. Contingent liabilities not provided for in respect of :-

Amount (Rs. in Lacs)

Particulars	2012-2013	2011-2012
(a) Claims against company not acknowledged as debt	2429.59	1639.64
(b) Other money for which company is contingently liable		
Income Tax (including TDS matters)	8722.69	5499.75
Service Tax	1021.65	563.70
Excise duty	849.66	755.45
Custom duty	1227.33	4.36
Electricity Duty	1204.86	1204.86
Municipal Tax	621.28	596.59
Entertainment Tax	1043.85	2.22
Stamp Duty	263.81	263.81

Claims in respect of labour matters and Custom duty on import of cinematographic films

Amount is not ascertainable

(c) In the earlier years the Company had received CIT(A) order for the Assessment Year 2008-09 and for the AY 2009-10, wherein the CIT(A) has confirmed the action of the Assessing Officer in respect of

- i. treatment of Investment activity of the Company in respect of investment in shares as a business activity and
- ii. the re-computation of the amount of deduction u/s 80IA by applying the regulatory prices in respect of power generated at its captive power units.

The Company has not accepted the orders of the CIT(A) and has preferred appeal before ITAT, Ahmedabad. The said issues were decided in favour of the Company by CIT(A) in earlier years. Consequently, the amount of demands in respect of the above are included in the amount of contingent liabilities in para (A) including for subsequent years where assessment orders are received.

- (d) Entertainment tax includes Rs. 1040.83 lacs in respect of Pune Multiplex demand notice received pertaining to exemption period and for which ILL is contesting the matter by way of appeal before appropriate Authority.
- (e) ILL has issued termination notice for one of its proposed multiplexes seeking refund of security deposit of Rs. 60.07 lacs and reimbursement of the cost of fit-outs of Rs. 902.83 lacs incurred by the Company and carried forward as capital work-in-progress. The party has made a counter claim of Rs. 675.86 lacs towards rent for lock in period and other costs which is included in (a) above. An arbitration petition filed by the Company under section 9 of the Arbitration and Conciliation Act, 1996 before the Court of District Judge, Chandigarh was dismissed vide order dated 11 November 2011. At present the matter is pending before the Arbitrator.
- (f) ILL may be required to charge additional cost of Rs. 389.83 lacs (previous year Rs. Nil) towards electricity from 1 June 2007 to 31 March 2010 pursuant to the increase in the tariff in case the appeal made with Maharashtra Electricity Regulatory Commission 'MERC' by the Company 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 19 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. The Company has paid the whole amount to the respective authorities under protest (which is included in 'long term loans and advances').

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

38. Commitments:

- (a) Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances, is Rs. 21069.42 lacs (previous year Rs. 18423.85 lacs).
- (b) The exemption from payment of Entertainment Tax in respect of multiplexes, which are eligible for such exemption, is subject to fulfillment of the terms and conditions of the respective State Government policies issued in this regard. The amount of Entertainment Tax exemption availed so far by the Company, which is liable to be paid if the relevant multiplex ceases operations prior to completing the minimum period of operations in terms of the respective policies of the States – Rs. 15730.92 lacs (previous year Rs. 6852.52 lacs).

39. In respect of Entertainment Tax liability and its treatment in these accounts: -

- a. The Entertainment Tax exemption in respect of some of the Multiplexes of the Company 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 the amount of Rs. 382.07 lacs (previous year Rs. 413.37 lacs) being Entertainment Tax in respect of such Multiplexes has not been charged to the statement of profit and loss. Cumulative amount as on 31st March, 2013 is Rs. 3389.17 lacs (previous year Rs. 3007.10 lacs).
- b. In respect of the Multiplex Cinema Theatre at Vadodara, the issues in respect of the eligibility for exemption from payment of entertainment tax and the method of computing the exemption availed, have been decided in favour of the Company by the Honourable High Court of Gujarat vide its order dated 26th June, 2009. The matter regarding method of computation of eligibility amount is challenged by the Government Department before the Honourable Supreme Court. Pending receipt of final eligibility certificate the figures indicated in the (a) above include the figures pertaining to the said Multiplex.

40. The major components of the net deferred tax assets and liability are as under :

In respect of Deferred Tax Assets (Net):

S.No.	Particulars	Amount (Rs. in Lacs)	
		2012-2013	2011-2012
(A)	Deferred Tax Assets		
(i)	Expenditure allowable on payment basis	15.36	14.21
(ii)	Unabsorbed losses	6302.87	—
(iii)	Depreciation	6.81	7.06
(iv)	Others	7.18	21.26
	Total	6332.22	42.53
(B)	Deferred Tax Liabilities		
(i)	Depreciation	4667.71	—
(ii)	Others	—	—
	Total	4667.71	0.00
	Net Deferred Tax Assets (A-B)	1664.51	42.53

IRL and IRL(J) have entered into power purchase agreements with the distribution companies for 19 years for sale of power generation and will have certain revenues and sufficient taxable profit after the tax holiday period against which the deferred tax assets shall be adjusted. Provision of deferred tax asset in compliance of the notified Accounting Standard 22 on 'Accounting for Taxes on Income' has been made as these companies have unabsorbed depreciation which can be carried forward infinitely.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

In respect of Deferred Tax Liabilities (Net):

		Amount (Rs. in Lacs)	
S.No.	Particulars	2012-2013	2011-2012
(A)	Deferred Tax Liabilities		
(i)	On account of difference between tax depreciation and depreciation/amortisation charged in books	21370.58	17002.42
(ii)	Others	0.00	595.67
	Total	21370.58	17598.09
(B)	Deferred Tax Assets		
(i)	Expenditure allowable on payment basis	1033.99	645.67
(ii)	Others	218.01	104.74
	Total	1252.00	750.41
	Net Deferred Tax Liability (A-B)	20118.59	16847.68

41. Disclosure as required by Accounting Standard – AS 19 on “Leases” –

a) In respect of Assets given on Operating Lease :

Assets given on operating lease are Office Premises. The non-cancellable initial lease tenure is for five to nine years, which can be further extended at the mutual option of both the parties. The details of carrying amount of assets given on lease and the future minimum lease payments are as under :

		Amount (Rs. in Lacs)	
Particulars		2012-2013	2011-2012
(i)	Gross carrying amount of asset given on operating lease included in Buildings block of fixed assets	929.38	929.38
(ii)	Accumulated Depreciation as at the end of the year	117.22	102.12
(iii)	Depreciation for the year	15.09	15.10
(iv)	Future minimum lease payments -		
(a)	Not later than one year	697.43	583.94
(b)	Later than one year and not later than five years	2083.70	2097.69
(c)	Later than five years	0.00	0.00

(v) Assets given on operating lease are Office Premises. The non-cancellable initial lease tenure is for five to nine years, which can be further extended at the mutual option of both the parties.

b) In respect of plant taken on operating lease:

The plants taken on operating lease are for an initial non-cancellable period of ten years, which can be further extended at the mutual agreement. The future minimum lease payments under these lease arrangements are as under:-

		Amount (Rs. in Lacs)	
S.No.	Payable in future	2012-2013	2011-2012
a)	Not later than one year	80.28	74.66
b)	Later than one year and not later than five years	277.02	312.30
c)	Later than five years	161.25	206.25

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

- c) Operating leases for some of the multiplexes of Inox Leisure Limited Group ("ILL Group")

ILL is operating some of the multiplexes under Operating Lease / Business Conducting Arrangement. These arrangements are for a period of 9-25 years with a minimum lock-in period of 3-10 years and the agreement provides for escalation in rentals after pre-determined periods. Property Rent and Conducting Fees are included in 'Property Rent and Conducting Fees' charged in the Statement of Profit and Loss.

The future minimum lease / conducting fees payments under these arrangements are as under:

S.No.	Payable in future	Amount (Rs. in Lacs)	
		2012-2013	2011-2012
a)	Not later than one year	9555.49	8073.47
b)	Later than one year and not later than five years	38906.33	33253.75
c)	Later than five years	99840.68	77970.61
	Total	148302.50	119297.83

- d) In respect of other operating leases for premises (offices and residential accommodations for employees) - generally, these lease arrangements range between 11 months to 33 months and are usually renewable by mutual consent on mutually agreeable terms. Lease rentals are included in 'Property Rent and Conducting Fees' charged in the Statement of Profit and Loss.

42. Provisions:

- a) ILL has recognised following provision towards estimated liability in respect of amalgamation expenses / municipal taxes payable for one of its multiplexes & estimated liability as under :-

Particulars	Amalgamation Expenses		Municipal Taxes	
	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Opening Balance	Nil	Nil	154.60	131.80
Provided during the year	500.00	Nil	52.80	52.80
Paid during the year	Nil	Nil	Nil	30.00
Closing balance	500.00	Nil	207.40	154.60

43. ILL has recognised a provision towards MVAT as under:

Particulars	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Opening Balance	39.61	39.61
Paid during the year	Nil	Nil
Closing balance	39.61	39.61

44. In respect of ILL, the arbitration award in the matter of disputed recoveries pertaining to one of the multiplex of the Company has been received in favour of the Company and the arbitrator has further granted interest claimed on the unpaid amount at the rate of 15% p.a. The Company has accordingly accounted interest of Rs. 18.28 lacs. (previous year Rs. 18.23 lacs). Total amount of interest receivable upto 31st March, 2013 is Rs.129.82 lacs (previous year Rs. 111.54 lacs). The said award has been challenged before the District Court and the matter is pending.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

45. Related Party Disclosures :

(i) Names of Related Parties

(A) Where control exists:

Subsidiary Company- Gujarat Fluorochemicals Limited

(B) Other related parties with whom there are transactions during the year:

Joint Venture

Xuancheng Hengyuan Chemical Technology Co. Ltd. (XHCT Co. Ltd)

Swanston Multiplex Cinema Private Limited (SMCPL) – joint venture of a subsidiary

Swarnim Gujarat Fluorspar Private Limited (Incorporated on 19th June, 2012)

Associate of a subsidiary

Megnasolace City Private Limited

Key Management Personnel (KMP)

Mr. P.K. Jain (Managing Director)

Mr. V K Jain (Managing Director of GFL)

Mr. Deepak Asher (Whole Time Director)

Mr. D K Sachdeva (Whole Time Director of GFL)

Mr. J S Bedi (Whole Time Director of GFL)

Mr. G Arumugam (Whole Time Director of GFL) upto 22nd June , 2012

Mr. Alok Tandon – Manager of Inox Leisure Limited

Mr. Rajiv Patni – Manager of amalgamating Company Fame India Ltd.

Mr. David Kaufmann – Manager of GFL Americas LLC, U.S.A.

Mr. Devansh Jain-(Whole Time Director) in Inox Wind Limited

(w.e.f. 1st November, 2012 – earlier classified under relative of KMP)

Mr. Rajeev Gupta (Whole Time Director) in Inox Wind Limited w.e.f. 1st April 2012

Relatives of Key Management Personnel

Mr. D K Jain (Father of Mr. V K Jain)

Mr. P K Jain (Brother of Mr. V K Jain)

Mr. Devansh Jain (Son of Mr. V.K. Jain) – classified as KMP

w.e.f. 1st November, 2012 on becoming a whole-time director in IWL.

Mr. Cody Kaufmann (Son of Mr. David Kaufmann)

Enterprises over which Key Management Personnel, or his relative, has significant influence

Devansh Gases Private Limited

Devansh Trading and Finance Private Limited

Inox India Limited

Inox Air Products Limited

Inox Chemicals Private Limited

Refron Valves Limited

Rajni Farms Private Limited

Sidhapavan Trading and Finance Private Limited

Siddho Mal Investments Private Limited



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

(ii) Particulars of transactions

Amount Rs. in Lacs

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP or his relative has significant influence		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
A) Transactions during the year												
Sales of Goods												
Inox Air Products Limited									8.54	25.18	8.54	25.18
Others									0.05	0.03	0.05	0.03
Total									8.59	25.21	8.59	25.21
Purchase of Assets												
David Kaufmann					0.00	45.34					0.00	45.34
Total					0.00	45.34					0.00	45.34
Purchase of Goods												
Inox Air Products Limited									243.16	424.74	243.16	424.74
Inox India Limited									1704.44	578.59	1704.44	578.59
XHCT Co. Ltd			567.81	569.58							567.81	569.58
Total			567.81	569.58					1947.60	1003.33	2515.41	1572.91
Inter corporate deposit repaid												
Devansh Trading & Finance Private Limited									600.00	0.00	600.00	0.00
Siddhapavan Trading & Finance Private Limited									500.00	0.00	500.00	0.00
Total									1100.00	0.00	1100.00	0.00
Inter corporate deposit given												
Inox Leisure Limited	1100.00	0.00									1100.00	0.00
Total	1100.00	0.00									1100.00	0.00
Inter corporate deposit received back												
Inox Leisure Limited	600.00	1200.00									600.00	1200.00
Total	600.00	1200.00									600.00	1200.00
Inter corporate deposit received												
Devansh Trading & Finance Private Limited									600.00	0.00	600.00	0.00
Siddhapavan Trading & Finance Private Limited									500.00	0.00	500.00	0.00
Total									1100.00	0.00	1100.00	0.00
Interest Paid/Interest paid on Debentures												
Devansh Trading & Finance Private Limited									59.48	17.50	59.48	17.50
Inox Chemicals Private Limited									16.88	17.50	16.88	17.50
Siddhapavan Trading & Finance Private Limited									52.38	17.50	52.38	17.50
Siddho Mal Investments Private Limited									16.88	17.50	16.88	17.50
Total									145.62	70.00	145.62	70.00
Equity shares Subscribed												
Swarnim Gujarat Fluorspar Pvt.Ltd			1.25	0.00							1.25	0.00
Total			1.25	0.00							1.25	0.00
Equity shares of Inox Wind Ltd issued.												
Devansh Trading & Finance Private Limited									250.00	0.00	250.00	0.00
Inox Chemicals Private Limited									250.00	0.00	250.00	0.00
Siddhapavan Trading & Finance Private Limited									250.00	0.00	250.00	0.00
Siddho Mal Investments Private Limited									250.00	0.00	250.00	0.00
Total									1000.00	0.00	1000.00	0.00
Dividend Received												
Gujarat Fluorochemicals Limited	1731.46	2597.19									1731.46	2597.19
XHCT Co. Ltd			216.76	78.44							216.76	78.44
Total	1731.46	2597.19	216.76	78.44							1948.22	2675.63



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP or his relative has significant influence		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Expenses (Repairs)												
Refron Valves Limited									0.90	2.85	0.90	2.85
Total									0.90	2.85	0.90	2.85
Reimbursement of expenses (paid)												
Inox Air Products Limited									6.46	8.01	6.46	8.01
Inox India Limited									0.00	0.08	0.00	0.08
Gujarat Fluorochemicals Limited	0.13	0.28							0.00		0.13	0.28
SMCPL			2.18	4.87							2.18	4.87
Total	0.13	0.28	2.18	4.87					6.46	8.09	8.77	13.24
Reimbursement of expenses (received)												
Inox India Limited									5.50	4.62	5.50	4.62
Gujarat Fluorochemicals Limited	0.75	0.57									0.75	0.57
SMCPL			3.50	3.85							3.50	3.85
Swarnim Gujarat Fluorspar Pvt.Ltd			51.01	0.00							51.01	0.00
Total	0.75	0.57	54.51	3.85					5.50	4.62	60.76	9.04
Project hiring charges received												
SMCPL			5.06	14.51							5.06	14.51
Total			5.06	14.51							5.06	14.51
Rent Received												
Inox Air Products Limited									144.90	144.90	144.90	144.90
Gujarat Fluorochemicals Limited	60.00	48.00							0.72	0.72	60.00	48.00
Others											0.72	0.72
Total	60.00	48.00							145.62	145.62	205.62	205.62
Rent paid												
Inox Air Products Limited									0.60	0.60	0.60	0.60
Devansh Gases Private Limited									19.50	18.00	19.50	18.00
Rajni Farms Pvt. Limited									12.00	12.00	12.00	12.00
Others					1.20	1.20					1.20	1.20
Total					1.20	1.20			32.10	30.60	33.30	31.80
O&M Charges & Lease Rents paid												
Inox Air Products Limited									202.56	137.96	202.56	137.96
Total									202.56	137.96	202.56	137.96
Errection & Commissioning Charges												
Inox Air Products Limited									0.00	30.00	0.00	30.00
Total									0.00	30.00	0.00	30.00
Remuneration paid												
Mr. V K Jain					574.19	567.31					574.19	567.31
Mr. Deepak Asher					17.59	17.59					17.59	17.59
Others					331.27	236.50	3.14	5.38			334.41	241.88
Total					923.05	821.40	3.14	5.38			926.19	826.78
Professional fees												
Mr.David Kaufmann-Manager					54.91	46.40					54.91	46.40
Mr.Cody Kaufmann							37.42	28.92			37.42	28.92
Total					54.91	46.40	37.42	28.92			92.33	75.32
Commission paid												
Mr. D K Jain							609.54	1275.04			609.54	1275.04
Mr.David Kaufmann-Manager					6.83	8.00					6.83	8.00
Total					6.83	8.00	609.54	1275.04			616.37	1283.04



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Amount Rs. in Lacs

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP or his relative has significant influence		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sitting Fees paid												
Mr. D K Jain							1.20	1.60			1.20	1.60
Mr. P K Jain							0.00	0.20			0.00	0.20
Total							1.20	1.80			1.20	1.80
B) Amounts outstanding												
Amount payable												
Mr. V K Jain					348.69	350.14					348.69	350.14
Mr. D K Jain					1.85	1.85	421.19	881.05			421.19	881.05
Mr. Deepak Asher	0.41	0.08	74.00	106.39	16.45	15.87	0.00	0.45	128.27	139.09	1.85	1.85
Others											219.13	261.88
Total	0.41	0.08	74.00	106.39	366.99	367.86	421.19	881.50	128.27	139.09	990.86	1494.92
Inter -corporate deposits given												
Inox Leisure Limited	1100.00	600.00									1100.00	600.00
Total	1100.00	600.00									1100.00	600.00
Debentures Outstanding												
Devansh Trading & Finance Private Limited									0.00	250.00	0.00	250.00
Inox Chemicals Private Limited									0.00	250.00	0.00	250.00
Siddhapavan Trading & Finance Private Limited									0.00	250.00	0.00	250.00
Siddho Mal Investments Private Limited									0.00	250.00	0.00	250.00
Total									0.00	1000.00	0.00	1000.00
Interest on Debentures accrued not paid.												
Devansh Trading & Finance Private Limited									0.00	15.75	0.00	15.75
Inox Chemicals Private Limited									0.00	15.75	0.00	15.75
Siddhapavan Trading & Finance Private Limited									0.00	15.75	0.00	15.75
Siddho Mal Investments Private Limited									0.00	15.75	0.00	15.75
Total									0.00	63.00	0.00	63.00
Amount Receivables												
a) Trade Receivables												
Inox Air Products Limited									0.00	0.46	0.00	0.46
Total									0.00	0.46	0.00	0.46
b) Deposit Receivables												
Rajni Farms Pvt.Limited									60.00	60.00	60.00	60.00
Total									60.00	60.00	60.00	60.00
c) Loans & Advances												
Swarnim Gujarat Fluorspar Pvt.Ltd			51.01	0.00							51.01	0.00
Total			51.01	0.00							51.01	0.00

46. Outstanding derivatives and other un-hedged foreign currency exposure as at Balance Sheet date:

a) Derivative outstanding as at Balance Sheet date:

(Figures in Lacs)

S. No	Nature of Contract	Foreign Currency	Buy/Sell	2012-2013	2011-2012	Purpose
a)	Forward Contracts	USD	Sell	0.00	604.50	Hedging of Receivable
b)	Forward Contracts	EURO	Sell	100.00	1,470.00	Hedging of Receivable
c)	Forward Contracts	USD	Buy	210.58		Hedging of Loan and Interest Rate of Loan
d)	Currency and Interest Rate Swap	USD	Buy	55.79		Hedging of Loan and Interest Rate of Loan
e)	Currency and Interest Rate Swap	USD	Buy	415.59	257.50	Hedging of Loan and Interest Rate of Loan
f)	Interest Rate Swap (Notional Principal)	USD	Buy	-	135.26	Hedging of Loan and Interest Rate of Loan



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

b) Foreign currency exposure not hedged as at Balance Sheet date:

S. No.	Particulars	2012-2013 (Amount in lacs in respective currency)							2011-2012 (Amount in lacs in respective currency)					
		USD	EURO	JPY	GBP	CHF	YUAN	AUD	USD	EURO	JPY	GBP	CHF	YUAN
a)	Receivables	91.96	206.49	-	2.01	-	-	-	-	-	-	-	-	-
b)	Payables	268.86	51.98	336.98	2.06	1.45	-	0.66	21.74	9.12	19.40	0.03	0.47	-
c)	Advances Received	0.41	-	-	-	-	-	-	7.15	130.25	-	-	-	-
d)	Advances Paid	61.40	1.67	15.06	0.03	2.37	-	-	10.50	2.77	352.04	-	-	-
e)	ECB/FCNRB	1820.05	-	-	-	-	-	-	1663.70	-	-	-	-	-
f)	PCFC	0.00	-	-	-	-	-	-	219.08	-	-	-	-	-
g)	Buyers Credit	191.66	122.44	-	-	-	-	-	348.85	-	-	-	-	-
h)	Interest Payable	9.08	-	-	-	-	-	-	2.50	-	-	-	-	-
i)	Investments	46.65	-	-	-	-	225.91	-	28.86	-	-	-	-	225.91
j)	FCCB liability	-	-	-	-	-	-	-	-	-	-	-	-	-
k)	YTM on FCCB	-	-	-	-	-	-	-	-	-	-	-	-	-

47. Segment Information

A) Information about Primary (Business) Segments.

Particulars	Amount Rs. in Lacs	
	Year Ended 31.03.2013	Year Ended 31.03.2012
[I] Segment Revenue		
i. Chemicals	167615.54	213207.66
ii. Wind Energy Business	106032.77	62136.91
iii. Power	8143.13	4910.53
iv. Theatrical Exhibition	76701.73	64745.45
v. Others, Un-allocable and Corporate	4054.37	8087.65
Total Segment Revenue	362547.54	353088.20
Less : Inter Segment Revenue		
- Wind Energy Business	41866.45	64769.73
Total External Revenue	320681.09	288318.47
[II] Segment Result		
i. Chemicals	65016.29	107828.38
ii. Wind Energy Business	16917.97	2350.30
iii. Power	5703.73	946.92
iv. Theatrical Exhibition	5290.67	2773.61
Total Segment Result	92928.66	113899.21
Add/(Less): Un-allocable Income/(Expenses) (Net)	(4341.55)	(2642.03)
Less : Interest expenses	13184.58	8769.51
Total Profit Before Tax	75402.53	102487.67
Less : Taxation (Net)	19472.03	24370.42
Net Profit After Tax	55930.50	78117.25



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

Particulars	Amount Rs. in Lacs	
	Year Ended 31.03.2013	Year Ended 31.03.2012
[III] Other Information		
a) Segment Assets		
i. Chemicals	289733.00	279199.97
ii. Wind Energy Business	78571.38	33576.29
iii. Power	116547.49	88441.53
iv. Theatrical Exhibition	77700.37	50104.91
v. Others,Un-allocable and Corporate	101729.80	77806.78
Total	664282.04	529129.48
b) Segment Liabilities		
i. Chemicals	17530.77	28579.38
ii. Wind Energy Business	23774.16	13622.70
iii. Power	10258.36	3005.04
iv. Theatrical Exhibition	17884.43	10445.98
v. Others,Un-allocable and Corporate	233047.68	175287.49
Total	302495.40	230940.59
c) Capital Expenditure (Including Capital Advances)		
i. Chemicals	20826.24	82952.30
ii. Wind Energy Business	3512.58	3264.69
iii. Power	41148.04	30757.97
iv. Theatrical Exhibition	9066.44	3460.06
v. Others,Un-allocable and Corporate	732.00	735.37
Total	75285.30	121170.39
d) Depreciation & Amortization		
i. Chemicals	9818.50	7883.96
ii. Wind Energy Business	1069.92	758.58
iii. Power	1601.42	2267.62
iv. Theatrical Exhibition	4312.63	3750.37
v. Others,Un-allocable and Corporate	302.80	242.64
Total	17105.27	14912.69
e) Non-cash expenses (other than depreciation)		
i. Chemicals	18.06	16.75
ii. Wind Energy Business	0.00	0.00
iii. Power	0.00	0.00
iv. Theatrical Exhibition	14.07	256.06
v. Others,Un-allocable and Corporate	486.28	4904.31
Total	518.41	5177.12

B) Information about Secondary (Geographical) Segments.

Particulars	Amount Rs. in Lacs	
	2012-2013	2011-2012
Domestic	219244.90	127976.27
Overseas	98307.48	155658.95
Total	317552.38	283635.22



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013

C) Notes

- 1) The Group operates in following business segments:
 - a. Chemicals - Comprising of Refrigerant gases, Anhydrous Hydrochloric acid, Caustic-Chlorine, Chloromethane, PTFE, PT-PTFE and revenue from Carbon Credits.
 - b. Power - Comprising of Power Generation.
 - c. Theatrical Exhibition – Operating & managing multiplexes and cinema theatres.
 - d. Wind Energy Business – Manufacture of Wind Turbine Generators (WTG), Erection & Commissioning services and Operations & Maintenance services for WTG.
- 2) Inter-segment revenue comprises of:
 - a. Wind Turbine Generators manufactured by Wind Energy business segment (including Erection and Commissioning services) and capitalized as fixed assets 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.
- 3) Chemicals business is operated in two geographical markets, in domestic and overseas market. 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.
- 4) The above segment information includes the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

48. Employee Benefits:

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 683.01 lacs (previous year Rs. 564.06 lacs) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss and Rs.16.84 lacs (previous year Rs. 0.39 lacs) is included in pre-operative expenses.
- b) Defined Benefit Plans: In respect of Gratuity and Leave Encashment – as per Actuarial valuation.

Amount Rs. in Lacs

Particulars	Gratuity	Gratuity	Leave	Leave
	2012-2013	2011-2012	Encashment 2012-2013	Encashment 2011-2012
1. Change in Benefit Obligation				
Liability at the beginning of the year	559.91	624.88	237.45	288.82
Interest Cost	47.27	50.47	19.06	21.74
Current Service Cost	140.43	206.72	115.67	193.98
Benefits paid	(17.91)	(37.60)	(30.42)	(66.36)
Actuarial (Gain)/Loss	(68.57)	(34.60)	(68.49)	(72.38)
Liability at the end of the year	661.13	809.96	273.27	365.80
Add : Short term leave liability			177.43	157.47
Total Leave Liability			450.70	523.27
2. Expenses recognized in the Statement of Profit and Loss				
Current Service Cost	140.43	206.72	115.67	104.58
Interest Cost	47.27	50.47	19.06	13.26
Actuarial (Gain)/Loss	(68.57)	(34.60)	(68.49)	(26.67)
Expenses recognized in the Statement of Profit and Loss	119.13	222.68	66.23	91.17
On account of short term leave liability			19.96	42.59
Total leave liability			86.19	133.76
3. Actuarial Assumptions				
Discount Rate	8.06%	8.57%	8.06%	8.57%
Salary Escalation Rate	8.00%	8.00%	8.00%	8.00%
Retirement Age	58 to 60 years			
Withdrawal Rates	5%			
Mortality	LIC (1994-96) published table of rates			

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2013**

4. Other disclosures : Experience Adjustment	2012-13	2011-12	2010-11	2009-10	2008-09
(i) Gratuity					
Present value of Defined benefit obligations	916.31	701.18	559.30	434.96	358.99
Experience (Gain)/Loss on obligation	(86.59)	(33.06)	(42.58)	(37.22)	(6.81)
(ii) Leave Encashment					
Present value of Defined benefit obligations	419.75	306.36	243.98	179.78	202.72
Experience (Gain)/Loss on obligation	(102.98)	(51.72)	8.02	(116.76)	9.72

The above defined benefit plans are unfunded. The estimate of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

49. The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006;

Particulars	Amount Rs. in Lacs	
	2012-2013	2011-2012
Principal amount due to suppliers under MSMED Act, 2006 at the year end.	3.69	13.98
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end.	0.06	0.01
Payment made to suppliers (other than interest) beyond the appointed date during the year	14.46	53.59
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	0.02	0.16
Interest due and payable to suppliers under MSMED Act for payments already made.	0.17	0.48
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	3.35	3.15

50. Calculation of Earnings Per Share (EPS):-Pending

Particulars	2012-13	2011-2012
a) Amount used as the numerator - Profit after taxation (Rs. in lacs)	28825.69	41727.85
b) Equity shares outstanding at the beginning & end of the year – (Nos.)	106184670	106184670
c) Nominal value of each share – (Re)	10	10
d) Basic and Diluted Earnings per share (Rs.)	271.47	392.97

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**
Chartered Accountants**S.C.BANDI**
Proprietor**VIJAY SAXENA**
Company Secretary**D. K. JAIN**
Chairman**P.K. JAIN**
Managing Director**Membership No. 16932**Place: Mumbai
Date: 5th August, 2013Place: New Delhi
Date: 5th August, 2013

Statement pursuant to exemption under Section 212 (8) of the Companies Act, 1956
relating to subsidiary companies of Inox Leasing and Finance Limited
for the Financial Year 2012-2013

Amount Rs. in Lacs

S. No.	Particulars	Name of Subsidiary Company (including subsidiaries of subsidiaries)									
		Gujarat Fluorochemicals Limited	Inox Infrastructure Limited	Gujarat Fluorochemicals Americas LLC, U.S.A.*	Gujarat Fluorochemicals Singapore Pte. Limited*	GFL GM Fluorspar SA*	Inox Wind Limited	Inox Renewables Limited	Inox Leisure Limited	Inox Wind Infrastructure Services Limited	Inox Renewables (Jaisalmer) Limited
a)	Capital	1,098.50	5,000.00	929.29	1,419.97	554.16	4,000.00	305.00	9,612.46	5.00	10,605.00
b)	Reserves	248,427.15	325.17	262.88	57.56	(401.54)	25,278.51	42,030.22	41,193.72	273.28	864.54
c)	Total Assets	372,691.52	5,333.59	2,314.82	1,483.92	1,257.82	90,691.74	124,425.52	99,689.73	8,164.58	39,624.91
d)	Total Liabilities	123,165.87	8.42	1,122.65	6.39	1,105.20	61,413.22	82,090.30	48,883.56	7,886.30	28,155.37
e)	Investments (other than investment in subsidiary)	30,672.66	5,312.17	0.00	0.00	0.00	0.00	0.00	18,454.96	0.20	0.00
f)	Turnover	165,298.47	14.00	2,726.42	26.23	0.00	99,944.76	13,226.69	76,528.55	8,904.11	820.75
g)	Profit/(Loss) before taxation	59,449.24	112.80	(161.12)	(13.08)	(321.13)	14,953.76	1,455.18	2,936.11	404.56	202.82
h)	Provision for taxation	19,614.91	4.89	(64.32)	1.64	0.00	194.15	(945.51)	1,091.49	131.28	(661.73)
i)	Profit/(Loss) after taxation	39,834.33	107.91	(96.80)	(14.72)	(321.13)	14,759.61	2,400.70	1,844.62	273.28	864.54
j)	Proposed dividend	2,197.00 (200%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* Exchange rate as on 31st March, 2013 : 1 USD : Rs. 54.28





INOX LEASING AND FINANCE LIMITED

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INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

Regd.Office: 69,Jolly Maker Chambers II, Nariman Point,
Mumbai 400 021

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

NAME AND ADDRESS OF THE SHAREHOLDER

FOLIO NO./Client ID No.....

No. of Shares held.....

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held on **Monday, 30th September, 2013 at 10.00 a.m. at 69, Jolly Maker Chambers II, Nariman Point Mumbai – 400 021.**

Signature of the Shareholder or Proxy

(TEAR HERE)

INOX LEASING AND FINANCE LIMITED

Regd.Office: 69,Jolly Maker Chambers II, Nariman Point,
Mumbai 400 021

PROXY

FOLIO NO. / Client ID No.....

I/We

ofbeing a member/members of

INOX LEASING AND FINANCE LIMITED hereby appoint.....

of

or failing him.....

of

as my/our proxy to vote for me/us and on my/our behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held on **Monday, 30th September, 2013** and at any adjournment thereof.

Signed this day of..... 2013.

Affix
Re 1/-
Revenue
Stamp

NOTE: The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting. The Proxy need not be a member of the Company.

