

***INOX LEASING AND  
FINANCE LIMITED***



**ANNUAL REPORT  
2017-2018**



INOX LEASING AND FINANCE LIMITED

## INOX LEASING AND FINANCE LIMITED

### ANNUAL REPORT 2017 – 2018

#### BOARD OF DIRECTORS

<b>D.K. Jain</b>	Chairman
<b>P.K. Jain</b>	Managing Director
<b>V.K. Jain</b>	Director
<b>Siddharth Jain</b>	Director
<b>Devansh Jain</b>	Director

#### AUDIT COMMITTEE

P.K. Jain  
V.K. Jain  
Siddharth Jain

#### COMPANY SECRETARY

Vijay Saxena

#### AUDITORS

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

#### BANKERS

HDFC Bank Limited  
Axis Bank Limited

#### REGISTERED OFFICE

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

#### 23RD ANNUAL GENERAL MEETING

Saturday, 29<sup>th</sup> September, 2018 at  
10.00 a.m. at Ceejay House, 7<sup>th</sup> Floor,  
Dr. Annie Besant Road, Worli,  
Mumbai - 400018.

CIN : U65910MH1995PLC085703

Web site: [www.ilfl.co.in](http://www.ilfl.co.in)

E Mail : [info@ilfl.co.in](mailto:info@ilfl.co.in)

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**INOX LEASING AND FINANCE LIMITED**

## **INOX LEASING AND FINANCE LIMITED**

Regd. Office: 69, Jolly Maker Chambers No. 2,  
Nariman Point, Mumbai – 400021.

CIN: U65910MH1995PLC085703 . Web site: [www.ilfl.co.in](http://www.ilfl.co.in). E-mail: [info@ilfl.co.in](mailto:info@ilfl.co.in).

### **NOTICE**

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **INOX LEASING AND FINANCE LIMITED** will be held on Saturday , the 29th day of September, 2018 at 10.00 a.m. at Ceejay House, 7th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To consider and adopt
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018, the reports of the Board of Directors and Auditors' thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the report of the Auditors' thereon.
2. To appoint a Director in place of Mr. D.K. Jain (DIN: 00029782) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:
 

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. S.C. Bandi & Co., Chartered Accountants (Firm Registration No. 130850W), be and are hereby appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of the 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company."

#### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
 

"Resolved that pursuant to the provisions of Section 185 of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other permissions, consents and approvals, if any, and any other conditions which may be necessary or desirable in the opinion of the Board of Directors of the Company (hereinafter referred to as the "Board"), the consent, authority and approval of the Members of the Company (the "Members") be and is hereby accorded to the Board to provide from time to time in the ordinary course of business loans including inter corporate deposits or give guarantees, including standby letter of credit, or provide any security in connection with any loans taken by the below named company:

Name of the Company	Amount (in crores)
Inox India Private Limited	50.00

provided that the following terms and conditions are followed:

1. all such actions involving loans, the interest amount charged to Inox India Private Limited shall not be at a rate lower than the prevailing yield of one year, three year, five year or ten year of Government Security closest to the tenure of the loan ; and
2. all such actions are negotiated at arm's length;
3. all such actions are in the strategic and in the best interest of the Company (as conclusively determined by the Board in its sole discretion); and
4. all such actions are in compliance with the applicable laws."



## INOX LEASING AND FINANCE LIMITED

"Resolved further that the Board of Directors be and are hereby authorized, in its discretion, to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto to give effect to this resolution."

By Order of the Board of Directors

**Vijay Saxena**  
Company Secretary

Mumbai, 09<sup>th</sup> August, 2018

### REGISTERED OFFICE:

69, Jolly Maker Chambers II,  
Nariman Point, Mumbai – 400 021.  
CIN No. U65910MH1995PLC085703  
E-mail: info@ilfl.co.in  
Website: ilfl.co.in.

### NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER.**  
Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) **A person can act as a proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. However, a member holding more than Ten (10%) of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or member.**
- 3) The Statement pursuant to Section 102 (i) of the Companies Act, 2013 in respect of the Special Business as per Item No. 4 of the Notice is annexed hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive).
- 5) Under the Companies Act, 2013 dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF).

In compliance with the provisions of Section 124 and Section 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 29th September, 2017 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <http://www.ilfl.co.in> Investor Relations/Unclaimed Dividend . The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).



## INOX LEASING AND FINANCE LIMITED

Members who have not encashed their dividend warrants for the financial year ended 31st March, 2011 or any subsequent financial year(s) are requested to make their claims to the Company for issue of duplicate dividend warrants.

6. In compliance with various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.ilfl.co.in> Investor Relations/Transfer of Shares to IEPF. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html>.
7. In compliance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 as amended, Annual Report for Financial Year 2017-18 of the Company has been sent via Electronic Mode (e-mail) to the Members whose e-mail addresses were made available to us by the Depository Participants and the members. We request the Members to register / update their e-mail address with their Depository Participants in case they have not already registered / updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Company.

Mandate Form for Electronic Communication and Direct Credit of Dividend in Bank Account is attached to this Annual Report.

- 8) In compliance with provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide e-voting facility to all members through the e-voting platform of CDSL. In this regard, your demat account/folio number has been enrolled by the Company for your participation in e-voting on the resolutions placed by the Company on the e-voting system. Instructions and manner of e-voting process can be downloaded from the link <https://www.evotingindia.com>. E-voting is optional. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 19th September, 2018.

### **The process and instructions for e-voting are as under:**

#### **In case of Members receiving e-mail:**

- (i) The voting period begins on 26th September, 2018 at 9.00 a.m. and ends on 28th September, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (19th September, 2018), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter their six digit Folio Number registered with the Company, prefixed by ILFL e.g. ILFL000001.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (your six digit folio number) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL LETTERS. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details</b>  <b>Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the number of shares held by you in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the EVSN for **Inox Leasing and Finance Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



## INOX LEASING AND FINANCE LIMITED

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- I. The voting period begins on 26th September, 2018 at 9:00 am and ends on 28th September, 2018 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - II. The voting rights of Shareholders shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of 19th September, 2018.
  - III. A copy of this Notice has been placed on the website of the Company and the website of CDSL.
  - IV. M/s P. Naithani & Co. , Practicing Company Secretary (Certificate of Practice Number 3389) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
  - V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting , thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
  - VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ilfl.co.in](http://www.ilfl.co.in) and on the website of CDSL .
  9. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.
  10. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
  11. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.
  12. The relevant documents referred to in the accompanying Notice of Meeting and in the Explanatory Statement are open for inspection by the Members of the Company at the Registered Office's on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 01.00 p.m. upto the date of this Meeting and copies thereof shall also be available for inspection in physical form at the Registered Office of the Company situated at 69, Jolly Maker Chambers No. 2, Nariman Point, Mumbai - 400021.
  13. The Chairman, shall, at the Meeting, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.

### STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The recently amended Section 185 of the Companies Act, 2013 by the Companies Amendment Act, 2017 read with the amended rules made thereunder, states that a company may advance any loan including any loan represented by a book debt or give any guarantee or provide any security to any person in whom any of the director of the company is interested, subject to the condition that a Special Resolution has been passed by the company in general meeting.

The Company may be required to advance loan including loan represented by a book debt, or give any guarantee or provide any security to the below mentioned company, in which the directors of the company are interested:



Sr. No.	Name of the Company to whom loan is to be given in which director(s) is/ are interested	Amount of Loan to be given (Rs. in crores)	Purpose
1.	Inox India Private Limited	50.00	Principal Business activities

Accordingly, consent of the Members is being sought for by way of a Special Resolution as set out at Item No.4 of the Notice in terms of the provisions of Section 185 of the Companies Act, 2013.

All the Directors of the company are interested in the proposed resolution to the extent of the loan given to Inox India Private Limited or guarantee or security provided on account of their exercise or control of more than twenty five percent of voting power due to their shareholdings in Inox India Private Limited.

The Directors recommend the Resolution as stated at Item No. 4 of the Notice for approval of the Members.

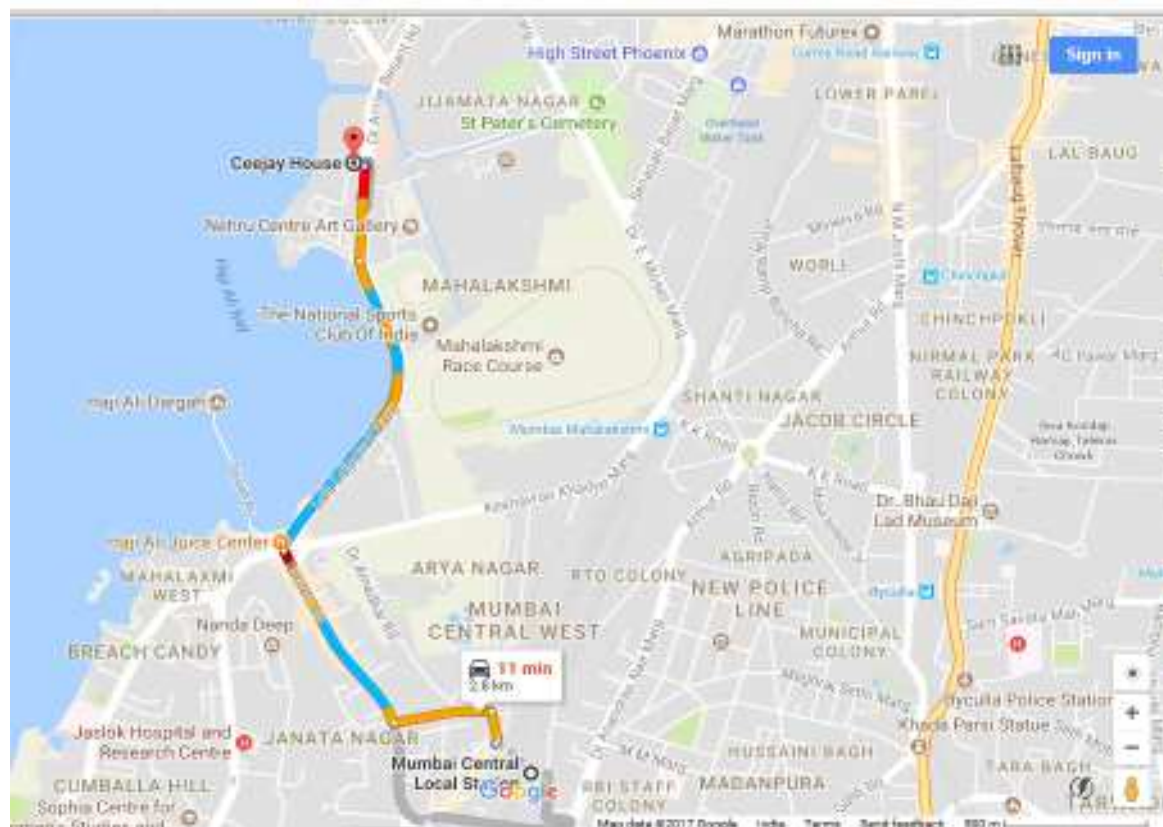
By Order of the Board of Directors

**Vijay Saxena**  
Company Secretary

Mumbai, 09<sup>th</sup> August, 2018

REGISTERED OFFICE:  
69, Jolly Maker Chambers No. 2,  
Nariman Point, Mumbai – 400 021.  
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Website: [ilfl.co.in](http://ilfl.co.in).

#### ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING







**INOX LEASING AND FINANCE LIMITED**

## BOARDS' REPORT

To

The Members of  
Inox Leasing and Finance Limited

Dear Member,

Your Directors have pleasure in presenting to you their Twenty Third Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2018.

### 1. FINANCIAL RESULTS

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31st March 2018.

	<b>Consolidated</b>		<b>Standalone</b>	
	<b>2017-2018</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2016-2017</b>
Net Sales/Income from Operations	<b>379149.18</b>	635106.51	<b>2551.38</b>	581.69
Other Operating Income	<b>20362.17</b>	7191.15	—	—
Total Income from Operations	<b>399511.35</b>	642297.66	<b>2551.38</b>	581.69
Less: Total Expenses	<b>364385.20</b>	568931.07	<b>287.78</b>	285.30
Profit from operations before other income and finance cost and exceptional items	<b>35126.15</b>	73366.59	<b>2263.60</b>	296.39
Add: Other Income	<b>15604.15</b>	11298.95	<b>564.14</b>	470.16
Less: Finance Costs	<b>28085.12</b>	30803.59	—	—
Profit from ordinary activities after finance costs but before exceptional items	<b>22645.18</b>	53861.95	<b>2827.74</b>	766.55
Exceptional items	<b>3601.42</b>	(21946.09)	—	—
Profit from ordinary activities before taxation	<b>26246.60</b>	31915.86	<b>2827.74</b>	766.55
Provision for taxation	<b>3729.81</b>	19541.10	<b>109.30</b>	156.32
Profit / (Loss) for the year	<b>22516.79</b>	12374.76	<b>2718.44</b>	610.23
Less: Share of Minority Interest in Profit / (Loss)	<b>7941.35</b>	9073.27	—	—
Net Profit / (Loss) for the year	<b>14575.44</b>	3301.49	<b>2718.44</b>	610.23
Profit brought forward from earlier years	<b>21281.34</b>	20368.40	<b>3980.75</b>	3595.52
On account of change in minority interest	<b>3948.71</b>	548.27	—	—
Profit available for appropriations	<b>39805.50</b>	24218.15	<b>6699.19</b>	4205.75
Appropriations				
Transferred to General Reserves	<b>10708.00</b>	1676.20	<b>200.00</b>	100.00
Transferred to Statutory Reserves	<b>550.00</b>	125.00	<b>550.00</b>	125.00
Interim Dividend	<b>999.35</b>	—	<b>999.35</b>	—
Debenture Redemption Reserve	<b>110.00</b>	1135.55	—	—
Final Dividend (including DDT)	<b>2607.41</b>	—	—	—
Tax on Buy back of shares	—	—	—	—
Balance Carried forward to Balance Sheet	<b>25050.74</b>	21281.40	<b>4949.84</b>	3980.75

### 2. CONSOLIDATED FINANCIAL STATEMENTS

As per the applicable provisions of the Companies Act, 2013 read with the Rules issued there under, the Consolidated Financial Statements of the Company have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company, its subsidiaries and associate companies, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report. The Audited Standalone and Consolidated Financial Statements for the Financial Year 2017-18 shall be laid before the Annual General Meeting for approval of the Members of the Company.

### 3. DIVIDEND

Your Directors have paid an Interim Dividend of Rs 10/-per share (100%). The total dividend pay-out for the Financial Year 2017-18 is Rs. 999.35 lacs.

Your Directors have further paid Interim Dividend of Rs. 10/- per share (100%) as per the provisions of Section 123 (3) of the Companies Act, 2013.

The Board of Directors have not recommended any Final Dividend for the Financial Year 2017-18.

### 4. TRANSFER OF UNPAID DIVIDEND / UNCLAIMED AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has credited unpaid dividend aggregating to Rs 16.15 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013.

In accordance with the provisions of Companies Act, 2013, the Company has transferred 39900 equity shares of Rs 10/- each, to the credit of IEPF Authority, on 30th November, 2017, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. October 31, 2017 to IEPF Authority. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the Members consecutively since 2009-10 and 2010-11. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. 29th September, 2017) and details of shares transferred to IEPF. The aforesaid details are put on the Company's website <https://www.ilfl.co.in/> transfer of shares to IEPF. These details have also been uploaded on the website of the IEPF Authority ([www.iepf.gov.in](http://www.iepf.gov.in)).

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

### 5. TRANSFER TO RESERVES

During the year under review, your Company has transferred Rs. 200.00 lacs to General Reserves.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors recommend re-appointment of following Directors:

Re-appointment of Mr. D.K. Jain (DIN: 00029782) who retires by rotation and being eligible, offers himself for re-appointment.

During the year there is no change in the Key Managerial Personnel of the Company and Shri Pavan Kumar Jain, Managing Director and Shri Vijay Saxena, Company Secretary continue as Key Managerial Personnel of the Company.

Your Directors have no statement to be made under Section 134(3)(d) of the Companies Act, 2013.

### 7. BOARD MEETINGS AND ANNUAL GENERAL MEETINGS

During the year under review, five meetings of the Board were convened and held on 29th April, 2017, 16th August, 2017, 26th October, 2017, 5th December, 2017 and 9th March, 2018. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013.

The 22nd Annual General Meeting of the company was held on 29th September, 2017.

### 8. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3)(c) of the Companies Act, 2013 your Directors would like to state that:

- i. in the preparation of the Annual Accounts for the financial year ended 31st March, 2018 the applicable Accounting Standards and Schedule III of the Companies Act, 2013 have been followed and there are no departures from the requirements of the Accounting Standards;
- 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 as at March 31, 2018 and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the Annual Accounts on a going concern basis;



## **INOX LEASING AND FINANCE LIMITED**

- v. the Directors have laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **9. LOANS, GUARANTEES AND INVESTMENTS**

Details of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement of the Company. Please refer to Note 13, 17, 25 and 32 to the Standalone Financial Statement of the Company.

### **10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year under review, the Company had not entered into any contract / arrangement / transaction with Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions.

Pursuant to the provisions of Section 134 (3) (h) of the Companies Act, 2013, a statement giving particulars of contracts or arrangements in form no AOC 2 with regard to Related Parties referred to under Section 188 (1) of The Companies Act, 2013 to the rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this report.

Your Directors draw attention of the members to Note no 32 to the Standalone Financial Statement which sets out related party disclosures.

### **11. DEPOSITS**

The Company has neither invited nor accepted any deposits from the public.

### **12. SUBSIDIARY COMPANIES INCLUDING JOINT VENTURE AND ASSOCIATE COMPANIES**

In compliance with Section 129(3) of the Companies Act, 2013 the Company has prepared consolidated financial statements of the company and its subsidiaries, associate companies and joint ventures which form part of the Annual Report.

The Report on the highlights of performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies of the Company in Form no. AOC-1 pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure 'B'.

The Audited Financial Statement of the Subsidiaries of the Company are placed on the website of the Company and a copy will be provided to the Shareholder/s on request as per Section 136 of the Companies Act, 2013.

### **13. INTERNAL FINANCIAL CONTROLS**

The Company has adequate internal financial controls commensurate with its size and nature of its business. The Board has reviewed internal financial controls of the Company and the Audit Committee monitors the same.

### **14. INDEPENDENT AUDITORS' REPORT**

There are no reservations, qualifications or adverse remarks in the Independent Auditor's Report. The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under Section 134 (3) (f) of the Companies Act, 2013.

### **15. INDEPENDENT AUDITORS**

M/s S.C. Bandi & Co. , Chartered Auditors retire as Statutory Auditors of the Company from the conclusion of the 23rd Annual General Meeting. Based on the recommendation of Audit Committee of the Board, the Board has approved the re-appointment of M/s. S.C. Bandi & Co. , Chartered Accountants, as Statutory Auditors for a period of five years from the conclusion of the 23rd Annual General Meeting until the conclusion of 28th Annual General Meeting. M/s. S.C. Bandi & Co., Chartered Accountants have confirmed that their appointment, if made, will be in accordance with Section 139 of the Companies Act, 2013 read with Rule 4 of The Companies (Audit and Auditors) Rules, 2014 and they satisfy the criteria laid down in Section 141 of the Companies Act, 2013.

Members are requested to ratify the appointment of the Auditors and to fix, or authorise the Board to fix their remuneration.

### **16. EXTRACT OF ANNUAL RETURN**

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

**17 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the company is not a manufacturing company the company has no particulars to report in respect of conservation of energy and technology absorption.

The company did not have any foreign exchange earnings or expenditure during the year.

**18. PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration in excess of the limits prescribed under provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**19. CORPORATE SOCIAL RESPONSIBILITIES ACTIVITIES**

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Shri D.K. Jain, Chairman, Shri Pavan Kumar Jain, Managing Director and Shri Siddharth Jain, Director. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at [http://www.ilfl.co.in/CSR\\_Policy](http://www.ilfl.co.in/CSR_Policy). The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as Annexure D..

**20. INSURANCE**

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

**21. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your company has formed a Internal Committee (IC) to redress complaints received regarding sexual harassment.

There was no case of sexual harassment reported during the year under review.

**22. RISK MANAGEMENT**

The company has in place a mechanism to inform the Board about risk assessment and minimisation procedures to review key elements of risks viz. Regulatory and Legal, Competition and Financial involved and measures taken to ensure that risk is controlled by means of a properly defined framework. In the Board's view, there are no material risks which may threaten the existence of the Company.

**23. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

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

**24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**25. VOTING RIGHTS**

The Company has not provided monies to any scheme for purchase of or subscription, for fully paid up shares in the company for the benefit of the employees of the company as provided for in Section 67 of the Companies Act, 2013. As such no disclosure of the nature as specified in the proviso to the said Section 67 are required.

**26. ACKNOWLEDGEMENT**

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

By Order of the Board of Directors

**P.K. JAIN**  
Managing Director

**D.K. JAIN**  
Chairman

Mumbai, 09<sup>th</sup> August, 2018



## INOX LEASING AND FINANCE LIMITED

### Annexure B AOC 1

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture  
**Part A – Subsidiaries**

(Rupees in Lakhs)

	GUJARAT FLUORO- CHEMICALS LIMITED	INOX LEISURE LIMITED	INOX WIND LIMITED	INOX RENEW- ABLES LIMITED	INOX RENEW- ABLES (JAISALMER) LIMITED	INOX INFRASTRU- CTURE LIMITED	GUJARAT FLUORO- CHEMICALS AMERICAS LLC	GUJARAT FLUORO- CHEMICALS SINGAPORE PTE LIMITED	GFL GM FLUORSPAR (SA)	GUJARAT FLUORO- CHEMICALS GMBH	SHOURI PROPERTIES PRIVATE LIMITED
S. No.	1	2	3	4	5	6	7	8	9	10	11
The date since when the subsidiary was acquired	18/09/2008	09/11/1999	09/04/2009	11/11/2000	24/07/2012	27/02/2007	02/09/2009	25/07/2011	15/08/2011	19/08/2013	24/11/2014
Reporting period, if different from the holding Company											
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries							USD @Rs. 65.18	USD @Rs. 65.18	MAD @Rs. 7.0859	EURO @Rs. 80.79	
Share Capital	1098.50	9,616.28	22191.82	337.50	10605.00	5000.00	1012.28	5553.28	1349.96	21.82	141.00
Reserves and Surplus	346.813.87	57,351.79	178757.67	11151.29	3291.53	817.34	494.99	379.73	(1648.76)	943.77	(63.75)
Total Assets	485162.13	1,28,464.76	337686.64	60837.02	15200.44	5866.97	5252.90	5941.17	11992.72	6363.97	245.87
Total Liabilities	137249.76	61,497.29	136737.15	49348.23	1303.91	49.63	3745.63	8.16	12291.52	5398.38	168.62
Investments	74830.22	1430.27	48,598.84	10,605.00	0.29	-	-	991.54	-	-	-
Turnover	218733.40	134811.83	21243.49	14392.12	4502.86	-	14668.48	67.96	-	18125.94	304.41
Profit/(Loss) before taxation	63629.88	9765.02	(23962.72)	(59.79)	1470.91	81.10	558.22	56.66	(216.75)	847.51	3.19
Provision for taxation	(14898.79)	(1699.19)	(8245.97)	(323.25)	437.24	30.84	58.95	6.87	0.02	288.73	0.64
Profit/(Loss) after taxation	48731.09	11464.21	(15716.75)	263.46	1033.67	50.26	499.27	49.79	(216.77)	558.78	2.55
Proposed Dividend	350%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	52.54	48.09	56.98	100.00	100.00 by Inox Renewables Limited	100.00	100.00	100.00	74.00	100.00	99.29 by Inox Leisure Limited

**Annexure B  
AOC 1**

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture  
**Part A – Subsidiaries**

(Rupees in Lakhs)

	SWANSTON MULTIPLEX CINEMAS PVT LTD	INOX WIND INFRASTRUC- TURE SERVICES LIMITED	MARUT- SHAKTI ENERGY INDIA LIMITED	SATVIKI ENERGY PRIVATE LIMITED	SARAYU WIND POWER (TALLIMA- DUGULA) PRIVATE LIMITED	VINIRMAA ENERGY GENERATION PRIVATE LIMITED	SARAYU WIND POWER (KONDA- PURAM) PRIVATE LIMITED	RBRK INVEST- MENTS LIMITED	WIND ONE RENERGY PRIVATE LIMITED	WIND THREE RENERGY PRIVATE LIMITED	VASUPRADA RENEWABLES PRIVATE LIMITED
S. No.	12	13	14	15	16	17	18	19	20	21	22
The date since when the subsidiary was acquired	05/03/2018	11/05/2012	13/09/2013	19/11/2015	09/12/2015	23/01/2016	25/03/2016	30/08/2016	26/04/2017	20/04/2017	27/04/2017
Reporting period, if different from the holding Company											
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries											
Share Capital	203.00	5.00	61.11	83.50	1.00	5.00	1.00	7.00	1.00	1.00	1.00
Reserves and Surplus	(198.41)	(578.95)	(1431.08)	(5.76)	(81.63)	(96.62)	(28.63)	(461.39)	(1.25)	(1.25)	(1.18)
Total Assets	27.74	152429.44	3427.80	84.54	341.10	166.91	110.95	4187.73	1.05	1.05	1.29
Total Liabilities	23.15	153003.39	4797.77	6.80	421.73	258.53	138.58	4642.12	1.30	1.30	1.47
Investments	-	1036.67	-	-	-	-	-	-	-	-	-
Turnover	-	36672.38	164.19	-	48.70	-	-	926.27	-	-	-
Profit/(Loss) before taxation	(7.05)	(8165.70)	(310.16)	1.08	(19.39)	(35.99)	(15.19)	(488.82)	(1.25)	(1.25)	(1.18)
Provision for taxation	-	(2375.77)	-	-	-	-	-	-	-	-	0.00
Profit/(Loss) after taxation	(7.05)	(5789.93)	(310.16)	1.08	(19.39)	(35.99)	(15.19)	(501.95)	(1.25)	(1.25)	(1.18)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100.00 by Inox Leisure Limited	100.00 by Inox Wind Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited



## INOX LEASING AND FINANCE LIMITED

### Annexure B AOC 1

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture  
**Part A – Subsidiaries**

(Rupees in Lakhs)

	SUSWIND POWER PRIVATE LIMITED	RIPUDAMAN URJA PRIVATE LIMITED	VIBHAV ENERGY PRIVATE LIMITED	HARODA WIND ENERGY PRIVATE LIMITED	VIGODI WIND ENERGY PRIVATE LIMITED	ALIENTO WIND ENERGY PRIVATE LIMITED	TEMPEST WIND ENERGY PRIVATE LIMITED	VUELTA WIND ENERGY PRIVATE LIMITED	FLUTTER WIND ENERGY PRIVATE LIMITED	FLURRY WIND ENERGY PRIVATE LIMITED
S. No.	23	24	25	26	27	28	29	30	31	32
The date since when the subsidiary was acquired	27/04/2017	28/04/2017	10/07/2017	16/11/2017	20/11/2017	17/01/2018	17/01/2018	17/01/2018	18/01/2018	18/01/2018
Reporting period, if different from the holding Company										
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries						USD @Rs. 65.18	USD @Rs. 65.18	MAD @Rs.7.0859	EURO @Rs. 80.79	
Share Capital	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Reserves and Surplus	(1.17)	(1.17)	(0.97)	(0.56)	(0.53)	(0.42)	(0.43)	(0.43)	(0.43)	(0.43)
Total Assets	1.00	1.00	1.00	1.00	1.00	1.10	1.09	1.09	1.09	1.09
Total Liabilities	1.17	1.17	0.97	0.56	0.53	0.52	0.52	0.52	0.52	0.52
Investments	-	-	-	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) before taxation	(1.17)	(1.17)	(0.97)	(0.56)	(0.53)	(0.42)	(0.43)	(0.43)	(0.43)	(0.43)
Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) after taxation	(1.17)	(1.17)	(0.97)	(0.56)	(0.53)	(0.42)	(0.43)	(0.43)	(0.43)	(0.43)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited	100.00 by Inox Wind Infrastruc- ture Services Limited

Name of subsidiaries which are yet to commence operations: Companies mentioned at S.No 22 to 32

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



**Part B – Associates and Joint Ventures**  
Statement related to Associate Companies and Joint Ventures

(Rupees in lakhs)

Sr. No.	Particulars	Swarnim Gujarat Fluorspar Private Limited	
		31st March, 2018	31st March, 2017
1	Latest Audited Balance Sheet date	31st March, 2018	31st March, 2017
2	Shares of Associates/Joint Ventures held by the Company on the year end		
	Number	10,82,500	10,82,500
	Amount of investment in Associates/ Joint Venture	108.25	108.25
	Extended holding %	49.93*	49.93*
3	Description of how there is significant influence		
4	Reason why the associate/joint venture is not consolidated	NA	NA
5	Net worth attributable to Shareholding as per latest balance sheet	90.52	93.18
6	Profit/Loss for the year		
	considered in consolidation	(2.66)	(2.36)
	Not considered in consolidation		

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

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

Swarnim Gujarat Fluorspar Private Limited

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

Nil

**INOX LEASING AND FINANCE LIMITED****Form No AOC – 2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis

Name of related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under Section 188 (1)
Rajni Farms Private Limited, Common Directors who are members of this company	Sharing of office premises facilities	For a initial period of 11 months and renewal thereafter every 11 months.	Rs. 12.00 lakhs per annum	Office Premises facilities shared by Promoter Group Company.	17th May, 2014	Rs. 60 Lacs paid as Deposit.	26 <sup>th</sup> September, 2014

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any Rs. in lakhs	Date(s) of approval by the Board	Amount paid as advances, if any
Nil					

### **ANNEXURE 'C' TO THE BOARDS' REPORT MGT -9**

**Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2018**

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

#### **I. REGISTRATION AND OTHER DETAILS**

1	Corporate Identification Number	:	U65910MH1995PLC085703
2	Registration Date	:	17 <sup>th</sup> February, 1995
3	Name of the Company	:	Inox Leasing and Finance Limited
4	Category/Sub-Category of the Company	:	Public Company Limited by Shares
5	Address of the Registered Office and Contact Details	:	69, Jolly Maker Chambers 2, Nariman Point, Mumbai - 400021 Tel: +91 22026314, Fax: +91 22025588 E-mail address: <a href="mailto:info@ilfl.co.in">info@ilfl.co.in</a> Website: <a href="http://www.ilfl.co.in">www.ilfl.co.in</a>
6.	Whether listed company	:	No
7.	Name, Address and Contact Details of Registrar and Share Transfer Agents, if any	:	Share transfer related activities are carried out In-house by the Company.

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1	Investment activities	6430	97.79

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name of company and CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable Section
1	L24110GJ1987PLC009362 Gujarat Fluorochemicals Limited Survey No. 16/3, 26 and 27, Village Ranjitnagar-389380 Dist. Panchmahai, Gujarat.	Subsidiary	52.54%	2 (87)
2	L92199GJ1999PLC044045 Inox Leisure Limited ABS Towers, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	0.61%	2 (87)
3	U31901HP2009PLC031083 Inox Wind Limited Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal, District Una - 174303, Himachal Pradesh	Step-down Subsidiary	56.98% held by Gujarat Fluorochemicals Ltd.	2 (87)
4	U40100GJ2010PLC062869 Inox Renewables Limited ABS Towers, Old Padra Road, Vadodara 390 007.	Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
5	U45200DL2007PLC159796 Inox Infrastructure Limited 612-618, 6th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi 110001.	Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
6	U45201MH2002PTC134393 Shouri Properties Private Limited 5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri East, Mumbai - 400093	Step-down Subsidiary	99.29% held by Inox Leisure Limited	2 (87)
7	U9213MH2001PTC133639 Swanston Multiplex Cinemas Private Limited 9th Floor, Viraj Towers, Western Express Highway, Andheri East, Mumbai - 400093	Step-down Subsidiary (became step-down subsidiary wef 05th March, 2018 on account of acquisition of shares by Inox Leisure Limited	100% held by Inox Leisure Limited	2 (87)
8	U45207GJ2012PLC070279 Inox Wind Infrastructure Services Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Limited	2 (87)
9	U04010GJ2000PLC083233 Marut - Shakti Energy India Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary Wind Infrastructure	100% held by Inox Services Limited	2 (87)
10	U40100AP2013PTC089795 Satviki Energy Private Limited Jai Shakti Enclave, Plot No. 50/A, Kalyan Nagar – II, Kurnool, Hyderabad - 500038	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
11	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)



# INOX LEASING AND FINANCE LIMITED

Sr. No.	Name of company and CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable Section
12	U40109TG2007PTC056146 Vinirrrmaa Energy Generation Private Limited Plot No. 34, Rao and Raju Colony, Banjara Hills, Kurnool, Hyderabad - 500034	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
13	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
14	U40100TG2005PLC047851 RBRK Investments Limited 6-200/2/1, Boudha Nagar Jeedimetla Village, Hyderabad - 500055	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
15	U40106GJ2017PTC097088 Wind One Renergy Private Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
16	U40200GJ2017PTC096956 Wind Three Renergy Private Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
17	U40300GJ2017PTC097140 Ripudaman Urja Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
18	U40300GJ2017PTC097128 Suswind Power Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
19	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
20	U40106GJ2017PTC098230 Vibhav Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
21	U40300GJ2017PTC099818 Haroda Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
22	U40300GJ2017PTC099851 Vigodi Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
23	U40300GJ2018PTC100585 Aliento Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)

Sr. No.	Name of company and CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable Section
24	U40106GJ2018PTC100590 Tempest Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
25	U40106GJ2018PTC100591 Vuelta Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
26	U40300GJ2018PTC100609 Flutter Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
27	U40200GJ2018PTC100607 Flurry Wind Energy Private Limited 301, ABS Tower Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
28	U45201GJ2012PLC071264 Inox Renewables (Jaisalmer) Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100% held by Inox Renewables Limited	2 (87)
29	201117579Z Gujarat Fluorochemicals Singapore Pte Limited 158 Cecil Street, #11-01, Singapore - 069545	Foreign Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
30	801165985 Gujarat Fluorochemicals LLC, USA 4200 North Highway 77, Rockdale, Texas 76567, USA	Foreign Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
31	HRB 128868 Gujarat Fluorochemicals, GmbH Chilehaus A, Fischertwiete 2, D-20095, Hamburg, Germany	Foreign Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
32	404026907 GFL GM Fluorspar SA 219, Boulevard, Zerkouni, Residence E 1, Bardai 20100, Casablanca, Morocco	Foreign Step-down Subsidiary	74% held by GFL Singapore Pte Limited	2 (87)



## INOX LEASING AND FINANCE LIMITED

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

#### i. Category-wise Shareholding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoter</b>									
(1) Indian									
Individual /HUF	17648	9586230	9603878	96.09	17648	9586230	9603878	96.09	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp. and LLP	-	142567	142567	1.44	-	142567	142567	1.44	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) 1	17648	9728797	9746445	97.53	17648	9728797	9746445	97.53	-
Foreign									
NRIs - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) 2	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=A1+A2	17648	9728797	9746445	97.53	17648	9728797	9746445	97.53	-
<b>(B) Public Share Holding Institutions</b>									
Mutual Funds	-	4500	4500	0.04	-	4200	4200	0.04	0
Banks / FI	-	500	500	0.01	-	-	-	-	(0.1)
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Venture Capital Fund	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIS	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (Foreign Co.)	-	-	-	-	-	-	-	-	-
Sub Total B 1	-	5000	5000	0.05	-	4200	4200	0.04	(0.1)

**IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of Total Equity)**
**i. Category-wise Shareholding**

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
(a) Bodies Corporate (Indian)	9100	2400	11500	0.11	9200	1900	11100	0.11	
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 Lakh	32853	197669	230522	2.31	34853	156969	191822	2.12	(0.19)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
Other – IEPF	-	-	-	-	39900	-	39900	0.40	0.40
Clearing Members	-	-	-	-	-	-	-	-	-
Non Resident Indian (REPAT)	-	-	-	-	-	-	-	-	-
Non Resident Indian (NON REPAT)	-	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-	-
Sub Total B2	41953	200069	242022	2.42	83953	158869	242822	2.63	2.63
<b>Total Public Shareholding</b>									
<b>B=B1 + B2</b>	<b>41953</b>	<b>205069</b>	<b>247022</b>	<b>2.47</b>	<b>83953</b>	<b>163069</b>	<b>247022</b>		
Total (A)+(B)	59601	9933866	9993467	100	101601	9891866	9993467	100	100-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>									
<b>(A)+(B)+(C)</b>	<b>59601</b>	<b>9933866</b>	<b>9993467</b>	<b>100.00</b>	<b>101601</b>	<b>9891866</b>	<b>9993467</b>	<b>100</b>	<b>100</b>





## INOX LEASING AND FINANCE LIMITED

### (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Devendra Kumar Jain	69896	0.70	0	69896	0.70	0	0
2	Pavan Kumar Jain	1132219	11.33	0	1132219	11.33	0	0
3	Nayantara Jain	1080032	10.81	0	1080032	10.81	0	0
4	Siddharth Jain	2342586	23.44	0	2342586	23.44	0	0
5	Ishita Jain	125000	1.25	0	125000	1.25	0	0
6	Shreyasi Goenka	42247	0.42	0	42247	0.40	0	0
7	Vivek Kumar Jain	1321791	13.23	0	1321791	13.23	0	0
8	Nandita Jain	1031644	10.32	0	1031644	10.32	0	0
9	Devansh Jain	2303218	23.05	0	2303218	23.05	0	0
10	Avarna Jain	50000	0.50	0	50000	0.50	0	0
11	Devika Chaturvedi	35080	0.35	0	35080	0.35	0	0
12	Kapoorchand Jain	36672	0.36	0	36672	0.36	0	0
13	Hemkumari Jain	12160	0.12	0	12160	0.12	0	0
14	Sulakshna Badjate	10666	0.11	0	10666	0.11	0	0
15	Manju Jain	10667	0.11	0	10667	0.11	0	0
16	Inox Chemicals LLP	46650	0.47	0	46650	0.47	0	0
17	Siddhomal Trading LLP	46667	0.47	0	46667	0.47	0	0
18	Siddhapavan Trading LLP	24750	0.25	0	24750	0.25	0	0
19	Devansh Trade Mart LLP	24500	0.25	0	24500	0.25	0	0
	TOTAL	9746445	97.53	0	9746445	97.53	0	0

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

There is no change in the Promoters' Shareholding during the Financial Year 2017-18.

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in holding	Reason	Cumulative shareholding during the year	
		No. Of shares at the beginning/ end of the year	% of total shares of the company				No. Of shares	% of total shares of the company
1	Hitesh Ramji Jhaveri	7836 7836	0.07 0.07	01/04/2017 31/03/2018		Nil movement during the year	7836 7836	0.07 0.07
2	Shri Parasram Holdings Pvt. Ltd.	6800 6800	0.06 0.06	01/04/2017 31/03/2018		Nil movement during the year	6800 6800	0.06 0.06
3	Suman Ajmera	5500	5500	01/04/2017 31/03/2018		Nil movement during the year	5500 5500	0.05 0.05
4	IDBI as Principle Trustee A/c. IDBI MF	4300 4300	0.04 0.04	01/04/2017 31/03/2018		Nil movement during the year	4300 4300	0.04 0.04
5	Ravindra Jagjivan Gokal	1900 1900	0.02 0.02	01/04/2017 31/03/2018		Nil movement during the year	1900 1900	0.02 0.02
6	Dhoot Industrial Finance Ltd.	1900	0.02 0.02	01/04/2017 31/03/2018		Nil movement during the year	1900 1900	0.02 0.02
7	Kirit Vassa	1500 1500	0.02	01/04/2017 31/03/2018		Nil movement during the year	1500 1500	0.02 0.02
8	Sucharitra R Bhatia	1067 0	0.01 0	01/04/2017 31/03/2018		Sale	1067	0.01
9	Kiran Mehta	1000 1000	0.01 0.01	01/04/2017 31/03/2018		Nil movement during the year	1000 1000	0.01 0.01
10	Sangita Jain	900 900	0.01 0.01	01/04/2017 31/03/2018		Nil movement during the year	900 900	0.01 0.01
11	North Gujarat Housing Finance Limited	900 900	0.01 0.01	01/04/2017 31/03/2018		Nil movement during the year	900 900	0.01 0.01

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in holding	Reason	Cumulative shareholding during the year	
		No. Of shares at the begining/ end of the year	% of total shares of the company				No. Of shares	% of total shares of the company
	Directors							
1	Devendra Kumar Jain	69896 69896	0.70 0.70	01.04.2017 31.03.2018	Nil movement during the year		69896 69896	0.70 0.70
2	Pavan Kumar Jain	1132219 1132219	11.33 11.33	01.04.2017 31.03.2018	Nil movement during the year		1132219 1132219	11.33 11.33
3	Vivek Kumar Jain	1321791 1321791	13.23 13.23	01.04.2017 31.03.2018	Nil movement during the year		1321791 1321791	13.23 13.23
4	Siddharth Jain	2342586 2342586	23.44 23.44	01.04.2017 31.03.2018	Nil movement during the year		2342586 2342586	23.44 23.44
5	Devansh Jain	2303218 2303218	23.05 23.05	03.12.2017 31.03.2018	Nil movement during the year		2303218 2303218	23.05 23.05
	Key Managerial Personnel (KMP)							
1	Vijay Saxena	0	0		0		0	0



## INOX LEASING AND FINANCE LIMITED

### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	NIL	NIL	NIL	NIL

### VI. Remuneration of Directors and Key Managerial Personnel

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

Amount Rs. In lakhs

Sl. No.	Particulars of Remuneration	Mr. Pavan Kumar Jain Managing Director
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission- as % of profit- others, specify...	0
5.	Others, please specify-Company contribution to PF	0
	Total (A)	0

#### B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Names of the Directors				Total Amount
		Mr. D.K. Jain	Mr. V.K. Jain	Mr. S.K. Jain	Mr. Devansh Jain	
1	Fee for attending Board/Committee Meetings	0	0	0	0	0
2	Commission	0	0	0	0	0
3	Others, please specify	0	0	0	0	0
	Total	0	0	0	0	0
	Total Managerial Remuneration					0

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

Amount Rs. in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Mr. Vijay Saxena Company Secretary
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission- as % of profit- others, specify...	0
5.	Others, please specify-Company contribution to PF	1.24
	Total (A)	19.69

**VI. Penalties /Punishments / Compounding of Offences**

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

**Annexure D**
**Report on CSR Activities of the Company as per Companies (Corporate Social Responsibility Policy Rules, 2014**

Sr. No.		
1.	A brief outline of the Company's CSRP policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	<p>CSR Policy adopted by the Company includes all the activities which are prescribed under Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be viewed on website of the Company at <a href="http://www.ilfl.co.in">www.ilfl.co.in</a>.</p> <p>Your company is committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate, to conserve natural resources and to develop sustainable products.</p>
2.	Composition of CSR Committee	<p>Shri D.K. Jain, Chairman  Shri P.K. Jain, Managing Director  Shri Siddharth Jain Director</p>
3.	Average net profit of the Company for last three financial years	Rs. 681.91 lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 13.64 lakhs
5.	<p>Details of CSR spent during the financial year :</p> <p>a. Total amount to be spent for the financial year;</p> <p>b. Total amount spent during the year</p> <p>c. Amount unspent, if any;</p>	<p>Rs. 13.64 lakhs</p> <p>Rs. 13.65 lakhs</p> <p>NIL</p>



# INOX LEASING AND FINANCE LIMITED

d. Manner in which the amount spent during the financial year is detailed below :

(Rs. In lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered – Schedule VII	Projects or programmes (1) Local area or (2) Specify the State and District where projects or programmes were undertaken	Amount outlay (budget project or programme wise)	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
1.	Education	(ii)	Jito Administration Training Foundation	5.00	5.00	5.00	Through Inox Group CSR Trust
2.	Contribution to Corpus Fund of Inox Group CSR Trust	NA	Expenditure on CSR build capacity through implementing agency	8.65	8.65	13.65	Through Inox Group CSR Trust
3.	In case the Company has failed to spend the two percent of the average net profit of last three Financial Years or any part thereof, the company shall provide reasons for not spending the amount in its Board Report.			The company has spent the entire amount of Rs. 13.65 lakhs as required, on CSR related activities.			
4.	CSR Committee Responsibility Statement			The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.			

**D.K. JAIN**  
Chairman - CSR Committee

Mumbai, 09<sup>th</sup> August, 2018

## INDEPENDENT AUDITORS' REPORT

**To the members of Inox Leasing and Finance Limited**

### **Report on the Standalone Financial Statements**

I have audited the accompanying financial statements of Inox Leasing and Finance Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2018, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I conducted the audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

### **Opinion**

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit and cash flows for the year ended on that date.



## INOX LEASING AND FINANCE LIMITED

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, I report that:
  - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
    - i. The Company does not have any pending litigations;
    - ii. The Company does not have any long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the said Order.

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

**S.C. BANDI**  
Proprietor  
M. No: 16932

Place: Mumbai  
Date : 09<sup>th</sup> August, 2018



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" of my report of even date)**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

I have audited the internal financial controls with reference to financial statements over financial reporting of Inox Leasing and Finance Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

#### **Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I have conducted my audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls with reference to standalone financial statements system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## INOX LEASING AND FINANCE LIMITED

### Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

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

**S.C. BANDI**  
Proprietor  
M. No: 16932

Place: Mumbai  
Date : 09<sup>th</sup> August, 2018

### ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" of my report of even date)**

In term of the Companies (Auditors Report) Order, 2016 ("the Order"), on the basis of information and explanation given to me and the books and records examined by me in the normal course of audit and such checks as I considered appropriate, to the best of my knowledge and belief, I state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. The title deeds of all immovable properties are held in the name of the company.
2. The stock of shares have been physically verified by the management during the year. In my opinion the frequency of verification is reasonable. 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. I am informed that no material discrepancies have been noticed on physical verification of stocks of shares as compared to the book records.
3. The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In my opinion and according to the information and explanations given to me, the company has not granted any loans, made investments or provide guarantees which requires compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the CARO 2016 is not applicable.
5. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.
6. The maintainance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause (vi) of the CARO 2016 is not applicable to the company.

7. According to the information and explanations given to me, in respect of statutory dues:

- (a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, wealth tax, service tax, cess and other material statutory dues applicable to it to the appropriate authorities.

Considering the nature of business that the Company is engaged in, sales tax, customs duty, excise duty and value added tax are not applicable to the company.

- (b) There were no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31st March 2017 for a period of more than six months from the date they become payable.

- (c) There are no dues of service tax, income tax, wealth tax or cess, as on 31st March, 2018 on account of disputes.

8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the company.
9. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to me, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. The company has not paid any managerial remuneration and hence the provisions of clause 3(xi) of the Order are not applicable to the Company
12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The company has obtained the requisite registration under section 45-I of the Reserve Bank of India Act, 1934.

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

**S.C. BANDI**  
Proprietor  
M. No: 16932

Place: Mumbai  
Date : 09<sup>th</sup> August, 2018



INOX LEASING AND FINANCE LIMITED

## STAND ALONE BALANCE SHEET AS ON 31ST MARCH, 2018

(Rs. In lakhs)

	Note	As at 31st March, 2018		As at 31st March, 2017	
	No.	Rupees	Rupees	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds:</b>					
(a) Share Capital	4		999.35		999.35
(b) Reserves and Surplus	5		15,084.87		13,365.78
			16,084.22		14,365.13
<b>Non-current liabilities</b>					
(a) Other Long-term liabilities	6		—		25.44
(b) Long-term Provisions	7		16.96		18.02
			16.96		43.46
<b>Current liabilities</b>					
(a) Trade Payables	8		2.57		4.81
(b) Other Current Liabilities	9		147.20		142.18
(c) Short-term Provisions	10		12.83		10.86
			162.60		157.85
<b>TOTAL</b>			16,263.78		14,566.44
<b>ASSETS</b>					
<b>Non-current Assets</b>					
(a) Fixed assets					
Tangible assets	11		126.08		150.91
Intangible assets	11A		0.16		1.15
(b) Capital work-in-progress			1,954.32		1,794.18
(c) Deferred Tax Asset	26		22.42		20.06
(d) Non-current investments	12		9,390.14		8,237.27
(e) Long-term Loans and advances	13		61.47		217.72
<b>Current Assets</b>					
(a) Current investments	14		4,082.49		3,106.37
(b) Trade receivables	15		111.90		36.38
(c) Cash and cash equivalents	16		148.58		816.93
(d) Short-term loans and advances	17		279.79		98.09
(e) Other current assets	18		86.43		87.38
<b>TOTAL</b>			16,263.78		14,566.44

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

**S.C.BANDI**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

**STAND ALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Rs. In lakhs)

	Note No.	2016-2018 Rupees	2015-2017 Rupees
<b>Revenue from Operations (Gross)</b>	19	<b>2,551.38</b>	581.69
Other Income	20	<b>564.14</b>	470.16
<b>Total Revenue</b>		<b>3,115.52</b>	1,051.85
Employee benefits expense	21	<b>74.44</b>	76.68
Depreciation and amortization	22	<b>76.33</b>	58.83
Other expenses	23	<b>137.01</b>	149.79
<b>Total Expenses</b>		<b>287.78</b>	285.30
Profit before tax		<b>2,827.74</b>	766.55
<b>Tax Expense</b>			
a) Current Tax		<b>150.00</b>	145.00
b) Deferred Tax		<b>(2.36)</b>	(2.24)
c) MAT Credit entitlement		<b>(38.34)</b>	9.50
d) Taxation for earlier years		<b>—</b>	4.06
		<b>109.30</b>	156.32
Profit for the year		<b>2,718.44</b>	610.23
Basic & diluted earning per equity share		27.20	6.11

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

**S.C.BANDI**  
Proprietor  
**Membership No. 16932**

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018



INOX LEASING AND FINANCE LIMITED

## Standalone Cash Flow Statement for the year ended 31st March, 2018

(Rs. In lakhs)

Particulars	2017-18	2016-17
<b>A Cash flow from operating activities</b>		
Profit before tax	2,827.74	766.55
Adjustments for :		
Depreciation and Amortisation	76.32	58.83
Income in respect of investing activities (Net)	(2,702.85)	(797.62)
	(2,626.53)	(738.79)
Operative profit before working capital changes	201.21	27.76
Adjustments for :		
Long-term provisions	(1.06)	0.06
Long-term liabilities	(25.44)	(12.72)
Trade payables	(2.25)	1.99
Other current liabilities	5.03	(37.22)
Short-term provisions	1.97	(2.15)
Long-term loans and advances	(3.81)	1,349.28
Trade receivables	(75.52)	(23.77)
Other current assets	0.86	15.06
Short-term loans and advances	(181.70)	17.88
	(281.92)	1,308.41
Cash generated from operations	(80.71)	1,336.17
Income-tax paid (Net)	(111.66)	(148.74)
<b>Net cash from operating activities</b>	<b>(192.37)</b>	<b>1,187.43</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(21.37)	(142.97)
Purchase of investments	(3,671.96)	(3,939.61)
Redemption/Sale of Investments	2,008.99	1,571.50
Buyback of shares		
Sale of fixed assets		
Interest and Dividend received ( Net of expenses)	2,207.71	396.46
<b>Net cash from investment activities</b>	<b>523.37</b>	<b>(2,114.62)</b>
<b>C Cash flow from financing activities</b>		
Dividend paid (Including Tax on Dividend)	(999.35)	—
<b>Net cash used in financing activities</b>	<b>(999.35)</b>	<b>—</b>
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>(668.35)</b>	<b>(927.21)</b>
Cash and cash equivalents as at the beginning of the year	816.93	1,744.14
Cash and cash equivalents as at the end of the year	148.58	816.93

Notes : (a) Components of cash and cash equivalents are as per note no. 17.

(b) Cash Flow is prepared and presented under 'Indirect Method'.

(c) 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

**S.C.BANDI**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

# Notes to the Standalone Financial Statements for the year ended 31st March 2018

## 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 specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Figures of the previous year have been regrouped or reclassified, wherever necessary, to confirm to current year's presentation.

## 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. Income from interest on deposits and interest-bearing securities is recognised on time proportionate basis.

### (b) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation, amortization and impairment. Cost of leasehold land is amortised over the period of lease. Upto 31st March, 2014 depreciation was provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956. Consequent to Schedule II of the Companies Act, 2013 becoming effective from 1st April, 2014, Depreciation is provided on Written Down Value Method at the rates specified therein.

### (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 are determined on the basis of each category of Investments.

### (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-a-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 expenses 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.





## INOX LEASING AND FINANCE LIMITED

### (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.

### (h) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, 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.

### (i) LEASE

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

### (j) BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

		(Rs. In lakhs)	
4. SHARE CAPITAL		As at 31st March, 2018	As at 31st March, 2017
		Rupees	Rupees
<b>Authorised capital</b>			
11,000,000	Equity Shares of Rs.10/- Each	<b>1,100.00</b>	1,100.00
1,500,000	Redeemable Cumulative Preference Shares of Rs.100/- each	<b>1,500.00</b>	1,500.00
<b>Total</b>		<b>2,600.00</b>	2,600.00
<b>Issued, Subscribed and fully paid up capital</b>			
9,993,467	Equity shares of Rs.10/- each	<b>999.35</b>	999.35
<b>Total</b>		<b>999.35</b>	999.35

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

	As at 31-03-2018		As at 31-03-2017	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	<b>9993467</b>	<b>99934670</b>	9993467	99934670
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	<b>9993467</b>	<b>99934670</b>	9993467	99934670

**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.

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 an interim dividend of Rs. 10/- per equity share (previous year Rs. NIL per equity share). Final dividend proposed to be paid is NIL per equity share (previous year Rs. NIL per equity share). The total distribution of dividend to the equity shareholders for the year is Rs. 10/- per equity share (previous year Rs. NIL per equity share).

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

	31-03-2018		31-03-2017	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	1132219	11.33	1132219	11.33
Mr. Vivek Kumar Jain	1321791	13.23	1321791	13.23
Mr. Devansh Jain	2303218	23.05	2303218	23.05
Mrs. Nayantara Jain	1080032	10.81	1080032	10.81
Mrs. Nandita Jain	1031644	10.32	1031644	10.32
Mr. Siddharth Jain	2342586	23.44	2342586	23.44

**5. RESERVES AND SURPLUS**

	As at 31st March, 2018		(Rs. In lakhs) As at 31st March, 2017	
	Rupees	Rupees	Rupees	Rupees
<b>Reconstruction Reserve</b>				
Balance as per last Balance Sheet		639.52		639.52
<b>Amalgamation Reserve</b>				
Balance as per last Balance Sheet		75.76		75.76
<b>Capital Redemption Reserve</b>				
Balance as per last Balance Sheet		1,462.50		1,462.50
<b>Statutory Reserve Fund*</b>				
Balance as per last Balance Sheet	5,806.00		5,681.00	
Add: Transferred from Profit and Loss Account	550.00		125.00	
*Pursuant to Reserve Bank of India (Amendment) Act, 1947		6,356.00		5,806.00
<b>General Reserve</b>				
Balance as per last Balance Sheet	1,401.25		1,301.25	
Add: Transferred from Profit and Loss Account	200.00		100.00	
Balance at the end of the year		1,601.25		1,401.25
<b>Surplus in the statement of Profit &amp; Loss</b>				
Balance as per last Balance Sheet	3,980.75		3,595.52	
Add: Profit for the year	2,718.44		610.23	
		6,699.19		4,205.75
<b>Less: Appropriations</b>				
Interim Dividend	999.35		—	
Proposed dividend	—		—	
Transfer to Statutory Reserve Fund	550.00		125.00	
Transfer to General Reserve	200.00		100.00	
<b>Total Appropriations</b>	1,749.35		225.00	
Balance at the end of the year		4,949.84		3,980.75
<b>Total</b>		15,084.87		13,365.78



# INOX LEASING AND FINANCE LIMITED

(Rs. In lakhs)

	As at 31st March, 2018 Rupees	As at 31st March, 2017 Rupees
<b>6. LONG TERM LIABILITIES</b>		
For lease hold land	—	25.44
	—	25.44
<b>7. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
- Gratuity	13.32	12.09
- Leave benefits	3.64	5.93
<b>Total</b>	<b>16.96</b>	<b>18.02</b>
<b>8. TRADE PAYABLES</b>		
<b>Dues to</b>		
Micro and Small Enterprises	—	—
Others	2.57	4.81
<b>Total</b>	<b>2.57</b>	<b>4.81</b>
<b>9. OTHER CURRENT LIABILITIES</b>		
Unclaimed dividend (see note below)	111.56	121.03
Other current liabilities	10.41	19.84
Statutory dues and taxes	25.23	1.31
<b>Total</b>	<b>147.20</b>	<b>142.18</b>
In respect of unpaid dividends, the actual amount to be transferred to the Investor Protection Fund shall be determined on the due date.		
<b>10. SHORT TERM PROVISIONS</b>		
Provision for employee benefits		
- Gratuity	10.69	9.07
- Leave benefits	2.14	1.79
<b>Total</b>	<b>12.83</b>	<b>10.86</b>

## 11. TANGIBLE ASSETS

(Rs. In lakhs)

Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 31.03.18	As at 31.03.17
1	BUILDINGS	31.28	—	—	31.28	23.65	0.36	—	24.01	7.27	7.63
2	FURNITURE & FIXTURES	51.76	12.93	—	64.69	40.38	3.16	—	43.54	21.15	11.38
3	VEHICLES	141.50	—	—	141.50	17.80	38.63	—	56.43	85.07	123.70
4	OFFICE EQUIPMENTS	38.14	8.44	—	46.58	29.94	4.05	—	33.99	12.59	8.20
	<b>TOTAL</b>	<b>262.68</b>	<b>21.37</b>	<b>—</b>	<b>284.05</b>	<b>111.77</b>	<b>46.20</b>	<b>—</b>	<b>157.97</b>	<b>126.08</b>	<b>150.91</b>
	PREVIOUS YEAR	121.30	141.38		262.68	83.98	27.79		111.77	150.91	

**11A. INTANGIBLE ASSETS**

(Rs. In lakhs)

Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 31.03.18	As at 31.03.17
1	COMPUTER SOFTWARE	1.58	0	0	1.58	0.43	1.00	0	1.42	0.16	1.15
	<b>TOTAL</b>	<b>1.58</b>	<b>0</b>	<b>0</b>	<b>1.58</b>	<b>0.43</b>	<b>1.00</b>	<b>0</b>	<b>1.42</b>	<b>0.16</b>	<b>1.15</b>
	PREVIOUS YEAR:	1.58	0	0	1.58	0	0.43	0	0.43	1.15	0

**12. NON CURRENT INVESTMENTS**

(Long term, non-trade, at cost, unless otherwise stated)

Face Value	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	Rs. in lacs	Nos.	Rs. in lacs

**QUOTED**

i) In Subsidiary Company					
Gujarat Fluorochemicals Limited (face value of Rs. 1/- each fully paid up)	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
Bombay Oxygen Corpn. Limited	100	5	0.06	5	0.06
			<b>2,244.43</b>		<b>2,244.43</b>
Less: Provision for diminution in value of investments			<b>60.99</b>		<b>60.99</b>
			<b>2,183.44</b>		<b>2,183.44</b>
iii) Investments in Mutual Funds					
UTI FTIF Series XVII-XIII (369D)-Growth	10	—	—	2,181,540	218.15
DSP BR FMP Series 217-40M-Grwoth	10	2000000.000	200.00	—	—
DSP BR FMP Series 224-39M-Grwoth	10	2094869.821	209.49	—	—
Franklin India FMP Series 1- Plan B-Growth	10	1000000.000	100.00	—	—
Franklin India FMP Series 2- Plan B-Growth	10	2000000.000	200.00	—	—
Franklin India FMP Series 3- Plan C-Growth	10	2906559.786	290.66	—	—
Franklin India FMP Series 2- Plan A-Growth	10	2000000.000	200.00	—	—
UTI FTIF Series XXVIII-IV-Growth	10	2000000.000	200.00	—	—
			<b>1,400.15</b>		<b>218.15</b>



## INOX LEASING AND FINANCE LIMITED

	As at 31st March, 2018			As at 31st March, 2017	
	Face Value	Nos.	Rs. in lacs	Nos.	Rs. in lacs
<b>UNQUOTED</b>					
i) In Equity shares					
Inox India Private Limited	10	<b>419,186</b>	<b>3,187.50</b>	419,186	3,187.50
Ideas & U Limited	10	<b>500,000</b>	<b>50.00</b>	500,000	50.00
			<b>3,237.50</b>		3,237.50
Less: Provision for dimution in value of investments			<b>50.00</b>		50.00
			<b>3,187.50</b>		3,187.50
iii) Investments in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	<b>250.00</b>	250	250.00
HUDCO 8.14% Tax Free Bond	1,000	20,000	<b>200.00</b>	20,000	200.00
IIFCL 8.01% Tax Free Bonds	1,000,200	20	<b>200.04</b>	20	200.04
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	<b>250.00</b>	250	250.00
NHAI 8.27% Tax Free Bonds	1,000	20,000	<b>200.00</b>	20,000	200.00
NHAI 7.14% Tax Free Bonds	1,000	14,285	<b>142.85</b>	14,285	142.85
PFC 8.20% Tax Free Bonds	1,000	8,544	<b>85.44</b>	8,544	85.44
REC 7.93% Tax Free Bond	1,000	12,248	<b>122.48</b>	12,248	122.48
PFC 7.19% Tax Free Bonds	1,000	10,000	<b>100.00</b>	10,000	100.00
REC 8.01% Tax Free Bond 2013	1,000	30,000	<b>300.00</b>	30,000	300.00
			<b>1,850.81</b>		1,850.81
Aggregate value of quoted investments			<b>3,644.58</b>		2,462.59
Market value of quoted investments			<b>453,501.51</b>		439,563.96
Aggregate value of unquoted investments			<b>5,088.31</b>		1,900.81
Aggregate provision for dimution in value of investments			<b>110.99</b>		110.99
<b>Total Investments</b>			<b>8,621.90</b>		7,439.90

## 2 Investment in Property

(Rs. In lakhs)

Particulars	Gross Block (at cost)				Depreciation/Amortisation				Net Block	
	As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 01.04.17	Addition during the year	Deletion during the year	As at 31.03.18	As at 31.03.18	As at 31.03.17
Leasehold Land	204.05	0	0	204.05	1.02	0.20	0	1.23	202.83	203.03
Buildings	752.96	0	0	752.96	158.62	28.93	0	187.54	565.41	594.34
<b>TOTAL</b>	<b>957.01</b>	<b>0</b>	<b>0</b>	<b>957.01</b>	<b>159.64</b>	<b>29.13</b>	<b>0</b>	<b>188.77</b>	<b>768.24</b>	<b>797.37</b>
PREVIOUS YEAR:	957.01	0	0	957.01	129.03	30.61	0	159.64	797.37	

Total Non Current Investments (1+2)

**9390.14**

8237.27



## INOX LEASING AND FINANCE LIMITED

(Rs. in lakhs)

### 13. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

	As at 31st March, 2018 Rupees	As at 31st March, 2017 Rupees
Prepaid Expenses	-	0.12
Loans to employees	0.87	1.60
Advances recoverable in cash or in kind - Considered Good	60.60	66.00
Inter corporate Deposits - Others	-	150.00
<b>Total</b>	<b>61.47</b>	<b>217.72</b>

### 14. CURRENT INVESTMENTS

		As at 31st March, 2018		As at 31st March, 2017	
	Face Value Rs.	Nos.	Rs. in lakhs	Nos.	Rs. in lakhs
<b>Current Portion of Long Term Investment</b>					
Investment in Mutual Funds					
Birla Sunlife FTP Series HS-Growth	10		—	1211029.000	121.10
Birla Sunlife Dynamic Bond Fund-Growth	10		—	667816.438	202.11
DSP BR Short Term Fund -Growth	10	1014223.064	240.60	1014223.064	240.60
DSP BR Income Oppurtunities Fund-Growth	10	1447860.314	250.00	1447860.314	274.59
Franklin Templeton India Short Term Income Plan-Growth	1,000	25215.796	670.59	28141.789	741.40
Aditya BSL Cash Manager Fund-Growth	10	69962.243	283.02		—
ICICI Prudential Flexible Income Plan-Growth	10	31536.518	102.02		—
UTI Treasury Advantage Fund-Growth	10	22575.255	526.83		—
DSP BR Arbitrage Fund-Growth	10	600381.875	60.04		—
Aditya BSL Corporate Bond Fund-Growth	10	3344267.056	420.36		—
ICICI Prudential Ultra Short Term Plan-Growth	10	182186.603	31.64		—
Franklin India G SecFund-Growth	10		—	614629.661	250.00
ICICI PRU INT Fund Annual INT Plan 1-Growth	10		—	2768899.000	327.09
ICICI PRU Regular Savings Fund Growth	10	3363923.313	557.91	1437224.104	210.00
TATA Short Term Bond Fund-Growth	10	734,845.646	200.00	734,845.646	200.00
UTI Short Term Income Fund Growth	10	3848354.685	739.48	1431342.788	239.48
UTI Dynamic Bond Fund Growth	10		—	1559851.502	300.00
<b>Total</b>			<b>4,082.49</b>		<b>3,106.37</b>



# INOX LEASING AND FINANCE LIMITED

	(Rs. In lakhs)	
	As at 31st March, 2018 Rupees	As at 31st March, 2017 Rupees
<b>15. TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months	—	—
Others	111.90	36.38
<b>Total</b>	<b>111.90</b>	<b>36.38</b>
<b>16. CASH AND CASH EQUIVALENTS</b>		
Balances with banks in current accounts	31.69	15.94
Cash on hand	5.33	3.19
In Liquid fund of Mutual Funds	—	—
	<b>37.02</b>	19.13
<b>Other bank balances</b>		
Unpaid dividend account	111.56	121.03
Deposits with original maturity of more than 3 months but less than 12 months	—	676.77
	<b>111.56</b>	797.80
<b>Total</b>	<b>148.58</b>	816.93
<b>17. SHORT TERM LOANS AND ADVANCES</b> (Unsecured, considered good, unless otherwise stated)		
Prepaid Expenses	2.02	1.72
Loans to employees	0.76	1.26
Security Deposits	66.75	67.89
Inter-corporate deposits - Others	150.00	—
Advance Income tax (net of provision)	60.26	27.22
<b>Total</b>	<b>279.79</b>	98.09
<b>18. OTHER CURRENT ASSETS</b>		
Interest accrued on Bank deposits	—	21.19
Interest accrued on Tax Free Bonds	63.76	63.79
Income tax refund receivable	—	2.32
Interest accrued on ICD's	13.98	0.08
Others	8.69	—
<b>Total</b>	<b>86.43</b>	<b>87.38</b>
	<b>2017-18</b>	2016-17
<b>19. REVENUE FROM OPERATIONS</b>		
Brokerage received	343.67	185.23
Dividend Income on long term investments		
i) from subsidiary company	2,020.04	—
ii) from others	0.26	0.15
on current investments	—	10.33
Interest income on inter corporate deposits	15.45	158.31
on bank deposits	27.06	82.74
on tax free bonds	144.90	144.93
others	—	—
<b>Total</b>	<b>2,551.38</b>	581.69

		(Rs. In lakhs)
	<b>2017-18</b>	2016-17
<b>20. OTHER INCOME</b>		
Profit on sale of investments on long term investments	<b>449.57</b>	347.18
on current investments	<b>45.57</b>	53.97
Rent received	<b>69.00</b>	69.00
Others	<b>—</b>	0.01
<b>Total</b>	<b>564.14</b>	470.16
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	<b>63.28</b>	68.40
Contribution to Provident fund and other fund	<b>3.60</b>	3.80
Gratuity	<b>2.85</b>	4.17
Staff Welfare expenses	<b>4.71</b>	0.31
<b>Total</b>	<b>74.44</b>	76.68
<b>22. DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible assets	<b>46.20</b>	27.79
Depreciation on InTangible assets	<b>1.00</b>	0.43
Depreciation on Investment property	<b>28.93</b>	30.41
Amortization of Investment property	<b>0.20</b>	0.20
<b>Total</b>	<b>76.33</b>	58.83
<b>23. OTHER EXPENSES</b>		
Rates & Taxes	<b>3.25</b>	0.62
Legal & Professional Expenses	<b>33.04</b>	9.75
Rent paid	<b>12.00</b>	12.00
Insurance	<b>1.80</b>	0.69
General Repairs	<b>14.22</b>	11.03
Repairs & Maint Building	<b>—</b>	17.05
Corporate social responsibility expenses (See Note 34)	<b>13.65</b>	40.94
Miscellaneous Expenses	<b>59.05</b>	57.71
<b>Total</b>	<b>137.01</b>	149.79





## INOX LEASING AND FINANCE LIMITED

### 24. Change in the estimate of useful life of fixed assets

Company has adopted the useful lives of various fixed assets as specified in Schedule II of the Companies Act, 2013, with effect from April 1, 2014. Further, the carrying amount of fixed assets as at 1st April 2014 is being depreciated over the revised remaining useful life of the assets.

### 25. Disclosure required under section 186(4) of Companies Act, 2013

#### a. Contingent Liabilities

Corporate guarantee given by the company to ICICI Bank in respect of loan taken by Inox India Pvt. Ltd. for general business purpose, USD 8.49 million (previous year USD 17.55 million) and to Aditya Birla Finance Ltd. Rs. 67.20 crores (previous year Rs. 70 crores) respectively. Inox India Limited has fully liquidated the loan to ICICI Bank during the current year 2018-19.

#### b. Inter Corporate Deposit

Inter Corporate Deposit (ICD) of Rs.150 lakhs (previous year Rs. 150 lakhs) given to INOX FMCG Pvt. Ltd. for general business purposes. The said ICD has been returned by INOX FMCG Pvt. Ltd. during the current year 2018-19.

#### c. Letter of Comfort

Company has issued a Letter of Comfort to IndusInd Bank Limited for credit facilities of Rs. 2500 lakhs (previous year Rs. 1500 lakhs to RBL Ltd.) granted by them to INOX FMCG Limited. In the current year, the said facilities have been fully satisfied by INOX FMCG Limited.

### 26. The major components of the net deferred tax liability are as under:

(Rs. In lakhs)

Particulars	2017-18	2016-17
<b>Deferred Tax Liability - Deferred Tax Assets:</b>	—	—
Provision for retirement benefits	8.21	9.55
Depreciation (on account of difference between tax depreciation and depreciation charged in the books)	12.45	8.40
Expenses allowable on payment basis	1.76	2.11
<b>Total assets</b>	<b>22.42</b>	<b>20.06</b>

### 27. Payments to the firm of auditors:

Particulars		
Audit Fees	1.35	1.30
Tax Audit Fees	0.80	0.75
For Other services	0.79	2.00
Service Tax	—	0.62
<b>Total</b>	<b>2.94</b>	<b>4.67</b>

### 28. Earnings and expenditure in foreign currency:

	—	—
--	---	---

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

There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Act, 2006. The above information has been determined to the extent such parties have been identified on the basis of the information available with the company.

**30. Segment Reporting**

The company is engaged primarily in the business of investments and accordingly there are no separate reportable segments as prescribed under AS-17 of Companies (Accounting Standards) Rules, 2006.

	(Rs. In lakhs)	
	2017-18	2016-17
<b>31. Disclosure as required by Accounting Standard - AS 19</b>	<b>Rupees</b>	<b>Rupees</b>
<b>on "Leases"</b>		
In respect of Assets given on Operating Lease:		
Gross carrying amount of asset given on operating lease included in Buildings of Fixed Assets	<b>14.86</b>	14.86
Accumulated Depreciation as at the end of the year	<b>12.09</b>	11.95
Depreciation for the year	<b>0.14</b>	0.15
Future minimum lease payments-		
(a) Not later than one year	<b>69.00</b>	69.00
(b) Later than one year and not later than five years	34.50	103.50
Later than five years	—	—
General description		
Asset given on operating lease is Office Premises.		
The non-cancellable initial tenure is for three years, which can be further extended at the mutual option of both the parties.		
In respect of assets taken on operating lease:		
Payable in future		
Not later than one year	<b>12.00</b>	12.00
Later than one year and not later than five years	—	—
Later than five years	—	—

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.

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

Names of Related Parties:

**A) Where control exists:**

Subsidiary Company:  
Gujarat Fluorochemicals Limited  
Inox Leisure Limited  
(Subsidiary Company of Gujarat Fluorochemicals Limited)

**B) Key Management Personnel**

Mr. P.K. Jain (Managing Director)

**C) 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
- Inox India Private Limited (Previously Inox India Limited)
- Inox FMCG Private Limited


**INOX LEASING AND FINANCE LIMITED**

(ii) Particulars of Transactions:

(Rs. In lakhs)

Particulars	Subsidiary Company and sub-subsidiary company	Enterprises over which KMP has significant influence	Key Management Personnel	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
<b>(A) Transactions during the year</b>				
Rent received				
Gujarat Fluorochemicals Ltd	<b>69.00</b> (69.00)			<b>69.00</b> (69.00)
Dividend received				
Gujarat Fluorochemicals Ltd	<b>2,020.03</b> (—)			<b>2,020.03</b> (—)
Reimbursement of expenses (received)				
Gujarat Fluorochemicals Ltd	<b>2.52</b> (—)			<b>2.52</b> (—)
Rent paid				
Rajni Farms Pvt Ltd.		<b>12.00</b> (12.00)		<b>12.00</b> (12.00)
Inter-Corporate Deposit paid				
Inox FMCG Private Limited		— (150.00)		— (150.00)
Interest received				
Inox India Private Limited		— (158.22)		— (158.22)
Inox FMCG Private Limited		<b>15.45</b> (0.08)		<b>15.45</b> (0.08)
Inter-Corporate Deposit received back				
Inox Leisure Limited	— (1500.00)			— (1500.00)
<b>(B) Amounts outstanding</b>				
Amount receivable				
Deposit paid				
Rajni Farms Pvt Ltd.		<b>60.00</b> (60.00)		<b>60.00</b> (60.00)
Inter-corporate Deposit paid				
Inox FMCG Private Limited		<b>150.00</b> (150.00)		<b>150.00</b> (150.00)
Interest accrued				
Inox FMCG Private Limited		<b>15.45</b> (0.08)		<b>15.45</b> (0.08)
Reimbursement of expenses				
Gujarat Fluorochemicals Ltd	<b>0.77</b> (—)			<b>0.77</b> (—)

**33 Employee Benefits**

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 3.60 lakhs (Previous year Rs. 4.18 lakhs is recognised as an expense and included in Contribution to Provident and Other Funds in the Profit and Loss.
- b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Encashment - as per Actuarial Valuation as on 31st March, 2018.

(Amount Rs. In lacs)

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Change in Benefit Obligation				
Liability at the beginning of the year	21.16	23.14	5.73	5.72
Interest Cost	1.42	1.50	0.38	0.39
Current Service Cost	1.65	1.84	0.19	0.52
Past Service Cost	0.42	—	—	—
Benefit paid	—	(6.15)	—	(0.96)
Acturial (Gain)/Loss	(0.64)	0.83	(0.53)	0.06
Liability at the end of the year	24.01	21.16	5.77	5.73
Expenses recognized in the Profit and Loss Account				
Interest Cost	1.42	1.50	0.38	0.39
Current Service Cost	1.65	1.84	0.19	0.52
Past Service Cost	0.42			-
Acturial (Gain)/Loss	(0.64)	0.83	(0.53)	0.06
Expenses recognized in the Profit and Loss Account	2.85	4.17	0.04	0.97
Acturial Assumptions				
Discount Rate	7.50%	6.69%	7.50%	6.69%
Salary Escalation Rate	10%	10%	10%	10%
Retirement Age	58 years		58 years	
Mortality - Previous year	LIC (1994-96) published table of rates			
- Current year	IALM (2006-08) Ult			

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.

**34 Corporate Social Responsibility (CSR)**

- a) The gross amount required to be spent by the company during the year towards Corporate Social Responsibility (CSR) is Rs. 13.65 lakhs (previous year Rs. 40.94 lakhs)
- b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any fixed assets	— (-)	— (-)	— (-)
ii) On purposes other than (i) above - Donations	13.65 (40.94)	— (-)	13.65 (40.94)

Previous year amount spent on CSR includes the unspent amount of Rs. 14.17 lakhs and Rs. 13.72 lakhs for the year ended 31st March, 2015 and 31st March, 2016 respectively.

**INOX LEASING AND FINANCE LIMITED****35 Basic and diluted Earning per share:**

Basic and Diluted Earnings have been calculated as follows:

Profit after taxation (Rs)	<b>2718.44</b>	610.23
No. of equity shares outstanding at the beginning of the year	<b>9993467</b>	9993467
No. of equity shares outstanding at the end of the year	<b>9993467</b>	9993467
Nominal value of each share (Rs).	<b>10</b>	10
Basic and diluted Earnings per Share (Rs)	<b>27.20</b>	6.11

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

**S.C.BANDI**  
Proprietor  
**Membership No. 16932**

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018

**Schedule appended to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non Banking Financial Company Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016**

(Rs. in Lakhs)

Particulars	Current year		Previous year	
	Amount outstanding	Amount Overdue	Amount outstanding	Amount Overdue
<b>Liabilities Side</b>				
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not <u>paid</u> :				
(a) Debentures : Secured	—	—	—	—
: Unsecured	—	—	—	—
(other than falling within the meaning of public deposit*)				
(b) Deferred Credits	—	—	—	—
(c) Term Loans	—	—	—	—
(d) Inter -corporate Loans and borrowing	—	—	—	—
(e) Commercial Paper	—	—	—	—
(f) Public Deposits	—	—	—	—
(g) Other Loans ( Specify nature)	—	—	—	—

(Rs. in Lakhs)

Assets Side	Current year Amount outstanding	Previous year Amount outstanding
(2) Break-up of Loans and Advances including bills receivables other than those included in 3 below:		
(a) Secured	—	—
(b) Unsecured	453.16	352.19
(3) Break up of Leased assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	—	—
(b) Operating Lease	—	—
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	—	—
(b) Repossessed Assets	—	—
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		


**INOX LEASING AND FINANCE LIMITED**

Assets Side	Current Year Amount outstanding	Previous Year Amount outstanding
(4) Break -up of Investments: (net of provision for dimunition) (as per AS 13)		
<b><u>Current Investmenmts</u></b>		
1. Quoted:		
(I) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds*	4082.49	3106.37
(iv) Government Securities	—	—
(v) Others (Please specify)	—	—
* Current portion of long term investments		
2. Unquoted:		
(I) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	—	—
(iv) Government Securities	—	—
(v) Others (Please specity)	—	—
<b><u>Long Term investments:-</u></b>		
1. Quoted:		
(I) Shares		
(a) Equity	2183.44	2183.44
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	1400.15	218.15
(iv) Government Securities	—	—
(v) Others (please specify)	—	—
2. Unquoted:		
(I) Shares		
(a) Equity	3187.50	3187.50
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	—	—
(iv) Government Securities	—	—
(v) Others - Tax free Bonds	1850.81	1850.81
<b>TOTAL</b>	<b>13157.55</b>	<b>10,898.46</b>

(5) Borrower group-wise classification of loans and advances (including other Current Assets)

(Rs. in Lakhs)

Category	Current year			Previous year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries*	---	---	---	---	---	---
b) Companies in the same group**	---	210.00	210.00	---	210.00	210.00
c) Other related parties	---	---	---	---	---	---
2. Other than related parties	---	243.16	243.16	---	142.19	142.19
<b>Total</b>		453.16	453.16		352.19	352.19

\*\*Inter corporate deposit and 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):

(Rs. in Lakhs)

Category	Current year		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 and same group companies)	452079.25	2178.38	439280.26	2178.38
b) Other related parties	3187.50	3187.50	3187.50	3187.50
2. Other than related parties	7892.56	7338.51	5898.15	5180.39
<b>Total</b>	461164.90	12704.39	448365.91	10546.27

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

(7) Other information

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

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 09<sup>th</sup> August, 2018





INOX LEASING AND FINANCE LIMITED

# **INOX LEASING AND FINANCE LIMITED**

## **CONSOLIDATED ANNUAL ACCOUNTS**

**2017-2018**

# Independent Auditor's Report on the Consolidated Financial Statements

To the members 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 Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group its associate and jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit.

While conducting the audit, I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report.

I have conducted the audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

I believe that the audit evidence obtained by me and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for my audit opinion on these consolidated financial statements.



## INOX LEASING AND FINANCE LIMITED

### Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group its associate and jointly controlled entities as at 31st March 2018, its consolidated profit and its consolidated cash flows for the year ended on that date.

### Other Matters

The financial statements and other financial information of the subsidiary company (including step-down subsidiary companies,, joint venture companies and associates, included in these consolidated financial statements, are based on audited financial statements prepared in accordance with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and audited by other auditors, whose reports have expressed unmodified opinion on those financial statements, and are adjusted for the differences in the accounting principles adopted by the Company in accordance with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounting) Rules, 2014 ("IGAAP"), which have been audited by us.

My opinion on the consolidated financial statements of the Company and my report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, I report that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- (b) In my opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from my examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In my opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and on the basis of reports of the statutory auditors of its subsidiaries, associate and jointly controlled entities which are incorporated in India, none of the directors of the Group, its associate company and jointly controlled entities incorporated in India are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associate company and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to my separate report in Annexure.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given



**INOX LEASING AND FINANCE LIMITED**

to me and based on the consideration of the report of the other auditors on separate financial statement of subsidiary companies an associate and jointly controlled entities, as noted in the 'Other matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group its associate and jointly controlled entities – see note no. 43 to the consolidated financial statements;
- ii. The Group its associate and jointly controlled entities has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate company and jointly controlled entities incorporated in India.

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

**S.C. BANDI**  
Proprietor  
M. No: 16932

Place : Mumbai  
Date : 09th August, 2018



## **INOX LEASING AND FINANCE LIMITED**

**Annexure to Independent Auditor's Report to the members of Inox Leasing and Finance Limited on the consolidated financial statements for the year ended 31st March 2018 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of my report of even date.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with my audit of the consolidated financial statements of Inox Leasing and Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2018, I have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, its associate and jointly controlled entities which are companies incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled entities which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act").

### **Auditor's Responsibility**

My responsibility is to express an opinion on the Holding Company's, its subsidiary companies, its associate company and jointly controlled entities which are companies incorporated in India, internal financial controls over financial reporting based on my audit. I conducted the audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Holding Company, its subsidiary companies, its associate company and jointly controlled entities which are companies incorporated in India, internal financial controls with reference to financial statements system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In my opinion, the Holding Company, its subsidiary companies, its associate company and jointly controlled entities which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**Other matters**

My aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, one associate of a subsidiary and one jointly controlled entity, which are company incorporated in India, is based on the corresponding report of the auditor of such company.

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

**S.C. BANDI**  
Proprietor  
M. No: 16932

Place : Mumbai  
Date : 09th August, 2018



INOX LEASING AND FINANCE LIMITED

## Consolidated Balance Sheet of Inox Leasing and Finance Limited and its Subsidiary Companies as at 31st March, 2018

			(Rs. in Lakhs)
	Note No.	As at 31st March, 2018	As at 31st March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	4	999.35	999.35
(b) Reserves and surplus	5	256305.93	243208.90
		<b>257305.28</b>	244208.25
<b>(2) Minority interest</b>		<b>340108.97</b>	322486.30
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	6	59541.60	114327.87
(b) Deferred tax liabilities (net)	41(i)	34375.58	43627.68
(c) Other long-term liabilities	7	5195.84	10732.73
(d) Long-term provisions	8	3734.91	3341.58
		<b>102847.93</b>	172029.86
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	9	107281.59	187835.13
(b) Trade payables			
Dues to Micro & Small Enterprises	10	256.93	386.94
Dues to others	10	83903.53	110122.26
(c) Other current liabilities	11	100170.34	70165.89
(d) Short-term provisions	12	2816.61	4270.37
		<b>294429.00</b>	372780.59
<b>TOTAL</b>		<b>994691.18</b>	1111505.00
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Goodwill on consolidation (net)	1(C)	2306.95	2307.90
(b) Fixed assets			
(i) Tangible assets	13	378119.79	345069.85
(ii) Intangible assets	14	9499.78	10784.97
(iii) Capital work-in-progress		74425.95	42854.90
(c) Deferred tax assets (net)	41(ii)	6588.55	2759.86
(d) Non-current investments	15	49425.37	41869.99
(e) Long-term loans and advances	16	75898.67	70615.80
(f) Other non-current assets	17	923.79	2001.00
		<b>597188.85</b>	518264.27
<b>(2) Current assets</b>			
(a) Current investments	18	11411.68	30282.54
(b) Inventories	19	131391.84	103309.64
(c) Trade receivables	20	195633.85	278850.16
(d) Cash and bank balances	21	19668.85	49685.76
(e) Short-term loans and advances	22	36835.29	23789.47
(f) Other current assets	23	2560.82	107323.16
		<b>397502.33</b>	593240.73
<b>TOTAL</b>		<b>994691.18</b>	1111505.00

The accompanying notes are an integral part of the Consolidated 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  
Membership No. 16932

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Mumbai  
Date: 9<sup>th</sup> August, 2018

Place: Mumbai  
Date: 9<sup>th</sup> August, 2018

## Consolidated Statement of Profit and Loss of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2018

			(Rs. in Lakhs)
	Note No.	2017-2018	2016-2017
<b>I. Revenue from operations</b>	24	<b>402383.91</b>	652752.46
Less: Excise Duty		<b>2872.56</b>	10454.80
		<b>399511.35</b>	642297.66
<b>II. Other income</b>	25	<b>15604.15</b>	11298.95
<b>III. Total Revenue (I + II)</b>		<b>415115.50</b>	653596.61
<b>IV. Expenses:</b>			
Cost of materials consumed	26	<b>67177.85</b>	238706.42
Purchases of stock-in-trade	27	—	1045.14
Changes in inventories of finished goods, work-in-progress stock-in-trade & by-products	28	<b>10204.86</b>	(2,383.19)
Employee benefits expense	29	<b>34802.52</b>	33714.85
Finance costs	30	<b>28085.12</b>	30803.59
Depreciation and amortization expense	31	<b>30265.70</b>	33035.81
Impairment loss		<b>309.55</b>	88.46
Goodwill on consolidation written off	35	—	40.88
Other expenses	32	<b>239835.87</b>	265634.37
<b>Total expenses</b>		<b>410681.47</b>	600686.33
<b>V. Less: Expenditure capitalized</b>		<b>(18211.15)</b>	(951.67)
<b>VI. Net Expenditure</b>		<b>392470.32</b>	599734.66
<b>VII. Profit before exceptional items and tax (III-VI)</b>		<b>22645.18</b>	53861.95
<b>VIII. Exceptional items</b>	46	<b>3601.42</b>	(21946.09)
<b>IX. Profit before tax (VII+VIII)</b>		<b>26246.60</b>	31915.86
(A) Tax expense:			
(1) Current tax		<b>19450.01</b>	16151.56
(2) MAT credit entitlement		<b>(38.34)</b>	(5662.02)
(3) Deferred tax		<b>(10195.82)</b>	9547.14
(B) Taxation pertaining to earlier years	36(b)	<b>(5486.04)</b>	(495.58)
		<b>3729.81</b>	19541.10
Profit for the year (IX-X)		<b>22516.79</b>	12374.76
Less : Share of minority interest in profit		<b>(8006.18)</b>	(9073.27)
Add: Share in profit of associates		<b>(1.56)</b>	—
Net Profit (XI-XII+XIII)		<b>14509.05</b>	3301.49
Basic & diluted Earnings Per Share of Rs 10 each (in Rs.)	50	<b>145.18</b>	33.13

The accompanying notes are an integral part of the Consolidated Financial Statements

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

**S.C.BANDI**  
Proprietor  
**Membership No. 16932**

Place: Mumbai  
Date: 9<sup>th</sup> August, 2018

**VIJAY SAXENA**  
Company Secretary

On behalf of the Board of Directors

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director  
Place: Mumbai  
Date: 9<sup>th</sup> August, 2018





INOX LEASING AND FINANCE LIMITED

## Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2018

(Rs. in Lakhs)

	2017-2018	2016-2017
<b>A Cash flow from operating activities</b>		
Profit for the year	22516.79	12374.76
Adjustments for :		
Tax expense	3729.82	19541.10
Depreciation and amortisation	30265.70	33035.81
Loss on asset held for sale	102.76	22579.13
Loss on retirement /disposal of fixed assets (net)	1085.32	475.06
Allowance for doubtful deposits and advances	186.05	39.44
Allowance for doubtful advances	423.83	—
Bad debts and remissions	2954.79	819.46
Liabilities and provisions no longer required written back	(851.37)	(139.42)
Deposits and advances written off	63.61	—
Amounts written-off	854.28	0.83
Reversal of MTM loss on derivative	(4.64)	—
Exchange difference on translation of assets and liabilities	68.89	(11.54)
Unrealised Foreign exchange Loss / (gain) -net	(2182.55)	(3991.55)
Unrealised MTM (gain)/loss on Financial Assets and Derivatives	(1282.38)	(481.75)
Expense on ESOP	179.49	5.27
Allowance for doubtful trade receivables (net of reversal)	148.30	8.71
Impairment loss on Goodwill and Property, plant & equipment	309.55	116.14
Income in respect of investing activities (net)	(14208.35)	(4234.25)
Finance Costs	28085.12	30803.59
	49928.22	98566.03
Operating profit before working capital changes	72445.01	110940.79
Adjustments for :		
Increase/(decrease) in provisions	664.92	1026.20
Increase/(decrease) in trade payables	(24001.24)	(13371.38)
Increase / (Decrease) in other liabilities	27878.55	10530.73
Increase / (Decrease) in loans	(2776.24)	(6366.12)
(Increase)/decrease in inventories	(28084.53)	(11464.08)
(Increase)/decrease in trade receivables	71158.43	(1916.51)
(Increase)/decrease in other assets	(14348.22)	1555.24
	30491.67	(20005.92)
Cash generated from operations	102936.68	90934.87
Income-tax paid (net)	(23560.48)	(15827.51)
<b>Net cash generated from operating activities</b>	<b>79376.20</b>	<b>75107.36</b>



## Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2018

(Rs. in Lakhs)

	2016-2018	2015-2017
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipments (including change in capital work in progress and capital creditors/capital advances)	(99691.60)	(65663.78)
Acquisition of other intangible assets	(231.50)	(306.64)
Proceeds from disposal of property, plant and equipment	175.30	313.68
Investment in Subsidiary Company	(9.00)	(1015.82)
Sale of investment in Joint Venture	—	924.08
Proceeds from partial disinvestment in subsidiary	15807.53	—
Purchase of non current investments	(5321.96)	(8939.61)
Sale/redemption of non current investments	9685.82	1571.50
Purchase of other investments	(101731.40)	(70096.46)
Redemption of other investments	115773.05	51283.27
Sale of assets under slump sale	102316.36	—
Inter-corporate deposits given	(3030.19)	(875.00)
Inter-corporate deposits received back	1580.00	1160.00
Interest and Dividend received (net of expenses)	8417.30	4858.22
Payments towards business combination consideration payable	(5.32)	—
Movement in Bank fixed deposits	17271.41	18370.28
<b>Net cash used in investing activities</b>	<b>61005.80</b>	<b>(68416.28)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from borrowings - non current	57861.46	20869.01
Repayment of borrowings - non current	(102068.12)	(19700.52)
Proceeds from/(repayment of) short term borrowings (net)	(79366.05)	30578.92
Finance lease payments	(36.46)	—
Finance costs	(25854.99)	(27828.75)
Dividend paid (Including Tax on Dividend)	(3606.76)	—
<b>Net cash generated from / (used in) financing activities</b>	<b>(153070.92)</b>	<b>3918.66</b>
<b>D Capital receipts</b>	<b>0.00</b>	<b>212.53</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(12688.92)</b>	<b>10822.24</b>
Cash and cash equivalents as at the beginning of the year	23775.11	13638.51
Disposal of Joint Venture during the year	—	(685.82)
On acquisition through business combinations	—	0.18
Cash and cash equivalents on acquisition of subsidiary	13.87	—
Cash and cash equivalents as at the end of the year	11100.06	23775.11

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

**S.C.BANDI**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: 9<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director  
Place: Mumbai  
Date: 9<sup>th</sup> August, 2018



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 1. Corporate Information:-

Inox Leasing and Finance Limited ("ILFL" or the "Company" or "Parent Company") is a public company engaged in the business of financial services, investment 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. ("GFL") .

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

#### (A) The subsidiary companies, joint ventures and associate considered in CFS are:

##### (a) Subsidiary of the Company:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Gujarat Fluorochemicals Limited (GFL)	India	52.54%	52.54%
Inox Leisure Limited (ILL) subsidiary of GFL	India	0.61%	0.61%

The Group is engaged in:

- chemical business viz. manufacturing and trading of refrigeration gases, anhydrous hydrochloric acid, caustic soda, chlorine, chloromethane, polytetrafluoroethylene (PTFE) and post-treated polytetrafluoroethylene (PTPTE)
- manufacture and sale of wind turbine generators (WTGs) and providing Erection, Procurement and Commissioning (EPC) services, Operations and Maintenance (O&M) services, wind farms development services and common infrastructure facilities for WTGs.
- operating and managing multiplexes and cinema theatres
- generation and sale of wind energy

#### (B) The subsidiary companies, joint ventures and associate considered in CFS are:

##### a) Subsidiaries of Gujarat Fluorochemicals Limited (GFL)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
Inox Leisure Limited (ILL) - refer Note 4.1 (e)	Operating and managing multiplex theatres and cinemas in India	India	48.09%	48.09%
Inox Infrastructure Limited (ILL)	Real estate and property development	India	100.00%	100.00%
Inox Wind Limited (IWL)	Manufacture and sale of Wind Turbine Generators (WTGs). It also provides Erection, Procurement and Commissioning (EPC), Operations and Maintenance (O&M) and Common Infrastructure Facilities services for WTGs and Wind Farm development services.	India	56.98%	63.09%
Inox Renewables Limited (IRL)	Generation and sale of wind energy and providing Common Infrastructure Facilities services for WTGs	India	100.00%	100.00%
Gujarat Fluorochemicals Americas, LLC (GFL Americas)	Manufacture, trading and sale of Post Treated Polytetrafluoroethylene (PT-PTFE) Compounds	USA	100.00%	100.00%
Gujarat Fluorochemicals Singapore Pte. Limited	Investment activities.	Singapore	100.00%	100.00%
Gujarat Fluorochemicals GmbH, Germany many (GFL GmbH)	Trading of polymer compounds especially, Post-Treated Polytetrafluoroethylene (PT-PTFE).	Germany	100.00%	100.00%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### b) Subsidiary of GFL Singapore Pte.Limited

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
GFL GM Flourspar SA	Exploration of fluorspar mines.	Morocco	74%	74%

### c) Subsidiaries of Inox Leisure Limited (ILL)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
Shouri Properties Private Limited	Holds a license to operate a multiplex cinema theatre which is operated by Inox Leisure Limited.	India	99.29%	99.29%
Swanston Multiplex Cinemas Private Limited (SMCPL)	SMCPL was engaged in the business of operating a multiplex and has ceased its operations since July 2012.	India	100.00%	See note below
Inox Leisure Limited - Employees Welfare Trust	Manages the ESOP Scheme of Inox Leisure Limited	India	Controlled by Inox Leisure Limited	
Inox Benefit Trust	Holds treasury shares for the benefit of Inox Leisure Limited	India	Controlled by Inox Leisure Limited	

### d) Subsidiaries of Inox Wind Limited (IWL)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
Inox Wind Infrastructure Services Limited (IWISL)	Providing EPC, O&M, Common Infrastructure Facilities services for WTGs and development of wind farms	India	100.00%	100.00%



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### e) Subsidiaries of Inox Wind Infrastructure Services Limited (IWISL):

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
Marut Shakti Energy India Limited	These subsidiaries of IWISL are engaged in the business of providing wind farm development services and also provide EPC and Common Infrastructure Facilities services for WTGs.	India	100.00%	100.00%
Satviki Energy Private Limited (SEPL)		India	100.00%	100.00%
Sarayu Wind Power (Tallimadugula) Private Limited (SWPTPL)		India	100.00%	100.00%
Vinirrrmaa Energy Generation Private Limited (VEGPL)		India	100.00%	100.00%
Sarayu Wind Power (Kondapuram) Private Limited (SWPKL)		India	100.00%	100.00%
RBRK Investments Limited		India	100.00%	100.00%
Wind One Renergy Private Limited	These subsidiaries of IWISL are engaged in the business of generation of wind energy	India	100.00%	N.A.
Wind Three Renergy Private Limited		India	100.00%	N.A.
Vasuprada Renewables Private Limited		India	100.00%	N.A.
Suswind Power Private Limited		India	100.00%	N.A.
Ripudaman Urja Private Limited		India	100.00%	N.A.
Vibhav Energy Private Limited		India	100.00%	N.A.
Haroda Wind Energy Private Limited		India	100.00%	N.A.
Vigodi Wind Energy Private Limited		India	100.00%	N.A.
Aliento Wind Energy Private Limited		India	100.00%	N.A.
Tempest Wind Energy Private Limited		India	100.00%	N.A.
Flurry Wind Energy Private Limited		India	100.00%	N.A.
Vuelta Wind Energy Private Limited		India	100.00%	N.A.
Flutter Wind Energy Private Limited		India	100.00%	N.A.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### f) Subsidiary of Inox Renewables Limited (IRL)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31st March, 2018	31st March, 2017
Inox Renewables (Jaisalmer) Limited (IRJL)	Generation and sale of wind energy	India	100.00%	100.00%

### g) Change in the ownership interests

- a) In Inox Wind Limited  
To meet the minimum public shareholding requirements by the Company's subsidiary Inox Wind Limited ("IWL"), the 'Promoter/Promoter Group' have sold in aggregate 2,35,61,331 equity shares in IWL through an Offer for Sale (OFS) of shares through the stock exchange mechanism in March 2018. The OFS include sale of 1,35,61,331 equity shares in IWL by Gujarat Fluorochemicals Limited (GFL) as a promoter. The net gain of Rs. 3391.61 Lakhs on sale of these shares by GFL, after adjusting the carrying amount of non-controlling interest, is recognised directly in equity in the consolidated financial statements.
- b) Inox Leisure Limited 's ownership interest in SMCPL  
During the year, the Group has acquired the balance 50% of shares in SMCPL and consequently SMCPL has become a wholly owned subsidiary of the Group with effect from 5th March 2018.

### h) See Note 9(c) in respect of particulars of subsidiary companies which have become 'associate' on cessation of control during the year.

### i) Acquisitions by Inox Wind Infrastructure Services Limited :

During the year ended 31st March, 2017, RBRK Investments Limited has become a subsidiary w.e.f. 28th August, 2016 on acquisition of the entire share capital of RBRK Investments Limited by IWISL. Consequently, the financial results of RBRK Investments Limited were included in the CFS from 29th August, 2016 on the basis of the financial statements prepared and certified by RBRK Investments Limited's management for the period ended on 28th August, 2016.

The financial year of the above entities is 1st April to 31st March.

There are no restrictions on the Parent or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

### j) Joint Ventures of the Company

The Company has a Joint Venture interest of 25% in Swarnim Gujarat Fluorspar Private Limited, a company incorporated in India. As at 31st March, 2018 the Company has invested a sum of Rs.108.25 Lakh in the share capital of this Joint Venture. The Joint Venture Company is proposed to be engaged in the business of manufacture of Acid Grade Fluorspar and allied activities.

### k) Associate of Inox Infrastructure Limited (IWL):-

During the year, the Group has incorporated wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. Thereafter, the Group has entered into various binding agreements (including call & put option agreement and voting rights agreement) with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that the Group has ceased to exercise control over such companies. Therefore, the Group has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs.In Lakhs)

S. No.	Name of associate	Share of (Loss)/Profit – Current Year
1	Wind Two Renergy Private Limited	0.17
2	Wind Four Renergy Private Limited	0.17
3	Wind Five Renergy Private Limited	0.17
4	Nani Virani Wind Energy Private Limited	1.00
5	Ravapar Wind Energy Private Limited	1.00
6	Khatiyu Wind Energy Private Limited	1.00

### k) Associate of Inox Infrastructure Limited (IIL):-

IIL holds 50% of the total equity capital of Megnasolace City Private Limited (Megnasolace). Megnasolace is 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:-

S. No.	Particulars	2017-18	2016-17
1	Book value of Investment on acquisition	3200	3200
2	Share of Profit – Up to Previous Year	1.88	1.88
3	Share of (Loss)/Profit – Current Year	0	0
4	Carrying amount	3201.88	3201.88

### (C) Breakup of goodwill and capital reserve on consolidation:

Particulars	2017-2018	2016-2017
Goodwill on consolidation	2,488.86	2,488.86
Capital reserve on consolidation	-181.91	-180.96
Net goodwill on consolidation	2,306.95	2,307.90

Movement During the year	2017-2018	2016-2017
Opening balance	2,307.90	1,604.66
Add: On acquisition of subsidiaries	-0.95	744.12
Less: Goodwill on consolidation written off	—	-40.88
Closing balance	2,306.95	2,307.90

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

## (D) Additional information as required under Schedule III to the Companies Act, 2013

Name of the entity in the group	2017-18				2016-17			
	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Net assets, i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount
Parent - Inox Leasing and Finance Limited	2.69	16084.22	18.65	2718.44	2.53	14365.13	18.48	610.23
<b>Subsidiaries (Group's share)</b>								
<b>Indian Subsidiaries</b>								
Gujarat Fluorochemicals Limited	57.93	346103.67	343.08	50005.16	53.04	300573.24	264.74	8740.48
Inox Infrastructure Limited	0.96	5729.21	2.79	405.94	0.94	5323.26	(2.37)	(78.19)
Inox Wind Limited	30.40	181600.65	(163.19)	(23785.13)	38.24	216726.71	756.83	24986.77
Inox Wind Infrastructure Services Limited	(0.10)	(573.95)	(39.36)	(5736.23)	(2.10)	(11906.54)	(45.33)	(1496.59)
Marut Shakti Energy India Limited	(0.23)	(1369.97)	(2.13)	(310.16)	(0.18)	(1048.16)	(12.12)	(400.02)
Satviki Energy Private Limited	0.01	77.74	(0.01)	(1.08)	0.01	78.82	(0.04)	(1.45)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.01)	(80.63)	(0.13)	(19.39)	(0.01)	(61.25)	(0.16)	(5.20)
Vinirrrmaa Energy Generation Private Limited	(0.02)	(91.62)	(0.25)	(35.99)	(0.01)	(55.63)	(1.41)	(46.63)
Sarayu Wind Power (Kondapuram) Private Limited	(0.00)	(27.63)	(0.10)	(15.19)	(0.00)	(12.44)	(0.09)	(2.89)
RBRK Investments Limited	(0.08)	(454.38)	(3.44)	(501.94)	0.01	47.56	1.77	58.29
Wind One Renergy Private Limited	(0.00)	(0.25)	(0.01)	(1.25)				
Wind Three Renergy Private Limited	(0.00)	(0.25)	(0.01)	(1.25)				
Ripudaman Urja Private Limited	(0.00)	(0.17)	(0.01)	(1.17)				
Suswind Power Private Limited	(0.00)	(0.17)	(0.01)	(1.17)				
Vasuprada Renewables Private Limited	(0.00)	(0.18)	(0.01)	(1.18)				
Vibhav Energy Private Limited	0.00	0.03	(0.01)	(0.97)				
Haroda Wind Energy Private Limited	0.00	0.44	(0.00)	(0.56)				
Vigodi Wind Energy Private Limited	0.00	0.47	(0.00)	(0.53)				
Aliento Wind Energy Private Limited	0.00	0.58	(0.00)	(0.42)				
Tempest Wind Energy Private Limited	0.00	0.57	(0.00)	(0.43)				
Flurry Wind Energy Private Limited	0.00	0.57	(0.00)	(0.43)				
Vuelta Wind Energy Private Limited	0.00	0.57	(0.00)	(0.43)				
Flutter Wind Energy Private Limited	0.00	0.57	(0.00)	(0.43)				
Wind Two Renergy Private Limited	0.00	0.00	(0.01)	(0.83)				
Wind Four Renergy Private Limited	0.00	0.00	(0.01)	(0.83)				
Wind Five Renergy Private Limited	0.00	0.00	(0.01)	(0.83)				
Nani Virani Wind Energy Private Limited	0.00	0.00	0.00	0.00				
Ravapar Wind Energy Private Limited	0.00	0.00	0.00	0.00				
Khatiyu Wind Energy Private Limited	0.00	0.00	0.00	0.00				
Inox Renewables Limited	0.80	4802.87	0.80	116.92	0.80	4541.91	(372.13)	(12285.91)
Inox Renewables (Jaisalmer) Limited	2.33	13896.60	7.09	1033.74	2.27	12890.64	(5.25)	(173.40)
Inox Leisure Limited 12.17	72731.44	74.79	10901.62	10.91	61837.81	82.45	2722.24	
Inox Leisure Limited Employees welfare trust	0.00	13.82	0.00	0.50			0.00	
INOX Benefit Trust 0.00	0.91	(0.00)	(0.09)			0.00		
Shouri Properties Private Limited	0.01	77.25	0.02	2.56	0.01	74.64	0.15	5.09
Swanston Multiplex Cinemas Private Limited	0.00	4.59	(0.00)	(0.19)	0.00		0.00	
<b>Foreign Subsidiaries</b>								
GFL GmbH	0.16	965.60	3.83	558.79	0.05	296.34	1.68	55.40
GFL LLC USA	0.25	1507.27	3.43	499.27	0.18	995.54	2.06	68.01
GFL Singapore	0.99	5933.01	0.34	49.79	0.43	2437.15	0.52	17.03
GFL GM Morocco	(0.05)	(298.80)	(1.49)	(216.77)	(0.01)	(72.75)	(8.36)	(275.97)
							0.00	





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

Name of the entity in the group	2017-18				2016-17			
	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Net assets, i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount
Minority Interest in all subsidiaries	19.07	113903.45	(68.27)	(9950.79)	18.93	107298.13	(274.82)	(9073.27)
<b>Indian Associates</b>								
Megnasolace City Private Limited	0.54	3201.88	0.00	0.00	0.57	3201.88	0.00	
Wind Two Renergy Private Limited	(0.00)	(1.00)	(0.00)	(0.17)				
Wind Four Renergy Private Limited	(0.00)	(1.00)	(0.00)	(0.17)				
Wind Five Renergy Private Limited	(0.00)	(1.00)	(0.00)	(0.17)				
Nani Virani Wind Energy Private Limited	(0.00)	(0.35)	(0.00)	(0.35)				
Ravapar Wind Energy Private Limited	(0.00)	(0.35)	(0.00)	(0.35)				
Khatiyu Wind Energy Private Limited	(0.00)	(0.35)	(0.00)	(0.35)				
<b>Joint Ventures (Investments as per equity method)</b>								
Indian Joint Venture								
Swarnim Gujarat Flourspar Private Limited	0.02	90.52	(0.02)	(2.66)	0.02	93.18	(0.07)	(2.36)
Swanston Multiplex Cinemas Private Limited	0.00	2.39	(0.02)	(3.43)	0.00	5.82	0.35	11.65
Foreign Joint Venture								
XuanchengHengyuan Chemical Technology Co. Ltd	0.00	0.00	0.00	0.00	0.00	0.00	(3.40)	(112.11)
Intercompany eliminations			0.00		0.00	0.00	0.00	
Consolidation eliminations / adjustments	(27.86)	(166414.59)	(76.32)	(11123.99)	(26.63)	(150936.45)	(303.49)	(10019.70)
<b>Total</b>	<b>100.00</b>	<b>597414.25</b>	<b>100.00</b>	<b>14575.44</b>	<b>100.00</b>	<b>566694.55</b>	<b>100.00</b>	<b>3301.49</b>

### 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 Associates in Consolidated Financial Statements' and Accounting Standard (AS) 27 'Financial Reporting of Interest in Joint Ventures' specified under section 133 of the Companies Act, 2013, read with Rule 3 of The Companies (Accounting Standard) Amendment Rules, 2016.

Figures of the previous year have been regrouped or reclassified, wherever necessary, to confirm to the classification for the current year.

The CFS are 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 (AS) 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

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 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.

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.

- vi. 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. The losses applicable to the minority, to the extent they exceed the minority interest in the equity of the subsidiary, are adjusted against the majority interest, until the minority's share of losses so absorbed by the majority has been recovered.

### 3. Significant accounting Policies

#### a) Revenue recognition

**Chemicals business:** Revenue from sale is 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 sales include excise duty but are exclusive of sales tax. Income from sale of Renewable Energy Certificate (REC) is recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer.

**Power business:** 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 and when no significant uncertainty exists regarding the amount of consideration that will be derived.

**Wind Business:** Revenue from sale of products is recognized when the significant risks and rewards of ownership of goods have passed on to the customers in terms of the respective contracts for supply. Sales are net of sales return/cancellation and discounts. Revenue from Erection, Procurement and Commissioning contracts is recognized on completion of services, in terms of the contract. Revenue from Operations & Maintenance and Common Infrastructure Facilities services contracts is recognized pro-rata over the period of the contract, as per the terms of the contract. In respect of project development charges, the revenue from development of Wind Farm is recognized when the wind farm sites are transferred to the customers in terms of the respective contracts. Income on sale of electricity generated is recognized on the basis of actual units generated and transmitted to the purchaser. Revenue is net of taxes.

**Theatrical Exhibition business:** Revenue from Box Office is recognized as and when the movie is exhibited. Revenue from Sale of Food & Beverages is accounted at the point of sale. These revenues are 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.

**Other income:** Interest on deposits, loans and interest bearing securities 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. Insurance claims are recognised to the extent there is a reasonable certainty of the realisability of the claim amount.

#### b) Fixed assets and Intangible assets

Fixed assets and intangible assets, other than revalued assets, are stated at historical cost, less accumulated depreciation/amortisation and impairment, except freehold land which is carried at cost. Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization. Revalued assets are stated at revalued amounts less accumulated depreciation. The cost of leasehold land comprises of lease premium and expenses on acquisition thereof as reduced by accumulated depreciation. Cost comprises of purchase price / cost of construction, including non-refundable taxes and levies, and any expenses attributable to bring the assets to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period of multiplexes are capitalized to various eligible assets in respective multiplexes. 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 insertion of para 46 of AS 11, 'The Effects of Changes in Foreign Exchange Rates', the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items.

#### c) Depreciation and amortization

- i) On tangible fixed 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 at the rates and in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on leasehold improvements, electrical installations & air

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018**

conditioners in leased premises, is provided over the period of useful life on the basis of the respective agreements or the useful life as per Schedule II part C of the Companies Act, 2013, whichever is shorter.

- ii) On intangible fixed assets: Cost of technical know-how is amortized equally over a period of ten years. Cost of product development is amortised equally over a period of five years. Cost of software is amortized over a period of three years in case of operating software and six years in case of other software. Cost of goodwill and movie script acquired and cost of web-site developed is amortized over a period of five years.

In respect of foreign subsidiaries:

Depreciation on all fixed assets (except land) is provided under Straight Line Method. The useful lives prescribed in Schedule II of the Companies Act, 2013 are considered as the minimum lives. 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. The value of mining exploitation permit/licence is amortised over the period of the permit/licence on a straight line basis.

**d) 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.

**e) 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 amortization. Building is carried at cost of acquisition, less accumulated depreciation. Cost of leasehold land is amortized over the period of lease. Depreciation on building is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013.

**f) Inventories**

Inventories and project development work-in-progress are valued at lower of cost and net realisable value. Cost is determined using Weighted Average 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.

**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. Group's contributions towards Defined Contribution Plans viz. Government administered provident and pension schemes, paid / payable during the year are charged to the Statement of Profit and Loss. Defined Benefits Plans in the form of Gratuity and Leave Benefits 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 recognised as expenses in 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. Deferred tax in respect of losses is recognized as an asset if

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. 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 'The Effects of Changes in Foreign Exchange Rates', 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 29th December 2011, amended AS 11, 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 1st April 2011. As stipulated in the Notification, the Group has exercised the option to adopt the following policy irrevocably for accounting periods commencing from 1st 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) Accounting for hedges and derivatives

The Group uses various forms of derivative instruments such as options and interest rate swaps to hedge its exposure on account of movements in foreign exchange and interest rates. The Group does not use derivative financial instruments for speculative purposes. The derivatives are entered only where the counterparty is a bank.

In terms of the Notification by the Institute of Chartered Accountants of India on status of Accounting Standard (AS) 30 'Financial Instruments: Recognitions and Measurement', the Group has adopted the rules for hedge accounting specified in Accounting Standard (AS) 30. Accordingly, derivatives such as option contracts and interest rate swaps to hedge highly probable forecasted transactions which are outside the scope of Accounting Standard (AS) 11 'The Effects of Changes in Foreign Exchange Rates' are designated as a hedging instrument in a permitted hedging relationship if the conditions for hedge accounting are met including high hedge effectiveness at the inception and throughout the period of the hedge.

Derivatives covered by AS 11, or those that do not qualify for hedge accounting, or those not designated as an effective hedge in a permitted hedging relationship continue to be accounted for using the principle of prudence under Accounting Standard (AS) 1 'Disclosure of Accounting Policies', and the mark-to-market losses if any are recognized fully in the Statement of Profit and Loss at each reporting date, and the mark-to-market gains, if any, are ignored.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in 'Hedging Reserve Account'. The gain or loss relating to the ineffective portion is recognized immediately in Statement of Profit and Loss. Amounts previously recognized in 'Hedging Reserve Account' are reclassified to Statement of Profit and Loss in the same periods when the hedged item affects profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that had been deferred in equity will be recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. The hedged item is recorded at fair value and any gain or loss is recorded in the Statement of Profit and Loss and is offset by the gain or loss from the change in the fair value of the derivative.

Hedge accounting is discontinued on a prospective basis when the hedge no longer meets the hedge accounting criteria, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting, or when the hedging relationship is revoked.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### **l) Leases**

#### **(i) 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.

#### **(ii) 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.

### **m) Government grants**

Government grants are recognised when the Company has complied with the conditions attached to them and there is reasonable assurance that the grants will be received. The grants in the nature of promoters' contribution are credited to capital reserve. In respect of grants related to revenue, the relevant expenditure is net of such grants.

### **n) Preliminary expenses**

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

### **o) Treasury shares**

Pursuant to the Scheme of Amalgamation of Fame India Ltd ('Fame') and its subsidiaries with Inox Leisure Limited ('ILL')(see note no. \*\*\*), equity shares of ILL have been issued to Inox Benefit Trust ('the Trust') against the equity shares of Fame held by ILL. These shares are recognised as Interest in Inox Benefit Trust at the amount of consideration paid by ILL to acquire the shares of erstwhile Fame. These shares of ILL held by Inox Benefit Trust are akin to Treasury Shares and are presented as a deduction from Shareholders' Funds. Difference between the cost and the amount received at the time of sale of shares by the Trust, is recorded separately as 'Reserve on Sale of Treasury Shares' under 'Reserves and surplus'.

### **p) 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.

### **q) 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 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, 2018

(Rs. in Lakhs)

### 4 SHARE CAPITAL

#### Authorised capital

11,000,000 Equity Shares of Rs.10/- each  
1,500,000 Redeemable Cumulative Preference Shares of Rs.100/- each

#### Total

### 4.1 Issued, Subscribed and fully paid up capital

99,93,467 Equity Shares of Rs.10/- each

#### Total

As at 31st March, 2018	As at 31st March, 2017
<b>1,100.00</b>	1,100.00
<b>1,500.00</b>	1,500.00
<b>2,600.00</b>	2,600.00
<b>999.35</b>	999.35
<b>999.35</b>	999.35

### 4.2 Reconciliation of the equity shares outstanding at the beginning and at the end of the year

At the beginning of the year  
Add: Shares issued during the year  
Less: Shares bought back during the year  
At the end of the year

2017-18		2016-17	
Nos	Amount	Nos	Amount
9993467	99934670	9993467	99934670
—	—	—	—
—	—	—	—
<b>9993467</b>	<b>99934670</b>	<b>9993467</b>	<b>99934670</b>

### 4.3 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rupees 10 per share.

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 an interim dividend of Rs. 10/- per equity share (previous year Rs. NIL per equity share). Final dividend proposed to be paid is NIL per equity share (previous year Rs. NIL per equity share). The total distribution of dividend to the equity shareholders for the year is Rs. 10/- per equity share (previous year Rs. NIL per equity share).

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

Mr. Pavan Kumar Jain  
Mr. Vivek Kumar Jain  
Mr. Devansh Jain  
Mrs. Nayantara Jain  
Mrs. Nandita Jain  
Mr. Siddharth Jain

As at 31st March, 2018		As at 31st March, 2017	
Number	% holding	Number	% holding
<b>1132219</b>	<b>11.33</b>	1132219	11.33
<b>1321791</b>	<b>13.23</b>	1321791	13.23
<b>2303218</b>	<b>23.05</b>	2303218	23.05
<b>1080032</b>	<b>10.81</b>	1080032	10.81
<b>1031644</b>	<b>10.32</b>	1031644	10.32
<b>2342586</b>	<b>23.44</b>	2342586	23.44



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>5 Reserves and surplus</b>		
Capital Reserves		
As per last Balance Sheet	6765.25	6653.58
Addition during the year	—	111.67
	<b>6765.25</b>	<b>6765.25</b>
Reconstruction Reserve		
As per last Balance Sheet	639.52	639.52
Debenture Redemption Reserve		
As per last Balance Sheet	1135.55	—
Transfer from Retained Earning	(110.00)	1135.55
	<b>1025.55</b>	<b>1135.55</b>
Capital Redemption Reserve		
As per last Balance Sheet	1521.80	1521.80
Securities Premium Account		
As per last Balance Sheet	24577.85	24576.67
On account of change in Minority Interest	(2073.66)	1.18
	<b>22504.19</b>	<b>24577.85</b>
Revaluation Reserve		
As per last Balance Sheet	—	2913.04
Less: Transfer to fixed assets	—	(2913.04)
	<b>—</b>	<b>—</b>
Employees stock options outstanding amount		
As per last Balance Sheet	1.40	—
Movements during the year	47.64	1.40
Share options outstanding account	<b>49.04</b>	<b>1.40</b>
Amalgamation Reserve		
As per last Balance Sheet	75.76	75.76
Statutory Reserve Fund		
As per last Balance Sheet	5806.00	5681.00
Transfer from the Statement of Profit and Loss	550.00	125.00
	<b>6356.00</b>	<b>5806.00</b>
Consolidation Reserve		
As per last Balance Sheet	24555.76	24555.76
General Reserve		
As per last Balance Sheet	156671.04	154994.84
Transfer from the Statement of Profit and Loss	10708.00	1676.20
	<b>167379.04</b>	<b>156671.04</b>
<b>Other Reserves</b>		
Hedging Reserve		
As per last Balance Sheet	(76.00)	(694.59)
Movements during the year	186.92	618.59
	<b>110.92</b>	<b>(76.00)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Foreign currency translation reserve		
As per last Balance Sheet	253.56	869.06
On account of disposal of joint venture	—	(566.74)
Movements during the year	85.19	(48.76)
	<b>338.75</b>	<b>253.56</b>
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	21281.34	20368.40
Profit for the year	14509.05	3301.49
On account of disposal of joint venture	—	550.34
On account of change in Minority Interest	3948.71	(2.08)
	<b>39739.10</b>	<b>24218.15</b>
Less : Appropriations		
General Reserve	(10708.00)	(1676.20)
Statutory Reserve	(550.00)	(125.00)
Debenture Redemption Reserve	110.00	(1135.55)
Interim Dividend	(999.35)	—
Final Dividend paid (including DDT)	(2607.41)	—
	<b>24984.35</b>	<b>21281.40</b>
<b>Sub-total</b>	<b>256305.93</b>	<b>243208.90</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>256305.93</b>	<b>243208.90</b>
<b>6 Long-term borrowings</b>		
Term Loans		
Secured Loans		
(a) Debentures	24415.26	19500.00
– Non convertible redeemable debentures		
(b) Term Loans		
From Banks		
– Rupee Loans	39677.82	30457.90
– Foreign Currency Loans	28429.02	70271.65
<b>Sub Total</b>	<b>92522.10</b>	<b>120229.55</b>
From Other Parties		
– Rupee Loans	153.51	24861.47
(c) Finance lease obligations		
Obligations under finance leases	88.68	—
	<b>92764.29</b>	<b>145091.02</b>
<b>Total</b>		
Less: Current maturities of Long-term borrowings (disclosed under note no. 11: Other current liabilities)	(33204.66)	(30763.15)
For nature of securities and terms of repayment please refer to note no. 35		
Less: Current maturities of finance leases	(18.03)	—
	<b>59541.60</b>	<b>114327.87</b>





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>7 Other long-term liabilities</b>		
Security deposits	329.21	353.83
Retention money	166.30	193.98
Income received in advance	4700.33	10158.06
Statutory dues and taxes payable	—	1.42
For leasehold land	—	25.44
<b>Total</b>	<b>5195.84</b>	<b>10732.73</b>
<b>8 Long-term provisions</b>		
Provision for employee benefits (see note no. 42 )		
– for Gratuity	2605.01	2261.99
– for Leave benefits	1129.90	1079.59
<b>Total</b>	<b>3734.91</b>	<b>3341.58</b>
<b>9 Short-term borrowings</b>		
<b>9.1 (i) Secured Loans</b>		
From Banks		
– Cash Credit/Overdraft	38475.69	32202.77
– Short Term Working Capital Demand Loans	7512.49	8100.00
– Rupee Loans	3196.66	62788.17
– Foreign Currency Loans	—	1429.50
From Other Parties	3500.00	1680.82
	<b>52684.84</b>	<b>106201.26</b>
<b>9.2 (ii) Unsecured Loans</b>		
From Banks		
– Rupee Loan	1500.00	11500.00
– Foreign Currency Loans	28767.50	18050.61
– Commercial papers	14429.39	2495.39
<b>Sub Total</b>	<b>44696.89</b>	<b>32046.00</b>
From Other Parties		
– Commercial papers	9899.86	49587.87
<b>Sub Total</b>	<b>107281.59</b>	<b>187835.13</b>
Group Share in Joint Ventures	—	—
<b>Total</b>	<b>107281.59</b>	<b>187835.13</b>
<b>9.3 For nature of securities and terms of repayment please refer to note no. 35</b>		
<b>10 Trade payables</b>		
– dues to Micro and Small Enterprises (see note no. 48 )	256.63	386.94
– dues to others	83899.99	110107.90
	<b>84156.62</b>	<b>110494.84</b>
<b>Group Share in Joint Ventures</b>	<b>3.84</b>	<b>14.36</b>
	<b>84160.46</b>	<b>110509.20</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>11 Other current liabilities</b>		
Current maturities of long-term debt (from note no. 6)	33204.66	30763.15
Current maturities of finance lease	18.03	—
Interest accrued but not due on borrowings	1920.62	1714.71
Interest accrued and due on borrowings	4.48	838.89
Creditors for capital expenditure	15871.20	11319.96
Derivative financial liabilities	528.83	933.75
Security deposits	691.54	688.82
Income received in advance	2644.60	2363.33
Advances from customers	18497.77	2900.99
Unclaimed dividends (see note below)	288.87	295.17
Retention money	469.32	318.01
UI charges payable	—	509.98
Statutory dues and taxes payable	7657.18	6952.03
Payable towards purchase of shares of subsidiaries	1320.24	1300.56
Dues to employees	6184.31	2826.66
Expense payables	2209.43	3558.16
Other Payables	8659.11	2881.48
	<b>100170.19</b>	<b>70165.65</b>
<b>Group Share in Joint Ventures</b>	<b>0.15</b>	<b>0.24</b>
<b>Total</b>	<b>100170.34</b>	<b>70165.89</b>
Note: 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.		
<b>12 Short-term provisions</b>		
(a) Provision for employee benefits (see note no. 42)		
– for Gratuity	303.05	420.30
– for Leave benefits	947.09	843.64
	<b>1250.14</b>	<b>1263.94</b>
(b) Other provisions		
– for Municipal tax - (see note no 40a)	115.95	185.61
– for Service tax - (see note no 40d)	1035.02	1042.44
– for MVAT / sales tax- (see note no 40c)	149.80	62.62
– for taxation (net of taxes paid)	265.70	1715.76
	<b>2816.61</b>	<b>4270.37</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>2816.61</b>	<b>4270.37</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018



## 13 TANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	Gross Block								Depreciation/Amortization								Net Block	
	As at 01-04-2017	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	As at 31-03-2018	As at 01-04-2017	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Adjustment	For the year	Deductions	As at 31-03-2018	As at 31-03-2017
( a ) Tangible Assets																		
Land																		
- Freehold Land	4247.77	0.00	0.49	0.00	146.10	0.00	0.00	0.00	4394.36	0.00	0.00		0.00		0.00	0.00	4394.36	4247.77
- Leasehold Land	8755.21	0.00	0.00	0.00	1446.12	0.00	0.00	0.00	10201.33	714.63	0.00		0.00	0.00	170.12	0.00	884.75	8040.58
Buildings	63005.00	0.00	3.70	0.00	2427.07	7.48	0.00	0.00	65428.29	10933.12	0.00	0.27	0.00	0.00	2238.82	16.29	13155.92	52071.87
Lease hold improvements	34065.65	0.00	0.23	0.00	5830.30	1130.48	0.00	22.84	38788.54	15218.10	0.00	0.04	0.00	0.00	2118.66	341.33	16995.47	18847.54
Plant and Equipments	353088.99	0.00	3.54	0.00	48207.32	1734.44	0.00	139.00	399704.40	102653.82	0.00	1.42	0.00	0.00	20522.51	1060.43	122117.32	250435.16
Furniture and Fixtures	14730.39	0.00	3.91	0.00	2972.95	325.53	0.00	7.91	17389.63	8295.20	0.00	0.69	0.00	0.00	1557.54	250.89	9602.53	6435.19
Vehicles	1192.10	0.00	0.00	0.00	31.10	22.63	0.00	0.00	1200.58	557.74	0.00	0.00	0.00	0.00	145.72	18.22	685.23	634.37
Office Equipment	11561.02	0.00	2.45	0.00	1476.05	145.29	0.00	0.00	12894.23	7203.69	0.00	0.65	0.00	0.00	1345.72	109.73	8440.33	4357.34
<b>Total ( a )</b>	<b>490646.13</b>	<b>0.00</b>	<b>14.32</b>	<b>0.00</b>	<b>62537.01</b>	<b>3365.85</b>	<b>0.00</b>	<b>169.75</b>	<b>550001.36</b>	<b>145576.30</b>	<b>0.00</b>	<b>3.07</b>	<b>0.00</b>	<b>0.00</b>	<b>28099.08</b>	<b>1796.89</b>	<b>171881.56</b>	<b>345069.85</b>
( b ) Share in Joint Venture *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total ( a + b )</b>	<b>490646.13</b>	<b>0.00</b>	<b>14.32</b>	<b>0.00</b>	<b>62537.01</b>	<b>3365.85</b>	<b>0.00</b>	<b>169.75</b>	<b>550001.36</b>	<b>145576.30</b>	<b>0.00</b>	<b>3.07</b>	<b>0.00</b>	<b>0.00</b>	<b>28099.08</b>	<b>1796.89</b>	<b>171881.56</b>	<b>345069.85</b>
Previous year	605328.06	8594.14	-39.40	8.03	57929.47	161950.82	-204.62	19.70	492496.28	147982.79	5162.36	-13.86	1.43	88.46	31092.16	26562.19	147426.43	345069.85

Note:

- Buildings includes Offices given on operating lease.
- Free hold land includes share of undivided plot of land in respect of one of its multiplexes.
- Building includes Rs. 4681.02 lacs in respect of building at Nariman Point, Deed of Apartment of which is to be executed.
- For adjustment during the year in accumulated depreciation - see note no. 35(a)
- Addition on account of acquisitions is in respect of subsidiary acquired during the year by Inox Leisure Limited as on 8th August, 2014 viz. the date on which parent-subsidiary relationship came in existence - refer note 1(B)(i)(a)

## 14 INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	Gross Block								Depreciation/Amortization							Net Block	
Particulars	As at 01-04-2016	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	As at 31-03-2017	As at 01-04-2016	Translation Difference	Acquisition (see note below)	Adjustment	For the year	Deductions	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
( b ) Intangible Assets																	
Technical Know How	11875.72	0.00	0.00	486.65	0.00	0.00	0.00	12362.37	5195.74	0.00	0.00	0.00	1169.61	0.00	6365.35	5997.02	6679.98
Software	2888.06	0.06	0.00	284.88	7.14	0.00	0.00	3165.87	1528.37	0.03	0.00	0.00	378.69	6.54	1900.55	1265.32	1359.70
Mining Rights	950.25	115.71	0.00	0.00	0.00	0.00	0.00	1065.96	138.57	36.16	0.00	0.00	81.02	0.00	255.75	810.21	811.68
Product Development	734.19	0.00	0.00	0.00	0.00	0.00	0.00	734.19	359.18	0.00	0.00	0.00	146.84	0.00	506.02	228.18	375.01
Goodwill	1750.00	0.00	0.00	0.00	0.00	0.00	0.00	1750.00	218.31	0.00	0.00	0.00	350.00	0.00	568.31	1181.69	1531.69
Website	47.70	0.00	0.00	0.00	0.00	0.00	0.00	47.70	20.78	0.00	0.00	0.00	9.54	0.00	30.32	17.38	26.92
Movie Production	155.50	0.00	0.00	0.00	0.00	0.00	0.00	155.50	155.50	0.00	0.00	0.00	0.00	0.00	155.50	0.00	0.00
Total ( b )	18401.43	115.77	0.00	771.53	7.14	0.00	0.00	19281.59	7616.45	36.19	0.00	0.00	2135.70	6.54	9781.80	9499.78	10784.97
( b ) Share in Joint Venture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total ( a + b )	18401.43	115.77	0.00	771.53	7.14	0.00	0.00	19281.59	7616.45	36.19	0.00	0.00	2135.70	6.54	9781.80	9499.78	10784.97
Previous year	18764.74	-73.95	0.00	515.22	572.05	0.00	0.00	18633.96	6265.83	-18.56	0.00	0.00	1911.11	309.39	7848.99	10784.97	

Notes:

- For adjustment during the year in accumulated depreciation - see note no. 35(a)
- Addition on account of acquisitions is in respect of subsidiary acquired during the year by Inox Leisure Limited as on 8th August, 2014 viz. the date on which parent-subsidiary relationship came in existence - refer note 1(B)(i)(a)





## INOX LEASING AND FINANCE LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

	Face Value Rs.	Nos. As at 31st March, 2018	Nos. As at 31st March, 2017	As at 31st March, 2018 Amount (Rs. in Lacs)	As at 31st March, 2017 Amount (Rs. in Lacs)
Orient Fabritex Limited	10	140,000	140,000	14.00	14.00
BOC India Limited	10	200	200	0.21	0.21
Ahmedabad Gases Limited	10	200	200	0.02	0.02
Bombay Oxygen Corpn. Limited	10	5	5	0.06	0.06
		100			
Less: Provision for diminution in value of Investment				66.05	66.05
Total Quoted Investment				60.99	60.99
<b>Investment in Mutual Funds</b>				5.06	5.06
Franklin India Fixed Maturity Plans - Series 1- Plan B - Direct Growth	10	5000000	0	500.00	0.00
Kotak FMP Series 204-Direct-Growth	10	10000000	0	1000.00	0.00
Reliance Fixed Horizon Fund - XXXIV Series 2 - Direct Growth Plan	10	10000000	0	1000.00	0.00
Reliance Fixed Horizon Fund - XXXIV Series 3 - Direct Growth Plan	10	5000000	0	500.00	0.00
Reliance Fixed Horizon Fund - XXXIV Series 7 - Direct Growth Plan	10	15000000	0	1500.00	0.00
DHFL Pramerica Fixed Duration Fund - Series AH - Direct Plan - Growth	1000	10000000	0	1000.00	0.00
SBI Blue Chip Fund - Regular Plan - Growth	10	3692780	3233654	1400.00	1000.00
Kotak Select Focus Fund - Grwoth (Regular Plan)	10	4634850	3840840	1500.00	1000.00
Principal Emerging Blue Chip Fund - Regular Plan - Growth	10	1327857	1245816	1400.00	1000.00
L&T India Value Fund - Growth	10	1246296	3483438	400.00	1000.00
Aditya Birla Sun Life India Reforms Fund - Growth - Regular Plan	10	2828815	6444864	500.00	1000.00
Franklin Build India Fund - Growth	10	3891078	3102618	1300.00	1000.00
Franklin India Smaller Companies Fund - Growth	10	411175	2109794	200.00	1000.00
Mirae Asset Emerging Blue Chip Fund - Regular Plan - Growth	10	0	2538693	0.00	1000.00
Reliance Top 200 Fund - Growth Plan Growth Option	10	2896402	0	1000.00	0.00
Reliance Vision Fund-Growth Plan-Growth option	10	80083	0	500.00	0.00
Tata Equity P/E Fund Regular Plan-Growth	10	697682	0	1000.00	0.00
Kotak Infrastructure & Economic Reform Fund Standard Growth (Regular Plan)	10	4289636	0	1000.00	0.00
L&T Infrastructure Fund-Growth	10	5260389	0	1000.00	0.00
L&T Midcap Fund-Growth	10	331301	0	500.00	0.00
HDFC FMP 1430 Days July 2017(1)-Direct-Growth Series 38	10	10000000	0	1000.00	0.00
Kotak Series 210-Direct-Growth	10	6500000	0	650.00	0.00
Reliance Fixed Horizon Fund-XXXI-Sr.9-Direct Growth	10	2500000	2500000	250.00	250.00
UTI FTIF Series XVII-XIII (369D)-Growth	10	0	2181540	0.00	218.15
DSP BR FMP Series 217-40M-Grwoth	10	2000000		200.00	0.00
DSP BR FMP Series 224-39M-Grwoth	10	2094870		209.49	0.00
Franklin India FMP Series 1- Plan B-Growth	10	1000000		100.00	0.00
Franklin India FMP Series 2- Plan B-Growth	10	2000000		200.00	0.00
Franklin India FMP Series 3- Plan C-Growth	10	2906560		290.66	0.00
Franklin India FMP Series 2- Plan A-Growth	10	2000000		200.00	0.00
UTI FTIF Series XXVIII-IV-Growth	10	2000000		200.00	0.00
Total Quoted Investments				20500.15	8468.15
Total Investments				20505.21	8473.21
Aggregate amount of quoted investments				48398.12	40811.73
Market value of quoted investments				20566.20	8534.20
Aggregate amount of unquoted investments				20501.32	8469.23
Aggregate provision for diminution in value of investments				28003.66	32449.27
				171.74	171.74

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

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 01.04.17	Additions	As at 31.03.18	As at 01.04.16	For the year	As at 31.03.18	As at 31.03.18	As at 31.03.17
Leasehold Land	373.43	—	373.43	2.29	0.37	2.66	370.77	371.15
Building	858.60	—	858.60	171.49	30.63	202.12	656.48	687.11
Total	1232.03	—	1232.03	173.78	31.00	204.78	1027.25	1058.26
Previous Year	1232.03	—	1232.03	141.21	32.55	173.77		

#### Total Non Current Investments (I+II)

49425.37 41869.99

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>16 Long-term loans and advances</b> (Unsecured, considered good, unless otherwise stated)		
Capital advances		
- Considered good	9243.07	9783.96
- Considered doubtful	423.83	—
	<b>9,666.90</b>	9783.96
Less: Provision for doubtful deposits	423.83	—
	<b>9243.07</b>	9783.96
Security deposits		
- Considered good	16948.36	17480.29
- Considered doubtful	205.47	91.51
	<b>17153.83</b>	17571.80
Less: Provision for doubtful deposits	205.47	91.51
	<b>16948.36</b>	17480.29
Advances recoverable in cash or in kind		
- Considered good	3414.71	2154.93
- Considered Doubtful	58.64	58.64
	<b>3473.35</b>	2213.57
Less: Provision for doubtful advances	58.64	58.64
	<b>3414.71</b>	2154.93
Inter corporate deposits	—	150.00
Prepaid expenses	1152.56	128.98
Loans to employees	0.87	1.60
Electricity charges refund claimed	389.83	389.83
Balances in Excise, Service Tax and VAT Accounts	1835.02	519.98
Entertainment tax refund claimed	2633.97	3701.70
Service tax - disputed amount paid	22.07	—
Income tax paid (net of provisions)	12979.64	10220.98
MAT credit entitlement	27278.37	26083.36
	<b>75898.47</b>	70615.61
<b>Group Share in Joint Ventures</b>	<b>0.20</b>	0.19
<b>Total</b>	<b>75898.67</b>	70615.80
<b>17 Other non-current assets</b>		
Non-current bank balances (from note no. 21)	633.11	985.79
Derivative financial assets	74.04	—
Amount recoverable towards claim		
Considered good	147.97	914.16
Considered doubtful	854.16	—
	<b>1002.13</b>	914.16
Less: Provision for doubtful claims	(854.16)	—
	<b>147.97</b>	914.16
Interest accrued	—	—
- on investments	40.69	28.98
- on bank fixed deposits	27.98	72.07
	<b>923.79</b>	2001.00



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

	Face Value Rs.	Nos. As at 31st March, 2018	Nos. As at 31st March, 2017	As at 31st March, 2018 Amount (Rs. in Lacs)	As at 31st March, 2017 Amount (Rs. in Lacs)
<b>18 CURRENT INVESTMENTS</b> (Non-trade, at cost, unless otherwise stated)					
<b>A] CURRENT PORTION OF LONG TERM INVESTMENTS</b>					
<b>i) Investment in Mutual Funds</b>					
Investment in Venture Capital Fund Kshitij Venture Capital Fund	216	250000	250000	811.75	843.75
<b>ii) Investment in Government or Trust Securities</b>				811.75	843.75
National Saving Certificate (Held in the name of Directors & pledged with Government Authorities)				30.60	25.00
<b>B] CURRENT INVESTMENT</b>					
<b>i) Investment in Mutual Funds - Quoted</b>					
Religare Invesco FMP Series 23-Plan L (370 Days)- Regular Plan Growth	10	10000000	10000000	1000.00	1000.00
HDFC FMP 370 Days June 2014(2) Series 31 Regular - Growth	10	10000000	10000000	1000.00	1000.00
SBI Debt Fund Series A35-369Days -Direct - Growth	10	10000000	10000000	1000.00	1000.00
Reliance Fixed Horizon Fund-XXVI Series 33 - Direct Plan -Growth Plan	10	10000000	10000000	1000.00	1000.00
HDFC FMP 371 Days June 2014(2)Series.31-Growth	10	6250000	6250000	1000.00	625.00
ICICI Prudential FMP Series 74-369 Days K Regular Growth	10	—	10000000	0.00	1000.00
<b>ii) Investment in Mutual Funds - Unquoted</b>					
HDFC Liquid Fund-Direct Plan-Growth	10	—	1217	0.00	34.80
ICICI Prudential liquid Fund-Direct Plan-Growth	10	122536	—	301.84	0.00
Aditya Birla Sun Life Cash Plus-Growth-Regular Plan	100	416840	—	1150.00	0.00
ICICI Prudential Liquid Plan-Growth	100	—	417237	0.00	993.43
ICICI Prudential Liquid Plan-Growth-Regular Plan	100	12518	12518	30.00	30.00
IDBI mutual Fund-Regular Growth option	10	50000	—	5.00	0.00
DSP BlackRock Income Opportunities -Direct Plant- Growth	10	—	8399458	0.00	2107.10
Birla Sunlife FTP Series HS-Growth	10	—	1211029	0.00	121.10
Birla Sunlife Dynamic Bond Fund-Growth	10	—	667816	0.00	202.11
DSP BR Short Term Fund -Growth	10	1014223	1014223	240.60	240.60
DSP BR Income Oppurtunities Fund-Growth	10	894077	1447860	250.00	274.59
Franklin Templeton India Short Term Income Plan- Growth	1000	25216	28142	670.59	741.40
Aditya BSL Cash Manager Fund-Growth	10	69962	—	283.02	0.00
ICICI Prudential Flexible Income Plan-Growth	10	31537	—	102.02	0.00
UTI Treasury Advantage Fund-Growth	10	22575	—	526.83	0.00
DSP BR Arbitrage Fund-Growth	10	600382	—	60.04	0.00
Aditya BSL Corporate Bond Fund-Growth	10	3344267	—	420.36	0.00
ICICI Prudential Ultra Short Term Plan-Growth	10	182187	—	31.64	0.00
Franklin India G SecFund-Growth	10	—	614630	0.00	250.00
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	—	2768899	0.00	327.09
ICICI PRU Regular Savings Fund Growth	10	3363923	1437224	557.91	210.00
TATA Short Term Bond Fund-Growth	10	734846	734846	200.00	200.00
UTI Short Term Income Fund Growth	10	3848355	1431343	739.48	239.48
UTI Dynamic Bond Fund Growth	10	—	1559852	0.00	300.00
<b>Group Share in Joint Venture</b>				10569.33	29413.79
				0.00	0.00
<b>Total current investments</b>				11411.68	30282.54
<b>Aggregate amount of unquoted current investments</b>				10569.33	29413.79

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>19 Inventories</b>		
(For basis of valuation see note no. 3(f))		
Raw materials	69080.25	31670.73
Work-in-progress	26499.21	29188.99
Finished goods	14824.31	22232.22
Stock-in-trade	10.22	203.78
Stores and spares	7884.17	6871.99
Others		
- Fuel	1797.24	654.87
- Packing Material	641.74	280.95
- By products	151.95	157.13
- Food and Beverages	619.09	523.90
- Construction Materials	9883.66	11525.08
	<b>13093.68</b>	<b>13141.93</b>
<b>Sub-total</b>	<b>131391.84</b>	<b>103309.64</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>131391.84</b>	<b>103309.64</b>
<b>20 Trade receivables</b>		
(Unsecured, considered good, unless otherwise stated)		
<b>Considered good</b>		
Outstanding for a period exceeding 6 months from the date they are due for payment	42953.26	46035.39
Others	152680.59	232814.77
	<b>195633.85</b>	<b>278850.16</b>
<b>Considered doubtful</b>		
Outstanding for a period exceeding 6 months from the date they are due for payment	744.30	1106.14
	<b>196378.15</b>	<b>279956.30</b>
Less: Provision for doubtful Trade receivables	(744.30)	(1106.14)
	<b>195633.85</b>	<b>278850.16</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>195633.85</b>	<b>278850.16</b>
<b>21 Cash and bank balances</b>		
<b>21.1 Cash &amp; cash equivalents</b>		
Balances with banks in current accounts	5885.65	6227.27
Cheques on hand	24.06	17279.79
Bank deposits with original maturity upto 3 months	3186.48	—
Cash Credit accounts	1527.10	—
Cash in hand	475.95	267.99
<b>Group Share in Joint Ventures</b>	<b>0.82</b>	<b>0.06</b>
<b>Total cash and cash equivalents</b>	<b>11100.06</b>	<b>23775.11</b>





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>21.2 Other Bank Balances</b>		
- In unpaid dividend accounts	288.87	295.17
- Margin Money with banks		
- Deposit with original maturity for more than 3 months but less than 12 months	7247.82	24061.27
- Bank deposits with original maturity of more than 12 months	1665.21	2536.36
	<u>9201.90</u>	<u>26892.80</u>
Less: Amount disclosed under note no. 17 - Other non-current assets	(633.11)	(985.77)
	<u>8568.79</u>	<u>25907.03</u>
<b>Sub-total</b>	<b>19520.27</b>	<b>49682.14</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>3.62</b>
<b>Total</b>	<b>19668.85</b>	<b>49685.76</b>
<b>22 Short-term loans and advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Advance to suppliers		
- Considered good	21600.35	13,935.12
- Considered doubtful	59.04	68.10
	<u>21659.39</u>	<u>14003.22</u>
Less: Provision for doubtful advances	59.04	68.10
	<u>21600.35</u>	<u>13935.12</u>
Loans and advances to related parties		
- Inter Corporate deposits	107.54	—
Others	150.00	—
Prepaid expenses	3331.41	1433.80
Advances recoverable in cash or in kind	336.67	439.91
Other receivables	41.16	225.50
Security deposits	1811.40	542.30
Advance income tax (net of provisions)	60.26	27.22
Advance to employees	—	—
Inter-corporate deposits	2762.98	1,301.95
- Considered doubtful	700.00	700.00
	<u>3462.98</u>	<u>2001.95</u>
Less: Provision for doubtful inter corporate deposits	700.00	700.00
	<u>2762.98</u>	<u>1301.95</u>
Electricity duty and Custom duty refund claimed	1620.60	1533.33
Balances in Excise, Service Tax and VAT accounts	4959.42	4296.84
	<u>36781.79</u>	<u>23735.97</u>
<b>Group Share in Joint Ventures</b>	<b>53.50</b>	<b>53.50</b>
<b>Total</b>	<b>36835.29</b>	<b>23789.47</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
<b>23 Other current assets</b>		
Assets held for disposal	102.96	102522.08
Insurance claims lodged	—	350.16
Unbilled revenue	735.82	2395.63
Un amortised premium on forward contract	—	463.00
Income tax refund receivable	—	2.32
Interest accrued	107.18	1260.99
Advance recoverable	1606.94	314.85
Others	7.92	—
WCT receivable	—	14.09
	2560.82	107323.12
<b>Group Share in Joint Ventures</b>	—	0.04
<b>Total</b>	2560.82	107323.16
	<b>2017-2018</b>	<b>2016-2017</b>
<b>24 Revenue from operations</b>		
Sale of products	243708.58	475350.18
Sale of services	138125.49	167698.60
Other operating revenues	20362.17	7191.15
	402196.24	650239.93
Less : Excise duty	(2872.56)	(10454.80)
	399323.68	639,785.13
Dividend Income		
on long term investments		
ii) from others	0.26	0.15
on current investments	—	10.33
Interest income		
on inter corporate deposits	15.45	158.31
on bank deposits	27.06	82.74
on tax free bonds	144.90	144.93
others	—	—
<b>Group Share in Joint Ventures</b>	—	2116.07
<b>Total</b>	399511.35	642297.66



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	2017-18	2016-17
<b>25 Other income</b>		
Interest income		
- on bank deposits	1391.42	2442.11
- on inter - corporate deposits	195.76	192.27
- on Income tax refund	546.77	385.74
- on others	2480.51	49.31
- on long term investments	11.79	11.94
	<u>4626.25</u>	<u>3081.37</u>
Dividend income		
- on long term investments	39.32	293.22
- on current investments	—	150.13
	<u>39.32</u>	<u>443.35</u>
Profit on sale of investments (net)		
- on long term investments (net of reversal of provision for dimunition of Rs. NIL (previous year Rs. NIL)	4237.49	(21.80)
- on current investments	2311.42	1031.33
	<u>6548.91</u>	<u>1009.53</u>
Provision for doubtful debts written back	—	11.53
Liabilities and provisions no longer required, written back	851.37	139.79
Net gain on foreign currency transactions and translation	2706.92	5376.23
Net Gain on settlement of derivative	4.64	247.59
Insurance claims	159.03	269.58
Profit on retirement /disposal of fixed assets (net)	0.10	16.75
Rental income from operating leases	529.25	551.12
Miscellaneous income	137.11	117.30
	<u>15602.90</u>	<u>11264.14</u>
<b>Group Share in Joint Ventures</b>	<b>1.25</b>	<b>34.81</b>
<b>Total</b>	<b><u>15604.15</u></b>	<b><u>11298.95</u></b>
<b>26 Cost of materials consumed</b>		
Raw materials consumed	52457.58	224,110.32
Packing materials consumed	7284.47	5,898.44
Cost of food and beverages	7435.80	6,806.71
	<u>67177.85</u>	<u>236,815.47</u>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>1,890.95</b>
<b>Total</b>	<b><u>67177.85</u></b>	<b><u>238,706.42</u></b>
<b>27 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade	—	1,045.14
	<u>—</u>	<u>1,045.14</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	2017-18	2016-17
<b>28 Changes in inventories of finished goods, work-in-progress and stock-in-trade &amp; by-products</b>		
<b>Opening stock</b>		
Finished goods	22232.23	20642.82
Stock-in-trade	203.78	128.90
Material-in-process	8146.57	5965.23
Erection and commissioning work-in-progress	21042.42	22560.03
By-products	157.14	379.70
	<u>51782.14</u>	<u>49676.68</u>
Add: On account of subsidiaries acquired during the year	—	—
	<u>51782.14</u>	<u>49676.68</u>
<b>Less : Closing stock</b>		
Finished goods	14824.31	22232.24
Stock-in-trade	10.22	203.78
Material-in-process	8328.27	8146.57
Erection and commissioning work-in-progress	18170.93	21042.42
By-products	151.95	157.14
	<u>41,485.68</u>	<u>51782.15</u>
Excise duty on stock of finished goods (net)	(453.09)	3.27
Effect of changes in exchange currency rates	361.49	(280.99)
<b>(Increase) / Decrease in stock</b>	<u>10204.86</u>	<u>(2383.19)</u>
<b>29 Employee benefits expense</b>		
Salaries and wages	30501.12	29761.71
Contribution to provident and other funds	1607.22	1439.08
Gratuity	159.40	—
Staff welfare expenses	940.02	827.10
	<u>1593.55</u>	<u>1657.13</u>
<b>Group Share in Joint Ventures</b>	<u>34801.31</u>	<u>33685.02</u>
<b>Total</b>	<u>1.21</u>	<u>29.83</u>
	<u>34802.52</u>	<u>33714.85</u>
<b>30 Finance costs</b>		
Interest expenses	22839.89	24000.96
Interest on Income tax	476.34	657.73
Other interest	441.09	—
Interest on deferred credit	53.60	47.30
Other borrowing costs	2628.85	2194.74
Loss on foreign currency transactions and translation	2215.31	4142.96
	<u>28655.08</u>	<u>31043.69</u>
Less: Capitalized	569.96	285.36
	<u>28085.12</u>	<u>30758.33</u>
<b>Group Share in Joint Ventures</b>	—	45.26
<b>Total</b>	<u>28085.12</u>	<u>30803.59</u>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. in Lakhs)

	2017-18	2016-17
<b>31 Depreciation and amortization expense</b>		
Depreciation and amortization of tangible assets		
Amortization of intangible assets	28099.08	31092.14
Depreciation on investment property	2135.71	1911.11
Amortization of investment property	30.70	32.18
	0.20	0.37
<b>Group Share in Joint Ventures</b>	30265.69	33035.80
<b>Total</b>	0.01	0.01
	30265.70	33035.81
<b>32 Other expenses</b>		
Stores and spares consumed	8189.40	6286.77
Power and fuel	50549.22	45320.19
Entertainment tax	21397.07	18474.58
EPC, O & M, Common Infrastructure Facility and Site Development Expenses	21025.20	50,433.92
Exhibition cost	36731.79	34532.56
Freight and octroi	10339.86	14209.01
Insurance	666.61	1123.97
Excise duty, custom duty and sales tax	4188.88	598.44
Production labour charges	2117.94	1896.78
Processing charges	942.08	15696.58
Outsourced personnel cost	5326.50	4563.99
Common facility charges	—	5447.77
Factory expenses	653.81	557.86
Repairs to		
- Buildings	772.09	595.86
- Plant and Equipments	6256.84	5394.23
- Others	1026.76	999.37
	8055.69	6989.46
Directors' sitting fees	63.64	51.00
Commission to directors	479.21	166.54
Rent and conducting fees	26174.18	18328.66
Rates and taxes	1789.74	1628.06
Service tax	—	5359.41
Travelling and conveyance	3639.78	3697.76
Communication expenses	215.53	633.28
Legal and professional fees and expenses	6572.55	4929.04
Lease rentals and hire charges	868.80	1154.81
Loss on retirement /disposal of fixed assets (net)	1085.42	491.81
Net loss on foreign currency transactions and translation	69.10	—
Amortisation of premium on forward contracts	664.28	1975.70
Provision for doubtful advances	609.88	936.24
Provision for doubtful deposits	63.61	35.00
Provision for doubtful Trade receivables	177.56	53.38
Bad debts and remission	2815.74	2624.80
Commission	538.42	1330.69
Royalty	808.40	2072.43
Economic benefit payable to transferee of projects	8918.23	—
Corporate Social Responsibility (CSR) expenditure (see note no. 56)	297.58	389.95
Miscellaneous expenses	13794.08	13356.33
	239829.78	265346.77
<b>Group Share in Joint Ventures</b>	6.09	287.60
<b>Total</b>	239835.87	265634.37

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 33 Share-based payments

#### 33.1 Details of the employee share option plan of a subsidiary Company

Inox Leisure Limited (ILL) has a share option scheme applicable to the employees and Directors of the Company, its subsidiary companies or its holding company and any successor company thereof, as determined by the Compensation, Nomination and Remuneration Committee of ILL on its own discretion. The scheme is administered through Inox Leisure Limited - Employees Welfare Trust.

In the year ended 31st March, 2006, ILL had issued 5,00,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to Inox Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the Company under the scheme of ESOP framed by the Company in this regard. The Company has provided finance of Rs. 75.00 Lakhs to the ESOP Trust for subscription of these shares at the beginning of the plan.

Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price of Rs.15 per option. The option carry neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

On 23rd June, 2017, stock options of 1,67,500 shares have been granted to employees and during the previous year, on 5th January, 2017, stock options of 20,000 shares have been granted to an employee of holding company. The vesting period for these equity settled options is between one to four years from the date of the respective grants. The options are exercisable within one year from the date of vesting.

The compensation costs of stock options granted to employees are accounted using the fair value method

#### 33.2 Fair value of share options granted in the year

"The weighted average fair value of the share options granted during the financial year is Rs. 269.10 (31st March,2017: Rs. 217.56) in respect of growth options vesting in one to four years. The fair value has been calculated using the Black Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option."The significant assumptions made in this regard are as under:"

Date of grant	23rd June, 2017	5th January, 2017
No of share options granted	167,500	20,000
Grant date share price	281.50	230.00
Exercise price	15	15
Expected volatility	33.53% to 39.82%	38.53% to 41.80%
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	—	—
Risk free interest rate	6.25% to 6.53%	6.09% to 6.47%

#### 33.3 Movements in share options during the year

Particulars	2017-2018	2016-2017
Balance at beginning of year	20,000	NIL
Granted during the year	167,500	20,000
Forfeited during the year	20,000	NIL
Exercised during the year*	5,000	NIL
Balance at end of year	162,500	20,000

\* During the year employee of holding company has exercised 5000 stock options, allotment of the same is pending as on 31st March, 2018

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****33.4 Method used for accounting of share based payment plan:**

The Company has used fair value method to account for the compensation cost of stock options granted to its employees and the employee of holding company. The compensation cost of Rs. 179.48 Lakhs (31st March, 2017: Rs. 5.27 Lakhs) is recognised in the Statement of Profit and Loss.

**33.5 Range of exercise price and weighted average remaining contractual life of outstanding options**

For Options granted on 5th January, 2017:

Particulars	2017-2018	2016-2017
Number of options outstanding	15,000	20,000
Weighted Average Remaining Contractual Life (in years)	3.77	4.77
Weighted Average Exercise Price (Rs.)	15	15

For Options granted on 23rd June, 2017:

Particulars	2017-2018
Number of options outstanding	147,500
Weighted Average Remaining Contractual Life (in years)	4.23
Weighted Average Exercise Price (Rs.)	15

**34 In respect of taxation matters of Inox Leisure Limited ("ILL")**

The contention of ILL that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Supreme Court for the state of Maharashtra & West Bengal on the basis of Schemes pertaining to these two states, in respect of some other states the same has been accepted by various appellate authorities and Hon'ble High Court of Judicature at Gujarat. Provision for income tax, till the year ended 31 March 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes.

In view of the assessment and appellate orders received during the year accepting certain claims made by ILL, mainly regarding depreciation on goodwill arising on amalgamation of a subsidiary company and no disallowance required under section 14A of the Income tax Act, the tax liability (including deferred tax) for earlier years is recomputed and consequential reduction in taxation for earlier years is recognised in the Statement of Profit and Loss as under:

(Rs. In Lakhs)

Particulars	2017-2018	2016-2017
MAT credit entitlement	(2,924.48)	126.80
Income Tax	(232.32)	(285.34)
Deferred tax	(2,213.67)	—
<b>Net credit</b>	<b>(5,370.47)</b>	<b>(158.54)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 35 Nature of securities and terms of repayment

I. In respect of loans taken by Gujarat Fluorochemicals Limited (GFL):

(a) The Terms of repayment of Term Loans are stated as under:

**As at 31st March, 2018**

Sr. No.	Lender's Name	Loan Type	Amount outstanding Rs. in Lakhs	Terms of Repayment	Rate of Interest	Security Note
1.	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	3,620.96	Half yearly repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a with Call Spread Option	(a)
2.	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	1,756.17	Half yearly repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3.	The Hong Kong and Shanghai Banking Corporation Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4.	Mizuho Bank Limited	External Commercial Borrowing	5,748.66	Quarterly repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)
5.	HDFC Bank Limited	Working Capital demand Loan	3,500.00	Bullet repayment on 28th May, 2018	8.50% p.a.	(d)

**As at 31st March, 2017**

Sr. No.	Lender's Name	Loan Type	Amount outstanding Rs. in Lakhs	Terms of Repayment	Rate of Interest	Security Note
1.	ICICI Bank Limited (Hedged Part)	External Commercial Borrowing	4,323.33	Half Yearly Repayment, final maturity on 20th March, 2023	Hedged at 10.55% p.a. with Call Spread Option	(a)
2.	ICICI Bank Limited (Un-Hedged Part)	External Commercial Borrowing	2,096.83	Half Yearly Repayment, final maturity on 20th March, 2023	6M LIBOR + 4.14% p.a.	(a)
3.	The Hongkong and Shanghai Banking Corporation Limited	External Commercial Borrowing	7,626.36	Quarterly Repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4.	Mizuho Bank Limited	External Commercial Borrowing	7,626.36	Quarterly Repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(c)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****Notes:-**

- a. **ICICI Bank Limited:-** The foreign currency term loan from ICICI Bank Limited is secured by way of an exclusive first ranking security interest /mortgage /hypothecation on movable and immovable assets including cash flow receivables and escrow account of 14 MW Wind Power Project at Mahidad. Further, the lender has exclusive first charge on movable fixed assets of AHF & HCFC plant located at Survey No 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal, Gujarat.
- b. **The Hongkong and Shanghai Banking Corporation Limited:-** The foreign currency term loan from The Hongkong and Shanghai Banking Corporation, is secured by way of first charge on pari-passu basis with Mizuho Bank Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat, and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with Mizuho Bank Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.
- c. **Mizuho Bank Limited:-** The foreign currency term loan from Mizuho Bank Limited, is secured by way of first charge on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited on immovable & movable assets of 36 MW Wind Power Project at Mahidad, Gujarat and on movable fixed assets of DPTFE plant at Plot No 12A, GIDC Estate, Village-Dahej, Taluka-Vagra, District-Bharuch, Gujarat. Further, the lender has assignment of rights on pari-passu basis with The Hongkong and Shanghai Banking Corporation Limited under the project agreements with respect to 36 MW Wind Power Project at Mahidad.
- d. **HDFC Bank Limited:-** The Working capital demand Loan facility from HDFC Bank Limited is secured by first pari-passu charge in favour of the bank by way of hypothecation over the borrower's stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat.

**(b) The Terms of Repayment of Working Capital Loans are as under:****As at 31st March, 2018**

Sr. No.	Lender's Name	Loan Type	Amount outstanding Rs. in Lakhs	Terms of Repayment	Rate of Interest
1.	HDFC Bank Limited	Commercial Paper	5,972.08	Bullet repayment on 26th April, 2018	6.95% p.a.
2.	HDFC Bank Limited	Commercial Paper	2,478.44	Bullet repayment on 17th May, 2018	7.00% p.a.
3.	Kotak Mahindra Bank Limited	Commercial Paper	5,978.87	Bullet repayment on 19th April, 2018	7.27% p.a.
4.	Invesco Mutual Fund	Commercial Paper	9,899.86	Bullet repayment on 21st May, 2018	7.40% p.a.
5.	Kotak Mahindra Bank Limited	Buyer's Credit	8,376.58	Repayment range from 6th April, 2018 to 18th December, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 1.10%
6.	Yes Bank Limited	Buyer's Credit	2,737.06	Repayment range from 3rd April, 2018 to 31st August, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
7.	ICICI Bank Limited	Buyer's Credit	3,502.14	Repayment range from 4th May, 2018 to 12th September, 2018	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
8.	BNP Paribas	Packing Credit in Foreign Currency	14,151.72	Repayment range from 4th April, 2018 to 19th September, 2018	Interest range from 6M EURIBOR + 0.29% to 6M
9.	HDFC Bank Limited	Short term Loan	1,500.00	Bullet repayment on 28th May, 2018	EURIBOR + 0.52%, & 6M LIBOR + 0.70% p.a. 8.50% p.a.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

**As at 31st March, 2017**

Sr. No.	Lender's Name	Loan Type	Amount outstanding Rs. in Lakhs	Terms of Repayment	Rate of Interest
1.	Franklin Templeton Mutual Fund	Commercial Paper	20,945.76	Bullet repayment on 24th August, 2017	8.25% p.a.
2.	HDFC Bank Limited	Commercial Paper	2,495.39	Bullet repayment on 11th April, 2017	6.80% p.a.
3.	Kotak Mahindra Bank Limited	Buyer's Credit	3,689.78	Repayment range from 11th April, 2017 to 22nd November, 2017	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.60%
4.	Yes Bank Limited	Buyer's Credit	2,244.71	Repayment range from 14th July, 2017 to 6th October, 2017	Interest range from 6M LIBOR + 0.40% to 12 M LIBOR + 0.65%
5.	ICICI Bank Limited	Buyer's Credit	2,327.59	Repayment range from 28th April, 2017 to 24th August, 2017	Interest range from 6M LIBOR + 0.50% to 12 M LIBOR + 0.55%
6.	BNP Paribas	Packing Credit in Foreign Currency	9,788.53	Repayment range from 12th June, 2017 to 23rd September, 2017	Interest range from 6M EURIBOR + 0.22% to 6M EURIBOR + 0.24%, 6M LIBOR + 0.15% p.a.

**Maximum balance of commercial papers:**

Maximum balance during the F.Y. 2017- 2018 was Rs. 24,500 Lakhs

Maximum balance during the F.Y. 2016- 2017 was Rs. 24,100 Lakhs



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

II. In respect of loans taken by Inox Renewables Limited (IRL):

(A) Terms of repayment and securities for non-current borrowings:

Particulars	Amount Outstanding As at 31st March, 2018 (Rs.in Lakhs)	Amount Outstanding As at 31st March, 2017 (Rs.in Lakhs)	Terms of repayment	Rate of interest	Security Note
Foreign currency term loan from ICICI Bank (DIFC-Dubai)	—	23,341.90	The term loan was repayable in 20 equal half yearly installments varied between 3rd August, 2013 and 3rd February, 2023.	6 months libor + 4.14% p.a.	(a)
Foreign currency term loan from ICICI Bank (DIFC-Dubai)	—	9,142.24	The term loan was repayable in 20 equal half yearly installments varied between 20th September, 2013 and 20th March, 2023.	6 months libor + 4.14% p.a.	(a)
Rupee term loan from Yes Bank Limited	—	11,885.50	The term loan was repayable in quarterly installments varied between 31st December, 2014 and 30th June, 2028.	12.85 % p.a.	(c)
Rupee term loan from Aditya Birla Finance Limited	—	3,773.50	The term loan was repayable in quarterly installments varied between 31st December, 2013 and 30th June, 2023.	12.15 % p.a.	(d)
Term loan International Finance Corporation	—	20,899.62	Half yearly installments varied between 14th October, 2013 and 14th April, 2027.	11.44 % p.a.	(e)

### (b) Summary of borrowing arrangements:

#### a. Foreign currency term loan from ICICI bank ( DIFC-Dubai) in 2 tranches:

Both the tranches were secured by way of:

- Exclusive charge over all the borrowers immovable assets, all present and future movable fixed assets identified under the project assets of Ossiya-1 i.e 19.5 megawatt.
- Exclusive charge over the escrow account to be opened with ICICI Bank Limited, India (Escrow Bank) for project Dangri and Ossiya-1.
- 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.
- First pari passu with ICICI Bank, Bahrain over immovable assets and all present and future movable fixed assets identified at project of Gude Panchgani 23.1 megawatt.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

e) First pari-passu charge over the escrow account with respect to Gude Panchagani 23.1 megawatt.

**b. Foreign currency term loan from ICICI bank (Bahrain):**

This loan was secured by way of:

- First mortgage/charge/security interest on all of the Company's present and future assets pertaining to the Gude Panchagani 23.1 megawatt project including all movable properties.
- ICICI bank have a charge/lien over the escrow account, 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.

**c. Rupee term loan from Yes Bank Limited (Mumbai)**

This loan was secured by way of:

- First charge on all the present and future tangible/intangible movables assets, current assets including receivables, others reserves and bank accounts pertaining to project.
- First charge on all the present and future immovables assets both freehold and leasehold pertaining to the project.
- First charge on all the rights, title, interest, benefits, claims and demands whatsoever of the Company in project agreements, clearances etc. pertaining to the project.

**d. Rupee term loan from Aditya Birla Finance Limited**

This loan was secured by way of:

- First charge on all the present and future tangible/intangible movables assets, current assets including receivables pertaining to 22.5 MW Rajasthan project (Sadiya & Ossiya II).
- First charge on all the present and future immovables assets both freehold and leasehold pertaining to the 22.5 MW Rajasthan project (Sadiya and Ossiya II).
- First charge on all the projects bank accounts including but not limited to escrow account and any other reserves and other bank accountsof the borrower pertaining to the 22.5 MW Rajasthan project (Sadiya and Ossiya II).

**e. Term loan from International Finance Corporation**

Term loan from International Finance Corporation was 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) Terms of repayment and for current borrowings**

Particulars	Amount Outstanding As at 31st March, 2018 (Rs.in Lakhs)	Amount Outstanding As at 31st March, 2017 (Rs.in Lakhs)	Terms of repayment	Rate of interest
Loans repayable on demand- From Bank	—	10000.00	Rupee term loan from IndusInd bank Limited repayable by a way of bullet repayment at the end of six months from the date of rollover i.e. March 31, 2017.	9.00% p.a.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****III. In respect of loans taken by Inox Wind Limited (IWL):****(A) Terms of repayment and securities for non-current borrowings:****a) Debentures (secured) :**

- (i) 3000 non convertible redeemable debentures of Rs. 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9% p.a. payable semi annually. The maturity pattern of the debentures is as under:

(Rs. in Lakhs)

Month	Principal
Sep-18	5,000.00
Mar-19	5,000.00
Sep-19	5,000.00
Mar-20	5,000.00
Sep-20	5,000.00
	25,000.00

The above debentures are secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of the Inox Wind Infrastructure Services Limited and unconditional and irrevocable guarantee by Gujarat Fluorochemicals Limited.

- (ii) 1950 redeemable non convertible debentures of Rs. 10 Lakhs each fully paid up, were issued at par, and carried interest @ 8.33% p.a. payable semi annually.

The above debentures were secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of Inox Wind Infrastructure Services Limited.

The entire debentures were repaid during the year.

**b) Rupee term loan from Axis Finance Ltd :**

Rupee term loan is secured by first charge of lien of FMP/other select debt mutual funds acceptable to Axis finance provided by Gujarat Fluorochemicals Limited and carries interest @ 8.5% p.a. Principal repayment pattern of the loan is as under:

(Rs. in Lakhs)

Month	Principal
Aug-18	5,000.00
Aug-20	5,056.16
	10,056.16

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### c) Other Term Loans

(Rs.in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Foreign currency term loan from Bank is secured by first pari-passu charge by way of hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @ 10.25% p.a and is repayable in 18 quarterly installments starting from 30 October 2015.	2,812.34	4,205.18
Foreign currency term loan from Bank is secured by first pari-passu charge by hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @10.50% p.a and repayable in 12 quarterly installments starting from 10 February 2017	3,703.13	5,803.05
Rupee term loan from Bank is secured by First exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants, carries interest @ 11.30% p.a. and is repayable in 20 quarterly installments starting from 30 September 2014.	625.00	1,125.00
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of INR 3.0 million), carries interest @ 9.10% to 9.85% p.a. and is repayable in 20 quarterly installments starting from 30 June 2017.	16,000.00	2,000.00
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly installments starting from 3 March 2017.	88.15	102.85
Vehicle term loan from others is secured by hypthecation of the said vehicle and carries interest @ 12.00% p.a. The loan is repayable in 36 monthly installments starting from 23 September 2015.	65.37	85.50

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****(B) Terms of repayment and securities for current borrowings:**

(Rs.in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Foreign currency term loan was secured by first pari-passu charge on current and movable fixed assets of the Company and carried interest rate @ 8.00% p.a)	—	1,429.50
Buyer's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.25% to 1%.	3,241.47	60,607.79
Working capital demand loan from bank is secured by first pari-passu charge on the current assets of the Company and carries interest in the range of 8.50% - 9.00% p.a)	6,600.00	8,100.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range on 10% - 18.05% p.a.	38,430.88	32,202.77
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carried interest rate in the range of 8.75% p.a.	—	1,680.82
Working capital demand loans from bank was unsecured, taken for 181 days and carried interest @ 8.50% p.a.	—	1,500.00
Commercial papers were unsecured and were net of unamortized interest of Rs. Nil (31 March 2017: Rs. 357.89 Lakhs, and carried interest in the range of 8.50% to 9.15% p.a. and were repayable in 64 to 90 days. Maximum balance during the year Rs.28,642.11 Lakhs (Rs. 54,039.32 Lakhs as on 31 March 2017 .	—	28,642.11

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### IV. In respect of loans taken by Inox Leisure Limited (ILL):

- (i) The terms of repayment of term loans from banks are as under:

#### As at 31st March, 2018

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest	Security Note
Axis Bank (Term Loan II)	444.00	Repayable in 16 equal quarterly instalments of Rs. 250.00 Lakh each beginning from 31 Dec 2014.	8.75% to 9.40%	(a)
HDFC Bank Ltd	3,000.00	The loan is repayable in 16 equal quarterly instalments of Rs. 250 Lakhs beginning from 4 June 2017.	8.85% to 9.25%	(b)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	4,687.50	The loan is repayable in 16 equal quarterly instalments of Rs. 312.50 Lakhs beginning from 7 February 2018.	8.40% to 8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	2,812.50	The loan is repayable in 16 equal quarterly instalments of Rs. 187.50 Lakhs beginning from 29 March 2018.	8.60% to 8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	2,000.00	The loan is repayable in 16 equal quarterly instalments of Rs. 125 lakhs beginning from 26 June 2018.	8.60%	(c)

#### As at 31st March, 2017

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest	Security Note
Axis Bank (Term Loan II)	1,444.00	Repayable in 16 equal quarterly instalments of Rs. 250.00 Lakh each beginning from 1 October 2014	9.40% to 9.70%	(a)
HDFC Bank Ltd	4,001.01	The loan is repayable in 16 equal quarterly instalments of Rs. 250 Lakhs beginning from 4 June 2017.	9.25% to 9.30%	(b)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	5,001.91	The loan is repayable in 16 equal quarterly instalments of Rs. 312.50 Lakhs beginning from 7 February 2018.	8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	3,000.00	The loan is repayable in 16 equal quarterly instalments of Rs. 187.50 Lakhs beginning from 29 March 2018.	8.75%	(c)
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	2,000.48	The loan is repayable in 16 equal quarterly instalments of Rs. 125 lakhs beginning from 26 June 2018.	8.60% to 8.75%	(c)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****(ii) Securities provided for secured loans****a. Axis Bank Ltd**

Term loan from Axis Bank are secured by mortgage of immovable property situated at Vadodara and Anand and first exclusive charge on all movable fixed assets and current assets of some multiplexes financed by the said term loans and escrow of entire cash flows relating to such multiplexes.

**b. HDFC Bank Ltd**

Term loan from HDFC Bank is secured by mortgage of immovable property situated at Mumbai and first exclusive charge on all movable fixed assets of some multiplexes financed by the said term loan.

**c. The Hongkong and Shanghai Banking Corporation Limited**

Term loans from The Hongkong and Shanghai Banking Corporation Limited are secured by paripasu charge on mortgage of immovable property situated at Vadodara and first exclusive charge on all movable fixed assets and current assets of some multiplexes financed by the said term loans.

**d. Inter-corporate deposits**

The inter-corporate deposits are repayable in 6 to 8 years from the date of respective deposits and carry interest @ 10%. The earliest repayment is due on June 2020.

**V. In respect of loans taken by GFL GM Fluorspar:****(i) The terms of repayment of secured non current term loan from bank is as under:****As at 31st March, 2018**

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
Exim Bank	4,950.04	The ECB is repayable in 10 structured half yearly instalments commencing from 8th September, 2017.	6 Month Libor Plus 4% per annum
Finance lease obligations	88.68	The obligation under finance lease is repayable in 60 equated monthly instalments of MAD 36,960	16.60% p.a.

**As at 31st March 2017**

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
Exim Bank	6,156.63	The ECB is repayable in 10 structured half yearly instalments commencing from 8th September, 2016.	6 Month Libor Plus 4% per annum

**Note:**

Foreign currency term loan is secured by way of exclusive charge on movable fixed assets of the proposed project up to value of USD 9.495 million, book debts, operating cash flows, receivables, commission, present & future revenues and unconditional irrevocable Corporate Guarantee of Gujarat Fluorochemicals Limited, India.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(ii) The terms of repayment of secured current term loan from bank is as under:

**As at 31st March, 2018**

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
Exim Bank	912.49	The ECB is repayable at the end of 180 days from the date of disbursement.	6 Month Libor Plus 3.5% per annum

**Note:**

Working Capital borrowing of USD 1.40 million is secured by exclusive charge on inventories, present and future receivables from Gujarat Fluorochemicals Limited (GFL) and irrevocable Corporate Guarantee of GFL.

There are no defaults on repayment of principal or payment of interest on borrowings except for 3 instalments of a bank were paid late by 1 to 20 days.

### 36. Contingent liabilities :-

- (a) Claims against the Group not acknowledged as debts Rs.8,834.73 Lakhs (as at 31stMarch 2017: Rs. 11,833.38Lakhs). This includes
  - i. In respect of Inox Leisure Limited(ILL):
    - a) ILL had issued termination notice for one of its proposed multiplexes seeking refund of security deposit and reimbursement of the cost of fit-outs incurred by the Company, aggregating to Rs. 914.16 Lakh. As per the arbitration award received during the year, Company's claim has been retained to the extent of Rs. 60 lakhs towards deposit and the claim of Rs. 854.16 lakhs towards the cost of fit-outs has been rejected, for which provision is made during the year (see Note \*\*). The counter-claim made by the party towards rent for lock in period and other costs amounting to Rs. 6,943.44 lakhs have been rejected by the arbitrator.
    - b) In the arbitration proceedings in respect of termination notice of MOU for another proposed multiplex, the arbitrator has awarded the matter against the Company and directed the Company to pay Rs. 116.36 Lakh towards rent for the lock in period, which is included in the amount above. Further, the arbitrator has also directed the Company to pay the amount of difference between the rent payable by the Company as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable. The Company has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.
  - ii. In respect of Inox Renewables Limited
 

Claim of Rs. 870.00 Lakhs (as at 31stMarch,2017: Rs. 870.00 Lakhs) due to litigation with one of the state electricity distribution board.
  - iii. In respect of Inox Wind Limited
    - a) Claims made by contractors - Rs. 4,030.17 Lakhs (as at 31stMarch, 2017: Rs. 3,828.16Lakhs).  
Some of the suppliers have raised claims including interest on account of non-payment in terms of the respective contracts. IWL has contended that the suppliers have not adhered to some of the contract terms. At present the matters are pending before the jurisdictional authorities or are under negotiations
    - b) Claims made by customers not acknowledge as debts- Rs. 3,750.00 Lakhs (as at 31st March, 2017: Rs. Nil).
    - c) In respect of claims made by four customers (as at 31st March, 2017 three customers) for non-commissioning of WTGs, the amount is not ascertainable.
- (b) In respect of Income tax Matters Rs.37,141.59Lakhs (as at 31st March,2017: Rs. 28,445.16Lakhs). This includes
  - i. In respect of Gujarat Fluorochemicals Limited
    - a. In the completed assessments, the demands are mainly on account of disallowance under section 14A and reduction in the claim of deduction under section 80IA.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018**

- b. On account of slump sale of wind energy business by substituting estimated market value in place of actual consideration received.
- The Company has not accepted the above demands and has contested the same at appropriate levels.
- ii. In respect of Inox Leisure Limited (ILL):
- Assessment/reassessment dues for the assessment years 2010-11, 2011-12, 2013-14, 2014-15 is Rs.283.41 Lakhs (as at 31st March, 2017: Rs. 611.42 Lakhs), which are being contested by ILL before appellate authorities.
- iii. In respect of Inox Wind Limited (IWL):
- Income tax matters - Rs.3,984.97 Lakhs (31st March, 2017: Rs. 95.02 Lakhs)
- This includes demand for assessment year 2013-14 received in the current year by the holding company, mainly on account of reduction in the amount of tax incentive claimed, which is being contested before the first appellate authority.
- iv. In respect of Inox Renewables Limited
- Income tax Demands of Rs.483.24 Lakhs (as at 31st March 2017: Rs. 310.83 Lakhs) in respect of assessment years 2013-14, 2014-15 & 2015-16. IRL is contesting the demand and has filed appeals under the applicable laws.
- (c) In respect of excise duty & service tax matters -Rs.24,393.17 Lakhs (as at 31st March, 2017: Rs. 24,245.57 Lakhs). This includes:
- i. In respect of Gujarat Fluorochemicals Limited
- Amount of Rs. Nil (as at 31st March, 2017: Rs. 17.94 Lakhs) for which the Company has received various show cause notices regarding levy of service tax on certain items.
  - Amount of Rs. 6.16 Lakhs (as at 31st March, 2017: Rs. Nil) in respect of collection of cylinder rent charged from customers. The Company has filed appeal before Commissioner of Central Excise and Service tax.
  - Amount of Rs. 322.12 Lakhs (as at 31st March, 2017: Rs. 414.22 Lakhs) in respect of Service tax demand on account of non-payment of Service tax in respect of Import of services relating to supply of tangible goods, online information database access or retrieval services. The Company has filed appeal before CESTAT.
  - Amount of Rs. 2,169.49 Lakhs (as at 31st March, 2017: Rs. 2,251.52 Lakhs) for which the Company has received various show cause notices regarding service tax input credit on certain items, inter-unit transfers and freight charges recovered from buyers for supply of goods at buyers premises. The Company has filed the replies or is in the process of filing replies.
  - Amount of Rs. 211.55 Lakhs (as at 31st March, 2017: Rs. 462.58 Lakhs) is in respect of demand on account of cenvat credit availed on certain items, levy of excise duty on freight recovered from customers. The Company has filed appeal before Commissioner of Central Excise and Service tax (Appeals).
  - Amount of Rs. 1,280.74 Lakhs (as at 31st March, 2017: Rs. 927.32 Lakhs) in respect of demand on account of cenvat credit availed on certain items and levy of excise duty on freight recovered from customers. The Company has filed appeal before CESTAT.
- In respect of above Service tax and Excise matters, the Company has paid an amount of Rs. 65.84 Lakhs (as at 31st March, 2017: Rs. 32.10 Lakhs) and not charged to Statement of Profit and Loss.
- ii. In respect of Inox Leisure Limited (ILL):
- Amount of Rs. 16,641.03 Lakhs (as at 31st March, 2017: Rs. 16,641.03 Lakhs) is in respect of levy of service tax on film distributors' share paid by ILL and the matter is being contested by way of appeal / representation before the appropriate authorities. ILL has paid Rs 657.45 Lakhs to the respective authorities under protest (which is included in 'Other non-current assets')
  - Amount of Rs. 2,360.45 Lakhs (as at 31st March, 2017: Rs. 2,360.45 Lakhs) for which ILL has received an order from Commissioner of GST & Central Excise regarding levy of service tax on sale of food and beverages in multiplex premises. ILL is in the process of filing an appeal against the said order.
- iii. In respect of Inox Wind Limited (IWL):
- IWL has received orders for the period September 2011 to March 2016, in respect of Service Tax, levying demand of Rs. 1,401.63 Lakhs (as at 31st March, 2017: Rs. 1,401.63 Lakhs) on account of disallowance of exemption of Research & Development cess from payment of service tax. IWL has filed appeals before the first appellate

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

authority. IWL has estimated the amount of demand which may be ultimately sustained at Rs. 32.19 lakhs and provision for the same is made during the year and carried forward as "Other indirect tax matters" in Note \*\*

- (d) In respect of Custom duty matter – Rs. 1,246.01 Lakhs (as at 31st March, 2017: Rs. 1,174.86 Lakhs).
- i. In respect of Gujarat Fluorochemicals Limited:  
Amount of Rs.11.82 Lakhs (as at 31st March, 2017: Rs. 11.82 Lakhs) for which the Company had received various show cause notice regarding inadmissible EPCG benefit on consumables imported.  
Amount of Rs. 1,229.82 Lakhs (as at 31st March, 2017: Rs. 1,158.68 Lakhs) The Company has received demands on account of differential custom duty on imported material on high seas basis. The Company has filed appeal before CESTAT and the matters are pending.  
In respect of above Customs matters, the Company has paid an amount of Rs. 83.00 Lakhs (as at 31st March, 2017: Rs. 83.00 Lakhs) and not charged to Statement of Profit and Loss.
  - ii. In respect of Inox Leisure Limited (ILL):  
Custom duty matter in respect of import of projectors of Rs. 4.36 Lakhs (as at 31st March, 2017: Rs. 4.36 Lakhs). In addition to this matter, ILL has also received a show cause cum demand notice from customs on import of cinematographic films. The amount of duty is yet to be quantified.
- (e) In respect of VAT & CST matters Rs.492.14 Lakhs (as at 31st March, 2017: Rs. 458.73 Lakhs). This includes:
- i. In respect of Gujarat Fluorochemicals Limited  
Company has received VAT & CST assessment order in respect of disallowance of proportionate Input tax credit reduced on capital goods at the rate of 2% of ratio of OGS sales to gross turnover of sales levying VAT demand of Rs. 101.64 Lakhs & CST demand of Rs. 69.54 Lakhs for the F.Y.2011-2012, F.Y. 2012-2013 & F.Y. 2013-14 respectively. The Company has not accepted the Order of Joint Commissioner of Commercial Tax for F.Y.2011-12 and has filed appeal before Gujarat value added Tax tribunal, Ahmedabad.  
For F.Y. 2012-2013, the Company has filed appeal before Joint Commissioner of Commercial Tax and is in process of filing appeal with the Joint Commissioner of Commercial tax (Appeals) for F.Y. 2013-2014.
  - ii. In respect of Inox Leisure Limited  
Demand of Rs.237.06 Lakhs (as at 31st March, 2017: Rs. 237.06 Lakhs) pursuant to reassessment order for the year 2008-09. ILL has filed an appeal and stay is granted on payment of Rs.2.00 Lakhs.
  - iii. In respect of Inox Wind Limited (IWL)  
IWL had received orders for the financial years ended 31st March, 2013 and 31st March, 2014, In respect of Himachal Pradesh VAT, levying penalty of Rs. 112.87 lakhs for delayed payment of VAT. IWL had filed appeals before the first appellate authority. During the year ended 31st March, 2015, IWL had received appellate order for the year ended 31st March, 2014 confirming the levy of penalty and the Company has filed further appeal against the said order. However, IWL has estimated the amount of penalty which may be ultimately sustained at Rs. 53.78 lakhs and provision for the same was made during the year ended 31st March, 2015. After adjusting the amount of Rs. 23.35 lakhs paid against the demands, the balance amount of Rs. 30.43 lakhs is carried forward as "Other indirect tax matters" in Note \*\*
- (f) In respect of property tax matters Rs. 224.00 Lakh (as at 31st March, 2017 : Rs. 569.73 Lakhs). This represents:
- i. In respect of Inox Leisure Limited (ILL):  
The quantum of property tax levied in case of one multiplex is disputed and the matter is pending before Court of Small Causes and Hon'ble High Court of judicature at Bombay. Estimated provision for the same is made by ILL. (see Note \*\*)
- (g) In respect of Entertainment tax demands Rs. 4,083.87 Lakhs (as at 31st March, 2017: Rs. 3,180.85 Lakhs). This includes:
- i. In respect of Inox Leisure Limited
    - a) Demand of Rs. 3246.41 Lakhs (as at 31st March, 2017: Rs. 2,385.46 Lakhs) in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.
    - b) Demand of Rs. 735.14 Lakhs (as at 31st March, 2017: Rs. 693.07 Lakhs) in respect of one multiplex where the eligibility for exemption from payment of entertainment tax is rejected and the same is contested by way of appeal before appropriate authorities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018**

- c) Other demands of Rs.102.32 Lakhs (as at 31st March, 2017: Rs.102.32 Lakhs) are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.
- (h) In respect of stamp duty matters Rs. 263.81 Lakhs (as at 31st March, 2017 : Rs. 263.81 Lakhs)
- i. In respect of Inox Leisure Limited
- Authority has raised the demand for non-payment of stamp duty on Leave & License Agreement in respect of one of the multiplexes holding the same as lease transaction. Stay has been granted and the matter is pending before the Board of Revenue.
- (i) Other matters:
- i) Inox Leisure Limited (ILL) may be required to charge additional cost of Rs. 389.83 Lakhs (as at 31st March, 2017: Rs. 389.83 Lakhs) towards electricity from 1st June, 2007 to 31st March, 2010 pursuant to the increase in the tariff in case the appeal made with Maharashtra Electricity Regulatory Commission 'MERC' by ILL through the Multiplex Association of India is rejected and the case filed in the Supreme Court by one of the electricity supplier against the order of the Appellate Tribunal for Electricity, dated 19th January, 2009, for change in category, in favour of the appeal made by the Multiplex Association of India is passed in favour of the electricity supplier. ILL has paid the whole amount to the respective authorities under protest (which is included in Note \*\*: 'Other non-current assets').
- ii) Claims in respect of labour matters amount is not ascertainable.
- In respect of above matters, no additional provision is considered necessary as the Group expects favourable outcome. Further, it is not possible for the Group to estimate the timing and amounts of further cash outflows, if any, in respect of these matters.
- iii) Corporate guarantee given by Inox Leasing and Finance Limited to ICICI Bank in respect of loan taken by Inox India Pvt. Ltd. for general business purpose, USD 8.49 million (previous year USD 17.55 million) and to Aditya Birla Finance Ltd. Rs. 67.20 crores (previous year Rs. 70 crores) respectively. Inox India Limited has fully liquidated the loan to ICICI Bank during the current year 2018-19.

**37. In respect of Entertainment-tax exemption claimed and its treatment in these accounts:**

The Entertainment tax exemption in respect of some of the Multiplexes of the Group 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 Group has recognized Rs. 160.55 lakh during the year ended 31st March, 2018 (previous year Rs. 880.00 lakh) being Entertainment Tax exemption in respect of such Multiplexes. Cumulative amount as on 31st March, 2018 is Rs. 4,075.77 lakhs (31st March, 2017: Rs. 5,206.27 lakhs).

**38. Commitments:**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, is Rs. 46,530.11 Lakhs (as at 31st March, 2017 : Rs. 27,145.25 Lakhs).
- (b) Amount of customs duty exemption availed by the Inox Wind Limited ('IWL') under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period - Rs. 2,983.84 Lakhs (31st March, 2017 Rs. 2,983.84 Lakhs).
- (c) Commitments for the operating multiplexes for minimum period of operations in terms of respective State Government policies equivalent to the exemption availed from commencement till reporting date as at 31st March, 2018 : Rs. 10,049.04 Lakhs (as at 31st March, 2017 : Rs. 11,842.08 Lakhs).
- The above amount includes amount of entertainment tax disputes pertaining to exemption period reported under Note 48 as at 31st March, 2018: Rs. 1,237.91 Lakhs (as at 31st March, 2017 : Rs. 1,195.85 Lakhs).
- (d) Capital commitment towards partly paid shares - Rs. 16,800.00 Lakhs (31st March, 2017 Rs. 16,800.00 Lakhs)
- (e) Company has issued a Letter of Comfort to IndusInd Bank Limited for credit facilities of Rs. 2500 lakhs (previous year Rs. 1500 lakhs to RBL Ltd.) granted by them to INOX FMCG Limited. In the current year, the said facilities have been fully satisfied by INOX FMCG Limited.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 39. Leasing arrangements

As a Lessee

#### a) Leasing arrangements for multiplexes

ILL is operating some of the multiplexes under operating lease/ business conducting arrangement. These arrangements are for an initial period of 3-25 years with a minimum lock-in period of 3-13 years and the agreements provide for escalation after pre-determined periods. The Group does not have an option to purchase the leased premises at the expiry of the lease periods.

Lease payments recognised as expenses in the Statement of Profit and Loss is Rs. 19,841.82 Lakhs (31st March, 2017: RS. 18,041.74 Lakhs) in respect of such lease arrangements.

Non-cancellable operating lease commitments

(Rs.in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than 1 year	20,281.93	18,036.75
Later than 1 year and not later than 5 years	82,404.51	72,923.31
Later than 5 years	159,605.39	169,971.72
<b>Total</b>	<b>262,291.83</b>	<b>260,931.78</b>

#### (b) in respect of plants taken on operating Lease

The Plants taken on operating lease are for initial non-cancellable period of 10 years which can be further extended at the mutual option of both the parties. The future minimum lease payments under these lease arrangements are as under:

(Rs. In Lakhs)

Particulars	2017-2018	2016-2017
Payments recognized as an expense	64.40	76.31

(Rs. In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Non-Cancellable Operating Lease commitments		
not later than one year	76.40	76.40
later than one year and not later than five years	169.61	234.02
later than five years	—	—

#### c) Interest in land taken on lease and classified as operating lease:

The leasehold land are generally taken for the period of 20 to 99 years. The entire lease premium is already paid and future rentals are nominal. Amortisation of such lease payments is included in "Rent and common facilities charges" in Statement of Profit and Loss and the balance remaining amount to be amortised is included in balance sheet as 'Prepayments Leasehold land'.

#### d) In respect of other assets

The Group's other significant leasing arrangements are in respect of operating leases for premises (offices and residential accommodations). These lease arrangements are cancellable, range between 11 to 60 months and are usually renewable by mutual consent on mutually agreeable terms. These Lease payment are included in "Rent and common facilities charges" in Note \*\* 'Other expenses'.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****As a Lessor****In respect of assets given on operating Lease**

Operating leases relate to Investment Properties owned by the Company with lease terms of between 11 to 60 months and are usually renewable by mutual consent on mutually agreeable terms. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. Lessee does not have an option to purchase the property at the expiry of the lease period.

Rental Income earned by the Company from its Investment Properties and direct operating expenses arising on the investment properties for the year are set out in Note 33 and Note 40 respectively.

**Particulars**

Non-Cancellable Operating Lease Receivable  
not later than one year  
later than one year and not later than five years  
later than five years

<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>562.44</b>	596.94
<b>283.82</b>	811.76
<b>—</b>	—

**40 Details of other provisions:****Particulars**

a) Provision for municipal taxes  
Opening balance  
Addition during the year  
Paid during the year  
Closing balance  
b) Provision for Service tax on rentals  
Opening balance  
Addition during the year  
Paid during the year  
Closing balance  
c) Provision for other indirect tax matters  
Opening balance  
Addition during the year  
Paid during the year  
Closing balance

	<b>2017-2018</b>	(Rs. In Lakhs) 2016-2017
	<b>185.61</b>	235.80
	<b>283.38</b>	97.68
	<b>353.04</b>	147.87
	<b>115.95</b>	185.61
	<b>1,042.44</b>	1,042.44
	<b>—</b>	—
	<b>7.42</b>	—
	<b>1,035.02</b>	1,042.44
	<b>62.62</b>	30.43
	<b>87.18</b>	32.19
	<b>—</b>	—
	<b>149.80</b>	62.62

- (i) Provision for municipal tax is in respect of disputed amount pertaining to one of the Group's multiplexes.
- (ii) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1st June, 2007 to 30th September, 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1st June, 2007. The matter is pending before the Hon'ble Supreme Court of India." "(iii) Provision for other indirect taxes is in respect of matters contested by the Group at appropriate levels against the demands raised by the respective tax authorities.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

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

#### i. Deferred Tax Liabilities (net):

Particulars	Amount (Rs. in Lakhs)	
	2017-18	2016-17
<b>(A) Deferred Tax Liabilities</b>		
(i) On account of difference between tax depreciation and depreciation/amortisation charged in books	36332.92	45823.29
(ii) Others	—	—
<b>Total</b>	<b>36332.92</b>	<b>45823.29</b>
<b>(B) Deferred Tax Assets</b>		
(i) Expenditure allowable on payment basis	928.27	1888.70
(ii) Others	1029.07	306.91
<b>Total</b>	<b>1957.34</b>	<b>2195.61</b>
Net Deferred Tax Liability (A-B)	<b>34375.58</b>	43627.68

#### ii. Deferred Tax Assets (Net):

Particulars	Amount (Rs. in Lakhs)	
	2017-18	2016-17
<b>(A) Deferred Tax Assets</b>		
(i) Expenditure allowable on payment basis	1054.46	2.11
(ii) Unabsorbed losses	14223.42	3136.24
(iii) Depreciation	12.45	8.40
(iv) Others	454.83	115.76
<b>Total</b>	<b>15745.16</b>	<b>3262.51</b>
<b>(B) Deferred Tax Liabilities</b>		
(i) Depreciation	9156.61	502.65
<b>Total</b>	<b>9156.61</b>	<b>502.65</b>
Net Deferred Tax Assets (A-B)	<b>6588.55</b>	2759.86



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****42 Employee Benefits:****(a) Defined Contribution Plans**

The Group contributes to the Government managed provident & pension fund for all qualifying employees. Contribution to Provident fund of Rs.1,421.57 Lakhs (31st March,2017: Rs.1,351.46 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other funds' in the Statement of Profit and Loss and Rs. 29.70 Lakhs (31st March, 2017: Rs. 26.21 Lakhs) is included in pre-operative expenses.

**(b) Defined Benefit Plans:**

The Group has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of services and salary at retirement age. The Group's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Group

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31st March, 2018 by Mr. G N Agarwal, fellow of the institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method

**(i) Movement in the present value of the defined benefit obligation are as follows:**

(Rs In Lakhs)

**Particulars****Gratuity**

	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>
Opening defined benefit obligation	<b>2,682.29</b>	1,999.76
Current Service Cost	<b>701.56</b>	489.27
Interest cost	<b>173.65</b>	143.73
Actuarial gains / (losses) on obligation:	<b>—</b>	—
a) arising from changes in financial assumptions	<b>(434.87)</b>	184.96
b) arising from experience adjustments	<b>(41.26)</b>	7.98
Past service cost, including losses/(gains) on curtailments	<b>5.01</b>	1.16
Benefits paid	<b>(178.74)</b>	(144.57)
	<b>—</b>	—
Present value of obligation as at year end	<b>2,907.64</b>	2,682.29

**(ii) Components of amount recognized in profit and loss account are as under:**

(Rs In Lakhs)

**Particulars****Gratuity**

	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>
Current Service Cost	<b>701.56</b>	489.27
Actuarial gains / (losses)	<b>(208.37)</b>	192.94
Past service cost and (gains)/losses from settlements	<b>5.01</b>	1.16
Net interest expense	<b>173.65</b>	143.73
Amount recognized in profit & loss	<b>671.85</b>	827.10

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(iii) The principal assumptions used for the purposes of the actuarial valuations were as follows.

### Particulars

### Valuation Gratuity

	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.42% to 7.63%	6.69% to 6.69%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee Attrition Rate	5% to 10%	5% to 10%
Mortality	IALM(2006-08) Ultimate Mortality Table	

Estimates of future salary increases considered in actuarial valuation take into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

"These plans typically expose the Group to actuarial risks such as interest rate risk and salary risk

- Interest risk: a decrease in the bond interest rate will increase the plan liability.
- Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.
- Other employment benefits:

### Leave benefits

The liability towards leave benefits( annual earned and sick leave), based on actuarial valuation, carried out by using Projected accrued benefit method resulted in increase in liability by Rs. 116.37 Lakhs (31st March,2017: Rs 497.91 Lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

### Particulars

### Valuation (Leave Encashment)

	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.42% to 7.63%	6.69% to 6.69%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee Attrition Rate	5% to 10%	5% to 10%
Mortality	IALM (2006-08) Ultimate Mortality Table	

### iv. Other disclosures : Experience Adjustment

(Rs in Lakhs)

	2017-18	2016-17	2015-16	2014-15	2013-14
(i) Gratuity					
Present value of Defined benefit obligations	2,877.17	2,661.13	1,976.61	1,578.41	1,141.10
Experience (Gain)/Loss on obligation	(257.48)	(104.84)	49.91	13.60	(812.95)
(ii) Leave Encashment					
Present value of Defined benefit obligations	531.46	884.80	509.46	405.20	191.16
Experience (Gain)/Loss on obligation	(361.30)	(113.99)	(12.06)	(135.00)	69.94

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****43. Related Party Disclosures :****(A) Where control exists:****Subsidiary company** – Gujarat Fluorochemicals Limited**(B) Other related parties with whom there are transactions during the year:****Associate of subsidiary-** Megnasolace City Private Limited**Associates-**

Following subsidiaries incorporated during the year, have subsequently ceased to be subsidiaries and accounted as an "associate"

Name of the Company	Date of incorporation	Accounted as "associate" w.e.f.
Wind Two Renergy Private Limited	4/20/2017	12/30/2017
Wind Four Renergy Private Limited	4/21/2017	12/30/2017
Wind Five Renergy Private Limited	4/20/2017	12/30/2017
Khatiyu Wind Energy Private Limited	11/17/2017	3/12/2018
Ravapar Wind Energy Private Limited	11/20/2017	3/12/2018
Nani Virani Wind Energy Private Limited	11/20/2017	3/12/2018

**Key Management Personnel –**

Mr. P K Jain (Managing Director)

Mr. V K Jain (Managing Director of GFL)

Mr. D K Jain (Non Executive Director)

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

Mr. Anand Bhusari (Whole Time Director of GFL)

Mr. Shailendra Swarup (Non Executive Director of GFL)

Mr. Om Prakash Lohia (Non Executive Director of GFL)

Mr. Deepak Asher (Non Executive Director of GFL)

Mr. Shanti Prasad Jain (Non Executive Director of GFL)

Mr. Rajagopalan Doraiswami (Non Executive Director of GFL)

Ms. Vanita Bhargava (Non Executive Director of GFL)

Mr. Chandra Prakash Jain (Non Executive Director of GFL)

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

Mr. Rajeev Gupta (Whole Time Director in Inox Wind Limited)

Mr. Kailash Lal Tarachandani - (Chief Executive Officer in Inox Wind Limited)

Mr. Alok Tandon – (Chief Executive Officer in Inox Leisure Limited)

Mr. Siddharth Jain – (Non Executive Director in Inox Leisure Limited)

Mr. V. Sankaranarayanan - (Non Executive Director in IWL)

Mr. Amit Jatia – (Non Executive Director in Inox Leisure Limited)

Ms. Girija Balkrishnan – (Non Executive Director in Inox Leisure Limited)

Mr. Haigreave Khaitan – (Non Executive Director in Inox Leisure Limited)

Mr. Kishore Biyani – (Non Executive Director in Inox Leisure Limited)

Mr. Bhupesh Kumar Juneja - (Whole Time Director in Inox Renewables Limited)

Ms. Pooja Paul (Non Executive Director in IR(J)L)

Mr. Manoj Dixit - (Executive Director in Inox Wind Infrastructure Services Limited)

Mr. Vineet Davis - (Executive Director in Inox Wind Infrastructure Services Limited)

Mr. Mukesh Manglik - (Non Executive Director in IWISL)

Mr. Mukesh Patni - (Non Executive Director in MSEIL)

**Enterprises over which a Key Management Personnel, or his relatives, have significant influence –**

Devansh Gases Private Limited

Devansh Trademart LLP

Inox India Private Limited

Inox Air Products Private Limited

Inox Chemicals LLP

Refron Valves Limited

Rajni Farms Private Limited

Siddhapavan Trading LLP

Siddho Mal Trading LLP

Inox FMCG Private Limited

Swarup &amp; Company



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

## (ii) Particulars of transactions

(Rs. in Lakhs)

Particulars	Subsidiary Company and sub-subsidiary company		Associates		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>A) Transactions during the year</b>												
<b>Dividend received</b>												
Gujarat Fluorochemicals Limited	2020.03	-									2020.03	-
<b>Total</b>	2020.03	-									2020.03	-
<b>Sale of Goods</b>												
Inox Air Products Private Limited									-	0.89	-	0.89
Refron Valves Limited									-	0.05	-	0.05
Inox India Private Limited									-	1.98	-	1.98
Inox FMCG Private Limited									-	40.70	-	40.70
<b>Total</b>									-	43.62	-	43.62
<b>Purchase of Assets</b>												
Inox India Private Limited									-	48.00	-	48.00
Inox Air Products Private Limited									-	-	-	-
<b>Total</b>									-	48.00	-	48.00
<b>Purchase of Goods</b>												
Inox Air Products Private Limited									-	451.79	-	451.79
Inox India Private Limited									-	2,313.16	-	2,313.16
Refron Valves Limited									-	-	-	-
Inox FMCG Private Limited									-	147.97	-	147.97
<b>Total</b>									-	2,912.92	-	2,912.92
<b>Purchase of Services</b>												
Inox India Limited									0.00	-	0.00	-
<b>Total</b>									0.00	-	0.00	-
<b>Equity shares Subscribed/Purchased</b>												
Mr. V K Jain					-	2.25					-	2.25
Mr. D K Jain					-	2.25					-	2.25
Mr. P K Jain					-	2.25					-	2.25
Mr.Devansh Jain					-	2.25					-	2.25
<b>Total</b>					-	9.00					-	9.00
<b>Advances given towards purchase of goods</b>												
Inox India Private Limited									1,019.75	-	1,019.75	-
Inox FMCG Private Limited									-	-	-	-
<b>Total</b>									1,019.75	-	1,019.75	-
<b>Advance received against sale of goods/services</b>												
Wind Two Energy Private Limited			7,175.00	-							7,175.00	-
Wind Four Energy Private Limited			5,381.25	-							5,381.25	-
Wind Five Energy Private Limited			5,381.25	-							5,381.25	-
<b>Total</b>			17,937.50	-							17,937.50	-
<b>Inter Corporate deposit given</b>												
Inox FMCG Private Limited									-	150.00	-	150.00
Wind Two Energy Private Limited			0.55	-							0.55	-
Wind Four Energy Private Limited			0.55	-							0.55	-
Wind Five Energy Private Limited			0.55	-							0.55	-
<b>Total</b>			1.65	-					-	150.00	1.65	150.00



# INOX LEASING AND FINANCE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### (ii) Particulars of transactions

(Rs. in Lakhs)

Particulars	Subsidiary Company and sub-subsidiary company		Associates		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Inter Corporate deposit received back</b> Inox Leisure Limited	-	1500.00									-	1500.00
<b>Total</b>	-	1500.00									-	1500.00
<b>Interest Income</b> Inox FMCG Private Limited Inox India Private Limited Wind Two Energy Private Limited Wind Four Energy Private Limited Wind Five Energy Private Limited			0.02 0.02 0.02	- - -					21.00 - - - -	0.08 158.22 - - -	21.00 - 0.02 0.02 0.02	0.08 158.22 - - -
<b>Total</b>			0.06	-					21.00	158.30	21.06	158.30
<b>Expenses (Repairs)</b> Inox Air Products Private Limited Refron Valves Limited									0.00 0.00	- 4.83	0.00 0.00	- 4.83
<b>Total</b>									0.00	4.83	0.00	4.83
<b>Reimbursement of expenses (paid)/Payments made on behalf of the Company</b> Devansh Gases Private Limited									0.00	7.32	0.00	7.32
<b>Total</b>									0.00	7.32	0.00	7.32
<b>Reimbursement of expenses (received) /Payments made on behalf by the Company</b> Gujarat Fluorochemicals Limited	2.52	-									2.52	-
<b>Total</b>	2.52	-									2.52	-
<b>Rent Received</b> Inox Air Products Private Limited Gujarat Fluorochemicals Limited Others	69.00	69.00	0.44	-					0.00 0.00	144.90 0.72	0.00 69.00 0.44	144.90 69.00 0.72
<b>Total</b>	69.00	69.00	0.44	0.00					0.00	145.62	69.44	214.62
<b>Rent paid</b> Inox Air Products Private Limited Devansh Gases Private Limited Rajni Farms Pvt. Ltd. D.K.Sachdeva					0.00	1.20			0.00 0.00 12.00	2.40 24.00 12.00	0.00 0.00 12.00 0.00	2.40 24.00 12.00 1.20
<b>Total</b>					0.00	1.20			12.00	38.40	12.00	39.60
<b>O&amp;M Charges &amp; Lease Rents paid</b> Inox Air Products Private Limited									0.00	208.33	0.00	208.33
<b>Total</b>									0.00	208.33	0.00	208.33



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(ii) Particulars of transactions

(Rs. in Lakhs)

Particulars	Subsidiary Company and sub-subsidiary company		Associates		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>B) Amounts outstanding</b>												
<b>Amount payable</b>												
Inox India Private Limited									-	242.84	-	242.84
Refron Valves Limited									1.37	-	1.37	-
Inox Air Products Private Limited									101.80	102.73	101.80	102.73
Inox FMCG Private Limited									1.86	28.50	1.86	28.50
<b>Total</b>									<b>105.03</b>	<b>374.07</b>	<b>105.03</b>	<b>374.07</b>
Advance from customers												
Wind Two Energy Private Limited			7,175.00	-							7,175.00	-
Wind Four Energy Private Limited			5,381.25	-							5,381.25	-
Wind Five Energy Private Limited			5,381.25	-							5,381.25	-
<b>Total</b>			<b>17,937.50</b>	<b>-</b>							<b>17,937.50</b>	<b>-</b>
<b>Amount Receivable</b>												
a) Trade /Other Receivables												
Gujarat Fluorochemicals Limited	0.77	-									0.77	-
Refron Valves Limited									-	0.02	-	0.02
Inox Air Products Private Limited			2.30	-					13.33	-	13.33	-
Others									-	1.24	2.30	1.24
<b>Total</b>	<b>0.77</b>	<b>-</b>	<b>2.30</b>	<b>-</b>					<b>13.33</b>	<b>1.26</b>	<b>16.40</b>	<b>1.26</b>
b) Security Deposit paid												
Rajni Farms Pvt. Ltd.									60.00	60.00	60.00	60.00
<b>Total</b>									<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>
c) Loans & Advances												
Inox India Private Limited									546.87	-	546.87	-
<b>Total</b>									<b>546.87</b>	<b>-</b>	<b>546.87</b>	<b>-</b>
d) Inter-corporate deposit given												
Wind Two Energy Private Limited			0.85	-							0.85	-
Wind Four Energy Private Limited			0.85	-							0.85	-
Wind Five Energy Private Limited			0.85	-							0.85	-
Inox FMCG Private Limited									250.00	150.00	250.00	150.00
<b>Total</b>			<b>2.55</b>	<b>-</b>					<b>250.00</b>	<b>150.00</b>	<b>252.55</b>	<b>150.00</b>
f) Interest accrued on inter-corporate deposits given												
Wind Two Energy Private Limited			0.03	-							0.03	-
Wind Four Energy Private Limited			0.03	-							0.03	-
Wind Five Energy Private Limited			0.03	-							0.03	-
Inox FMCG Private Limited									20.44	0.08	20.44	0.08
<b>Total</b>			<b>0.09</b>	<b>-</b>					<b>20.44</b>	<b>0.08</b>	<b>20.53</b>	<b>0.08</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018****C) Compensation of Key management personnel**

Particulars	(Rs.In Lakhs)	
	2017-2018	2016-2017
(i) Remuneration paid-		
Mr. V K Jain	651.32	622.56
Mr. D K Jain	479.21	166.54
Mr. D K Sachdeva	23.46	24.05
Mr. Anand Bhusari	137.72	125.98
Mr. Devansh Jain	50.64	120.64
Mr. Rajeev Gupta	76.20	126.15
Mr. Kailash Lal Tarachandani	120.66	252.39
Mr. Manoj Dixit	24.52	24.71
Mr. Vineet Davis	40.79	40.79
Mr. Alok Tandon	107.35	97.43
Mr. Bhupesh Juneja	79.08	128.62
(ii) Director sitting fees paid	0.00	0.00
<b>Total</b>	<b>1,790.95</b>	<b>1,729.86</b>

Note: The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Group as a whole, the amount pertaining to KMP are not included above. Contribution to Provident Fund (defined contribution plan) is Rs.37.44 lakhs (previous year Rs. 31.51 lakhs) included in the amount of remuneration reported above.

**D) Professional fees includes payment made to:**

Particulars	(Rs.In Lakhs)	
	2017-2018	2016-2017
1) Mr. Deepak Asher	30.00	30.00
2) Swarup & Company	25.00	—
<b>Total</b>	<b>55.00</b>	<b>30.00</b>

**Notes to Related Party Disclosures**

- Sales, purchases and service transactions with related parties are made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- No expense has been recognised for the year ended 31st March, 2018 and 31st March, 2017 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no guarantees received or provided for any related party receivables or payables.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 44 Foreign Currency Exposure -hedged

The Group enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk.

Outstanding Contracts	Exchange Rate		Foreign currency (in Lakhs)		Nominal amounts (Rs in Lakhs)	
	As at 31st March, 2018	As at 31st March 2017	As at 31st March 2018	As at 31st March 2017	As at 31st March 2018	As at 31st March 2017
Fair value hedges						
Principal only swaps (POS) contracts (Assets)	65.18	64.84	55.56	493.33	3,620.97	31,989.15
Forward contracts						
USD	—	64.84	—	433.86	—	28,131.48
EUR	—	69.25	—	250.12	—	17,320.81
CNY	—	9.43	—	26.86	—	253.29
Principal only swaps (POS) contracts (Liability)	65.11	64.85	276.57	389.56	18,007.13	25,261.02

### 44.1 Foreign Currency Exposure -Unhedged

The Group is subject to the risk that changes in foreign currency values impact the Company exports revenue, imports of material/capital goods, services/royalty etc and borrowings. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk.

The carrying amount of unhedged Foreign Currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Liabilities</b>		
USD	28,714.78	37,677.95
Euro	17,730.54	14,089.75
Others	1,595.89	2,570.83
<b>Assets</b>		
USD	15,162.81	10,417.21
Euro	7,955.07	6,958.83
Others	598.00	257.74

### 45 Treasury shares in case of Inox Leisure Limited (ILL):

Pursuant to the Composite Scheme of Amalgamation ("Scheme") of ILL's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with ILL, which was operative from 1st April, 2012, ILL had allotted fully paid up 34,562,206 equity shares of Rs. 10 each to the shareholders of the transferor companies on 10th July, 2013, including fully paid up 24,431,570 equity shares of Rs. 10 each to INOX Benefit Trust ("Trust") towards shares held by ILL in Fame. These shares are held by the Trust exclusively for the benefit of ILL.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018**

Particulars of shares of ILL held by the Trust, at cost, are as under:

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2018	As at 31st March, 2017
No. of shares	<b>4,350,092</b>	4,350,092
Cost (Rs. in lakhs)	<b>3,266.98</b>	3,266.98

ILL's interest in the Trust, being akin to Treasury Shares, in accordance with their substance and economic reality, is deducted from Total Equity. Any profit or loss arising from sale of Treasury Shares by the Trust will be recorded separately as 'Reserve on sale of Treasury Shares' in other equity, being transactions relating to the capital of ILL.

The above treasury shares are excluded while computing the Earnings Per Share.

**46 Exceptional Items:**

(Rs. In Lakhs)

Particulars	2017-2018	2016-2017
Income		
Gain on sale of Group's entire stake in Joint Venture Company Xuancheng Hengyuan Chemical Technology Company Ltd.	—	633.03
Profit from sale of shares on Inox Wind Limited (Net of expense)	4,558.34	
<b>Total</b>	<b>4,558.34</b>	<b>633.03</b>
<b>Expenses</b>		
(a) Loss on measurement of non-current assets held for sale pursuant to sale of wind farm projects and other related items (see Note below)	102.76	22,579.12
(b) Provision towards claim for reimbursement of cost of fit-outs incurred by the Group at one of its proposed multiplex. (see Note below)	854.16	—
<b>Total</b>	<b>956.92</b>	<b>22,579.12</b>
<b>Net Exceptional Items</b>	<b>3,601.42</b>	<b>(21,946.09)</b>

The Group was operating 139 Wind turbine generators (WTG's) for generation and sale of power. These projects constituted the power generation business of the Group. During the year ended 31st March, 2017, Group decided to sell the project comprising of 125 WTG's and in pursuance thereof, entered into Business Transfer Agreement (BTA) with parties to transfer such 125 WTG's and accordingly classified them as "Assets held for sale". The fair value of these WTG's, less cost to sale, based on the business transfer agreement as at 31st March, 2017 was determined at Rs. 1,02,419.12 Lakhs. As at 31st March, 2017 the carrying amount of these WTG's was Rs 1,28,754.24 (including revaluation surplus amounting to Rs 5551.10 Lakhs recognised in earlier year). Therefore, assets were restated at lower of carrying amount or net fair value, and the difference of Rs 20,784.02 Lakhs was recognized as exceptional items in the statement of profit and loss for the year ended 31st March, 2017. Further, Rs 3189.10 Lakhs representing revaluation reserve, to the extent attributable to this asset was recognised in "Revaluation Reserve" for the year ended 31st March, 2017. Further, tax of Rs. 4,457.00 Lakhs in this respect was included in the deferred tax charge for the year ended 31st March, 2017.

During the current year, the Group has recognized further loss of Rs. 1092.21 Lakhs being the lower of the carrying amounts of assets and fair value less cost of sale. The Group has recovered foreign exchange fluctuation loss (including amount capitalized to fixed assets in earlier years as per para D13AA of Ind AS 101) and charges paid on prepayment of borrowings in respect of these WTGs and the net surplus of Rs. 989.45 Lakhs is recognized during the current year. The net loss of Rs. 102.76 lakhs for the year ended 31st March, 2018 is included in the exceptional items.

As per the said BTAs, all economic benefits of the WTGs belong to the IPPs with effect from 1st May 2017. Accordingly, Other Expenses include the provision for amount payable towards such benefits to the IPPs of Rs. 8,918.23 Lakhs for year ended 31st

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

March, 2018. As per terms and conditions of the BTA, the Group was also entitled to interest on equity capital invested (as reduced by payments received on a time to time basis) and net outgoings paid by the Group for operation of above projects during the year. Such interest of Rs. 2,265.19 lakhs for year ended 31st March, 2018 is included in other income.

The Group had issued termination notice for one of its proposed multiplex seeking refund of security deposit and reimbursement of cost of fit outs incurred by the Group aggregating to Rs 914.16 Lacs which was carried forward as amount recoverable towards claim in Note \*\* "Other assets". During the year Group has received Arbitration Award and the claim of the Group towards reimbursement of cost of fit outs is decided against the Group. Even though the Group is taking further legal steps in this regard, provision of Rs. 854.16 Lacs is made towards this claim.

### 47 Segment information

#### 47.1 The Group has following business segments:

- a) "Chemicals - Comprising of Refrigerant gases, Anhydrous Hydrochloric acid, Caustic, Chlorine, Chloromethane, PTFE and Speciality Chemicals. "
- b) "Wind Energy Business – Comprising of manufacture and sale of Wind Turbine Generators (WTGs), providing related Erection, Procurement & Commissioning (EPC), Common Infrastructure Facilities, development of wind farms and Operation & Maintenance (O&M) services."
- c) Power - Comprising of Power Generation.
- d) Theatrical Exhibition – Comprising of operating and managing multiplex cinema theatres.

The amount of expenditure capitalized in the Consolidated Financial Results represents cost of WTGs manufactured and services for their erection and commissioning provided by Wind Energy Business segment and capitalized as PPE and CWIP in Power segment.

#### 47.2 Inter-segment revenue comprises of:

- a) Wind Turbine Generators manufactured by Wind Energy business segment (including Erection and Commissioning services), 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.

**47.3** Chemicals business is operated in two geographical markets viz. domestic and overseas markets. The main manufacturing facilities of chemicals business in India are common for India and overseas market and hence it is not possible to directly attribute or allocate on a reasonable basis the expenses, assets and liabilities to these geographical segments. In respect of power segment, the entire production is indigenously sold. All multiplexes/theatres are located in India. The entire revenue of WTG segment is from domestic market. The disclosures regarding geographical segments are made accordingly.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 47.4 Information about Primary (Business) Segments.

(Rs. In Lakhs)

Particulars	2017-2018	2016-2017
<b>1 Segment Revenue</b>		
i. Chemicals	212,161.28	148,221.61
ii. Wind Energy Business	36,716.00	333,984.00
iii. Power	18,575.50	22,144.06
iv. Theatrical Exhibition	155,295.57	140,210.23
v. Others, Un-allocable and Corporate	531.34	581.47
<b>Total Segment Revenue</b>	<b>423,279.69</b>	<b>645,141.37</b>
Less : Inter Segment Revenue		
Wind Energy Business	23,768.34	2,843.71
<b>Total External Revenue</b>	<b>399,511.35</b>	<b>642,297.66</b>
<b>2 Segment Result</b>		
i. Chemicals	44,024.35	13,579.70
ii. Wind Energy Business	(24,019.26)	39,693.41
iii. Power	8,218.00	13,819.84
iv. Theatrical Exhibition	11,507.51	6,040.38
<b>Total Segment Result</b>	<b>39,730.60</b>	<b>73,133.33</b>
Add/(Less): Un-allocable Income/(Expenses) (Net)	14,601.12	(10,413.88)
Less: Finance cost	28,085.12	30,803.59
Profit before tax and exceptional items	26,246.60	31,915.86
Less: Taxation (net)	3,729.81	19,541.10
<b>Profit for the year</b>	<b>22,516.79</b>	<b>12,374.76</b>
<b>3 Other information</b>		
<b>I Segment Assets</b>		
i. Chemicals	352,119.56	295,135.31
ii. Wind Energy Business	358,283.00	486,916.68
iii. Power	34,605.87	123,486.83
iv. Theatrical Exhibition	118,861.16	108,788.71
v. Others, Un-allocable and Corporate	130,821.59	97,177.47
<b>Total Segment Assets</b>	<b>994,691.18</b>	<b>1,111,505.00</b>
<b>II Segment Liabilities</b>		
i. Chemicals	41,848.36	20,542.84
ii. Wind Energy Business	114,905.77	139,528.21
iii. Power	3,651.83	904.76
iv. Theatrical Exhibition	23,505.15	17,928.55
v. Others, Un-allocable and Corporate	213,365.82	365,906.09
<b>Total Segment Liabilities</b>	<b>397,276.93</b>	<b>544,810.45</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

(Rs. In Lakhs)

	<b>2017-2018</b>	<b>2016-2017</b>
<b>III Segment Capital Employed</b>		
i. Chemicals	310,271.20	274,592.47
ii. Wind Energy Business	243,377.23	347,388.47
iii. Power	30,954.04	122,582.07
iv. Theatrical Exhibition	95,356.01	90,860.16
v. Others, Un-allocable and Corporate	(82,544.23)	(268,728.62)
<b>Total Segment Capital Employed</b>	<b>597,414.25</b>	<b>566,694.55</b>
<b>IV Capital Expenditure (Including Capital Advances)</b>		
i. Chemicals	43,314.13	21,188.64
ii. Wind Energy Business	18,572.89	28,989.99
iii. Power	21,806.06	18.74
iv. Theatrical Exhibition	15,918.28	15,316.40
v. Others, Un-allocable and Corporate	0.34	—
<b>Total Capital Expenditure (Including Capital Advances)</b>	<b>99,611.70</b>	<b>65,513.77</b>
<b>V Depreciation &amp; Amortization</b>		
i. Chemicals	15,274.73	14,965.79
ii. Wind Energy Business	5,362.95	4,379.69
iii. Power	521.62	5,123.25
iv. Theatrical Exhibition	9,026.85	8,504.87
v. Others, Un-allocable and Corporate	79.55	62.21
<b>Total Depreciation &amp; Amortization</b>	<b>30,265.70</b>	<b>33,035.81</b>
<b>VI Non-cash expenses (other than depreciation)</b>		
i. Chemicals	107.40	16.63
ii. Wind Energy Business	37.41	1,084.32
iii. Power	423.83	2,277.23
iv. Theatrical Exhibition	709.66	318.00
v. Others, Un-allocable and Corporate	—	—
<b>Total Non-cash expenses (other than depreciation)</b>	<b>1,278.30</b>	<b>3,696.18</b>

### 48. The particulars of dues to micro, small and medium enterprises under Micro, Small and Medium Enterprises Development Act, 2006:

(Rs. In Lakhs)

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
Principal amount due to suppliers under MSMED Act, 2006 at the year end.	256.63	386.94
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end.	43.92	45.69
Payment made to suppliers (other than interest) beyond the appointed date during the year	606.46	1,087.81
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	—	0.20
Interest due and payable to suppliers under MSMED Act for payments already made.	15.81	73.48
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	202.43	142.70

The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Group.



**INOX LEASING AND FINANCE LIMITED**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2018

### 49 Corporate Social Responsibility (CSR)

(a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is Rs. 1,406.33 Lakhs (31st March, 2017: Rs. 1,187.75 Lakhs)

(b) Amount spent during the year on:

(Rs. In Lakhs)			
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii) On purposes other than (i) above			
Donations	297.58 (389.95)	Nil Nil	297.58 (389.95)

(Figures in brackets pertain to year ended 31st March, 2017)

### 50 Earnings Per Share

Particulars	2017-2018	2016-2017
Profit for the year (Rs. In lakhs)	<b>14509.05</b>	3,301.49
Equity shares outstanding at the beginning & at the end of the year – (Nos.)	<b>9993467</b>	9993467
Nominal value of each share – (in Rs)	<b>10</b>	10
Basic and Diluted Earnings per share (in Rs.)	<b>145.18</b>	33.13

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

**S.C.BANDI**  
Proprietor  
**Membership No. 16932**

Place: Mumbai  
Date: 9<sup>th</sup> August, 2018

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director  
Place: Mumbai  
Date: 9<sup>th</sup> August, 2018



## MANDATE FORM

(applicable for the shareholders holding shares in physical mode)

Mandate for Electronic Communication and Direct Credit of dividend in Bank Account

I/We \_\_\_\_\_ hereby authorize you to update the following e-mail ID/contact details/ Bank Account details for receipt of communication in electronic mode and for crediting the dividend amount directly in my Bank Account.

E-mail ID : \_\_\_\_\_

1. Folio No. : \_\_\_\_\_

2. Name of the Bank : \_\_\_\_\_

3. Name of Branch : \_\_\_\_\_

4. Account No. : \_\_\_\_\_

5. Account Type (Saving/ Current) : \_\_\_\_\_

6. 9 digit Code No. : \_\_\_\_\_

7. 11 digit IFSC Code : \_\_\_\_\_

8. My Mobile No. : \_\_\_\_\_

9. My Telephone No. (Incl. STD Code) : \_\_\_\_\_

I am also enclosing the unsigned photocopy of a cheque/blank cancelled cheque issued by the Bank for verifying the accuracy of the details furnished above.

I further undertake to inform the Company any change in my E-mail address/Bank, Branch and Account Number.

\_\_\_\_\_  
Signature of the Shareholder

Mail to : INOX Leasing and Finance Ltd.  
69, Jolly Maker Chambers II  
Nariman Point  
Mumbai 400 021.  
E-mail: info@ilfl.co.in



# NOTES

[illegible]



INOX LEASING AND FINANCE LIMITED

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

## INOX LEASING AND FINANCE LIMITED

(CIN: U65910MH1995PLC085703)

Registered office: 69, Jolly Maker Chambers 2, Nariman Point, Mumbai-400021.

Website: [www.ilfl.co.in](http://www.ilfl.co.in), Email id: [info@ilfl.co.in](mailto:info@ilfl.co.in)

### 23<sup>rd</sup> Annual General Meeting – 29<sup>th</sup> September, 2018

Name of the Member(s) :

Registered Address :

No. of shares held :

Folio No./ Client ID : 

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DP ID : 

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I/ We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

Or failing him/ her

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

Or failing him/ her

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018, at 10:00 a.m. at Ceejay House, 7th Floor,



**INOX LEASING AND FINANCE LIMITED**

Dr. Annie Besant Road, Worli, Mumbai-400018 and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1.	Adoption of the  a. Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2018, the report of Auditors thereon and the report of the Board of Directors for the said year;  b. Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018 and the report of the Auditors thereon.			
2.	Appointment of Director in place of Mr. D.K Jain, (DIN: 00029782) who retires by rotation and, being eligible, seeks re-appointment.			
3.	Appointment of Auditors of the Company and fixing their remuneration.			
Special Business				
4.	Approval to give loan to a person in whom the Director of the Company is interested under Section 185 of the Companies Act,2013.			

Signed this                      day of                      2018.

Affix  
Re 1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy Holder(s)

**Notes:**

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

*If undelivered please return to :*



**INOX LEASING AND  
FINANCE LIMITED**

69, Jolly Maker Chambers No. 2,  
Nariman Point, Mumbai - 400 021.