

***INOX LEASING AND  
FINANCE LIMITED***



**ANNUAL REPORT  
2016 - 2017**



## INOX LEASING AND FINANCE LIMITED

### ANNUAL REPORT 2016 – 2017

#### 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

#### 22ND ANNUAL GENERAL MEETING

Friday, 29<sup>th</sup> September, 2017 at  
10.00 a.m. at Ceejay House, 7<sup>th</sup> Floor,  
Dr. Annie Besant Road, Worli,  
Mumbai - 400018.

#### AUDIT COMMITTEE

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

CIN : U65910MH1995PLC085703

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

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

#### COMPANY SECRETARY

Vijay Saxena

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#### 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.



**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. E-mail: info@ilfl.co.in.

### **NOTICE**

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of **INOX LEASING AND FINANCE LIMITED** will be held on Friday , the 29th day of September, 2017 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, 2017, 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, 2017 and the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Siddharth Jain (DIN: 00030202) 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 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next 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, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Devansh Jain (DIN: 01819331) who was appointed as an Additional Director of the Company with effect from 3rd December, 2016 pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Devansh Jain (DIN: 01819331) for the office of Director, be and is hereby appointed as director liable to retire by rotation."

By Order of the Board of Directors

**Vijay Saxena**

Company Secretary

Delhi, 16th August, 2017

#### **REGISTERED OFFICE:**

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



**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 of the Companies Act, 2013 in respect of the Special Business as set out above is annexed hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2017 to 29th September, 2017 (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). Members who have not received/claimed interim dividend and / or final dividend for 2010-11 or any of the subsequent years , are requested to make their claim to the company for issue of duplicate dividend warrants.

Further, pursuant to the provisions of Section 124 of the Companies Act., 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("Rules"), the Company is required to transfer all equity shares in respect of which the dividend has not been paid or claimed for 7 consecutive years or more to Investor Education and Protection Fund (IEPF), established by the Central Government.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders, whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. A list of such shareholders whose shares are liable for transfer to the IEPF Account is also displayed on the Company's website: [www.ilfl.co.in](http://www.ilfl.co.in). The shareholders whose shares/dividend is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority: <http://iepf.gov.in> and no claim shall lie against the company in respect of such dividend/shares.

- 6) 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, 2017.

**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, 2017 at 9.00 a.m. and ends on 28th September, 2017 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, 2017) , 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.



## INOX LEASING AND FINANCE LIMITED

- (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:

For Members holding shares in Demat Form and Physical Form	
PAN*	<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>
Dividend Bank Details of Birth (DOB)	<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.
  - 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, 2017 at 9:00 am and ends on 28th September, 2017 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, 2017, 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, 2017.
  - 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 .
  7. Members holding shares in physical form are requested to intimate to the company changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.
  8. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.
  9. 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.
  10. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.
  11. 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.
  12. 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.



**INOX LEASING AND FINANCE LIMITED**

**STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013**

Item No. 4.

The Board of Directors of the Company at its meeting held on 3rd December, 2016 appointed Mr. Devansh Jain (DIN 01819331) as Director of the Company. According to the provisions of Section 161 of the Companies Act, 2013, he holds office upto the date of this Annual General Meeting. The Company has received notice along with the requisite deposit under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director of the Company. The Board recommends the resolution for approval of the Members.

Apart from Mr. Devansh Jain who would be interested in his appointment and Mr. V.K.Jain relative of Mr. Devansh Jain, none of the other Directors or Key Managerial Personnel or their respective relatives are concerned or interested financially or otherwise in the aforesaid re-appointment.

By Order of the Board of Directors

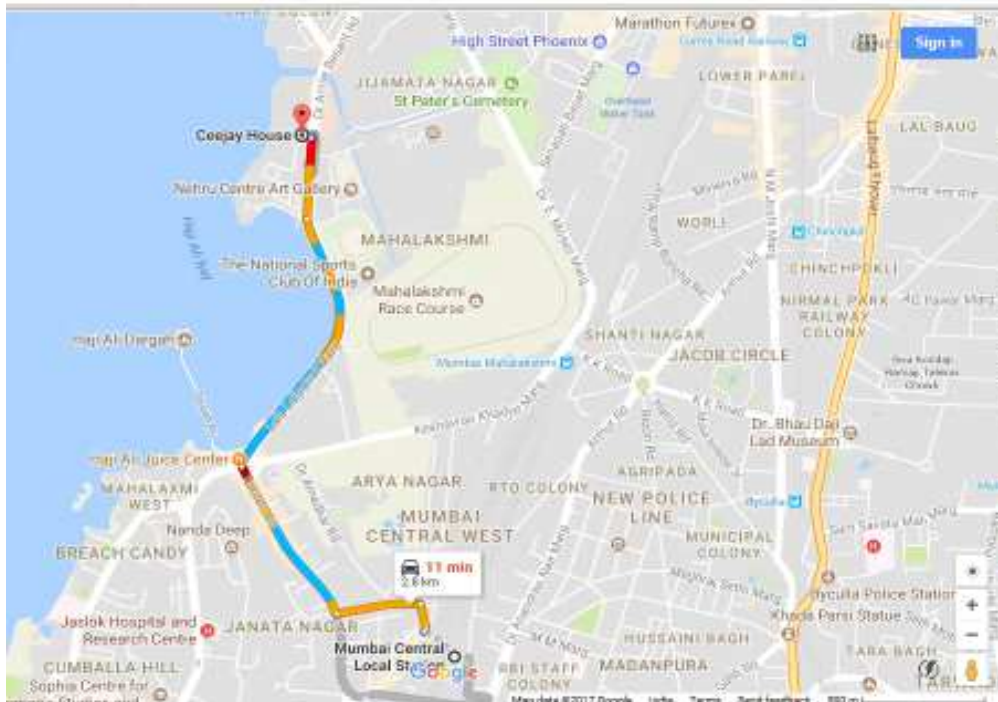
**Vijay Saxena**  
Company Secretary

Delhi, 16th August, 2017

**REGISTERED OFFICE:**

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

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



**BOARDS' REPORT**

To

The Members of  
Inox Leasing and Finance Limited

Dear Member,  
Your Directors have pleasure in presenting to you their Twenty Second Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2017.

**1. FINANCIAL RESULTS**

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31st March 2017.

(Rupees in lakhs)

	Consolidated		Standalone	
	2016-2017	2015-2016	2016-2017	2015-2016
Net Sales/Income from Operations	<b>635106.51</b>	712969.42	<b>581.69</b>	4590.81
Other Operating Income	<b>7191.15</b>	7447.75	—	—
Total Income from Operations	<b>642297.66</b>	720417.17	<b>581.69</b>	4590.81
Less: Total Expenses	<b>568931.07</b>	622501.43	<b>285.30</b>	208.12
Profit from operations before other income and finance cost and exceptional items	<b>73366.59</b>	97915.74	<b>296.39</b>	4382.69
Add: Other Income	<b>11298.95</b>	8808.64	<b>470.16</b>	374.65
Less: Finance Costs	<b>30803.59</b>	23227.85	—	—
Profit from ordinary activities after finance costs but before exceptional items	<b>53861.95</b>	83496.53	<b>766.55</b>	4757.34
Exceptional items	<b>(21946.09)</b>	(496.02)	—	—
Profit from ordinary activities before taxation	<b>31915.86</b>	83000.51	<b>766.55</b>	4757.34
Provision for taxation	<b>19531.60</b>	22626.91	<b>146.82</b>	213.94
Profit / (Loss) for the year	<b>12384.26</b>	60373.60	<b>619.73</b>	4543.40
Less: Share of Minority Interest in Profit / (Loss)	<b>9073.27</b>	39223.73	—	—
Net Profit / (Loss) for the year	<b>3310.99</b>	21149.87	<b>619.73</b>	4543.40
Profit brought forward from earlier years	<b>20368.40</b>	10745.75	<b>3595.52</b>	4621.71
On account of Amalgamation / disposal of joint venture	<b>548.27</b>	(197.80)	—	—
Profit available for appropriations	<b>24227.65</b>	31697.82	<b>4215.25</b>	9165.11
Appropriations				
Transferred to General Reserves	<b>1676.20</b>	3607.40	<b>100.00</b>	455.00
Transferred to Statutory Reserves	<b>125.00</b>	910.00	<b>125.00</b>	910.00
Interim Dividend	—	5834.63	—	4009.92
Debenture Redemption Reserve	<b>1135.55</b>	—	—	—
Tax on Dividend	—	782.70	—	—
Tax on Buy back of shares	—	194.67	—	194.67
Balance Carried forward to Balance Sheet	<b>21290.90</b>	20368.42	<b>3990.25</b>	3595.52

**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 2016-17 shall be laid before the Annual General Meeting for approval of the Members of the Company.





## **INOX LEASING AND FINANCE LIMITED**

### **3. DIVIDEND**

Your Directors do not recommend any dividend for the year ended 31st March, 2017.

### **4. TRANSFER TO RESERVES**

During the year under review, your Company has transferred Rs. 100.00 lacs to General Reserves.

### **5. DIRECTORS**

Your Directors recommend appointment/re-appointment of following Directors:

Re-appointment of Mr. Siddharth Jain (DIN: 00030202) who retires by rotation and being eligible, offers himself for re-appointment.

Mr. Devansh Jain (DIN: 01819331) was appointed as Additional Director w.e.f. 3rd December, 2016. In terms of Section 161 of the Companies Act, 2013, he hold office upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director liable to retire by rotation..

Necessary Resolutions in respect of Directors seeking appointment / re-appointment are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

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

### **6. BOARD MEETINGS AND ANNUAL GENERAL MEETINGS**

During the year under review, four meetings of the Board were convened and held on 25th April, 2016, 8th August, 2016, 3rd December, 2016 and 8th February, 2017. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013.

The 21st Annual General Meeting of the company was held on 30th September, 2016.

### **7. 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, the applicable Accounting Standards 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, 2016 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;
- 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.

### **8. CHANGE IN KEY MANAGERIAL PERSONNEL OF THE COMPANY**

Mr. Balkrishan Das Maheshwari, , Chief Financial Officer has retired from the company w.e.f. 31st March, 2017.

### **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, 27 and 34 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 35 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 controls commensurate with its size and nature of its business. The Board has reviewed internal financial controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company.

**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 22nd 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 one year from the conclusion of the 22nd Annual General Meeting until the conclusion of 23rd 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 report on CSR activities as per Companies (Corporate Social Responsibility ) Rules, 2014 is annexed to this Report as Annexure 'D'.



## INOX LEASING AND FINANCE LIMITED

### 20. INSURANCE

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

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

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

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

Delhi, 16th August, 2017

**Annexure B  
AOC 1**

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

(Rupees in Lakhs)

Name of Subsidiaries	GUJARAT FLUORO-CHEMICALS LIMITED	INOX LEISURE LIMITED	INOX WIND LIMITED	INOX RENEWABLES LIMITED	INOX RENEWABLES (JAISALMER) LIMITED	INOX WIND INFRA-STRUCTURE SERVICES LIMITED	MARUTI-SHAKTI ENERGY INDIA LIMITED	SARAYU WIND POWER (TALLIMADUGULA) PRIVATE LIMITED	SARAYU WIND POWER (KONDAPURAM) PRIVATE LIMITED	SATVIKI ENERGY PRIVATE LIMITED	VINIRRA MAA ENERGY GENERATION PRIVATE LIMITED	RBRK INVESTMENTS LIMITED	INOX INFRA-STRUCTURE LIMITED	GUJARAT FLUORO-CHEMICALS AMERICAS LLC	GUJARAT FLUORO-CHEMICALS SINGAPORE PTE LIMITED	GFL GM FLUORSPAR (SA)	GUJARAT FLUORO-CHEMICALS GmbH	SHOURI PROPERTIES PRIVATE LIMITED	
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.64.85	USD @Rs.64.85	MAD @Rs.6.4533	EURO @Rs.69.33		
Share Capital	1098.50	9616.28	22191.82	337.50	10605.00	5.00	61.11	1.00	1.00	83.50	5.00	7.00	5000.00	1012.28	2153.30	1349.96	21.82	141.00	
Reserves and Surplus	299474.74	52219.11	194620.58	4204.41	2285.64	(11911.54)	(1109.27)	(62.24)	(13.44)	(4.68)	(60.63)	40.56	323.26	(16.73)	283.85	(1422.71)	274.52	(66.36)	
Total Assets	415617.12	111553.60	439111.60	107178.12	36306.33	130327.62	4281.66	477.22	110.41	83.53	462.19	1247.54	5382.92	5787.57	2444.03	8203.54	5235.21	185.62	
Total Liabilities	115043.88	49718.21	222299.20	102636.22	23415.69	142234.15	5329.82	538.46	122.85	4.71	517.83	1199.98	59.66	4792.03	6.89	8276.28	4938.87	110.97	
Investments	64847.80	1215.69	74,629.18	10,605.00	-								5370.69					30	
Turnover	142359.78	121740.33	286322.35	16551.48	5832.18	61944.30	733.28	171			139	1008.48	-	11310.73	34.07	-	13077.59	313.49	
Profit/(Loss) before taxation	12872.45	3946.95	33943.77	(8969.45)	821.60	(1327.11)	(400.02)	(5.20)	(2.89)	(1.27)	(46.63)	84.84	(34.19)	68.01	23.62	(275.04)	79.54	6.50	
Provision for taxation	4131.97	1227.15	8957.00	3316.43	995.00	169.48				0.18		26.55	44.00		6.59	0.93	24.13	1	
Profit/(Loss) after taxation	8740.48	2719.80	24986.77	(12285.88)	(173.40)	(1496.59)	(400.02)	(5.20)	(2.89)	(1.45)	(46.63)	58.29	(78.19)	68.01	17.03	(275.97)	55.40	5.09	
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
% of Shareholding	52.54	48.09	63.09	100.00	100.00 by Inox Renewables Limited	100.00 by Inox Wind Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00 by Inox Wind Infra-structure Services Limited	100.00	100.00	100.00	74.00	100.00	99.29 by Inox Leisure Limited	



**INOX LEASING AND FINANCE LIMITED****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, 2017	31st March, 2016
1	Latest Audited Balance Sheet date	31st March, 2017	31st March, 2016
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	93.18	95.54
6	Profit/Loss for the year		
	considered in consolidation	(2.36)	(2.20)
	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:

Xuancheng Hengyuan Chemical Technology Company 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, 2017**

(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: info@ilfl.co.in Website: www.ilfl.co.in
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	93.44


**INOX LEASING AND FINANCE LIMITED**
**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)	Subsidiary	52.54%	2 (87)
2	L92199GJ1999PLC044045 (Inox Leisure Limited)	Step-down Subsidiary	0.61%	2 (87)
3	U31901HP2009PLC031083 (Inox Wind Limited)	Step-down Subsidiary	63.09% held by Gujarat Fluorochemicals Ltd.	2 (87)
4	U40100GJ2010PLC062869 (Inox Renewables Limited)	Step-down Subsidiary	100% held by Gujarat Fluorochemicals Ltd.	2 (87)
5	U45201GJ2012PLC071264 Inox Renewables (Jaisalmer) Limited	Step-down Subsidiary	100.00% held by Inox Renewables Limited	2 (87)
6	U45207GJ2012PLC070279 (Inox Wind Infrastructure Services Limited)	Step-down Subsidiary	100.00% held by Inox Wind Limited	2 (87)
7	U45200DL2007PLC159796 Inox Infrastructure Limited	Step-down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
8	U45201MH2002PTC134393 Shouri Properties Private Limited	Step-down Subsidiary	99.29% held by Inox Leisure Ltd.	2 (87)
9	U04010GJ2000PLC083233 Marut - Shakti Energy India Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
10	U40100AP2013PTC089795 Satviki Energy Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
11	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
12	U40109TG2007PTC056146 Vinirrrmaa Energy Generation Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
13	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
14	U24119GJ2012PTC070801 Swarnim Gujarat Fluorspar Private Limited	Joint Venture Company of subsidiary	49.93% held by Gujarat Fluorochemicals Ltd.	2 (6)
15	201117579Z Gujarat Fluorochemicals Singapore Pte Limited	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
16	801165985 Gujarat Fluorochemicals LLC, USA	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
17	HRB128868 Gujarat Fluorochemicals, GmbH	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
18	404026907 GFL GM Fluorspar SA	Foreign Step-down Subsidiary	74.00% held by GFL Singapore Pte Limited	2 (6)
19	U9213MH2001PTC133639 Swanston Multiplex Cinemas Private Limited	Joint Venture of Step-down subsidiary	50% held by Inox Leisure Limited	2 (87)
20	U40106GJ2017PTC097088 Wind One Renergy Private Limited	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
21	U40300GJ2017PTC096960 Wind Two Renergy Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
22	U40200GJ2017PTC096956 Wind Three Renergy Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
23	U40300GJ2017PTC097003 Wind Four Renergy Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
24	U40100GJ2017PTC096973 Wind Five Renergy Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
25	U40300GJ2017PTC097140 Ripudaman Urja Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
26	U40300GJ2017PTC097128 Suswind Power Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services Limited	2 (87)
27	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited	Step-down Subsidiary	100% held by Inox Wind Infrastructure Services 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>									
Individual /HUF	17548	9586330	9603878	96.09	17548	9586330	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	17548	9728897	9746445	97.53	17548	9728897	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	17548	9728897	9746445	97.53	17548	9728897	9746445	97.53	-
<b>(B) Public Share Holding Institutions</b>									
Mutual Funds	-	4500	4500	0.04	-	4500	4500	0.04	0
Banks / FI	-	500	500	0.01	-	500	500	0.01	0
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	-	5000	5000	0.05	0



**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)	7900	2400	10300	0.10	9100	2400	11500	0.11	0.01
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 Lakh	32153	199569	231722	2.32	32853	197669	230522	2.31	-0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Non Resident Indian (REPAT)	-	-	-	-	-	-	-	-	-
Non Resident Indian (NON REPAT)	-	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-	-
Sub Total B2	40053	201969	242022	2.42	41953	200069	242022	2.42	
<b>Total Public Shareholding</b>									
<b>B=B1 + B2</b>	<b>40053</b>	<b>206969</b>	<b>247022</b>	<b>2.47</b>	<b>41953</b>	<b>205069</b>	<b>247022</b>	<b>2.47</b>	-
Total (A)+(B)	57601	9935866	9993467	100					-
C. Shares held by									
Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A)+(B)+(C)</b>	<b>57601</b>	<b>9935866</b>	<b>9993467</b>	<b>100.00</b>	<b>59501</b>	<b>9933966</b>	<b>9993467</b>	<b>100</b>	0.00

**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	0.42	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
	<b>TOTAL</b>	<b>9746445</b>	<b>97.53</b>	<b>0</b>	<b>9746445</b>	<b>97.53</b>	<b>0</b>	<b>0</b>

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

There is no change in the Promoters' Shareholding during the Financial Year 2016-17.


**(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	01/04/2016 31/03/2017		Nil movement during the year	7836 7836	0.07 0.07
2	Arms Securities Pvt. Ltd.	6800 0	0.06 0	Sale during the year	6800	Sale	6800 0	0.06 0
3	Shri Parasram Holdings Pvt. Ltd.	0 6800	0 0.06	Acquired during the year	6800	Purchased	0 6800	0 0.06
4	Suman Ajmera	5500 5500	0.05 0.05	01/04/2016 31/03/2017		Nil movement during the year	5500 5500	0.05 0.05
5	IDBI as Principle Trustee A/c. IDBI MF	4300 4300	0.04 0.04	01/04/2016 31/03/2017		Nil movement during the year	4300 4300	0.04 0.04
6	Ravindra Jagjivan Gokal	1900 1900	0.02 0.02	01/04/2016 31/03/2017		Nil movement during the year	1900 1900	0.02 0.02
7	Dhoot Industrial Finance Ltd.	1900 1900	0.02 0.02	01/04/2016 31/03/2017		Nil movement during the year	1900 1900	0.02 0.02
8	Kirit Vassa	1500 1500	0.02 0.02	01/04/2016 31/03/2017		Nil movement during the year	1500 1500	0.02 0.02
9	Sucharitra R Bhatia	1067 1067	0.01 0.01	01/04/2016 31/03/2017		Nil movement during the year	1067 1067	0.01 0.01
10	Kiran Mehta	1000 1000	0.01 0.01	01/04/2016 31/03/2017		Nil movement during the year	1000 1000	0.01 0.01
11	Sangita Jain	900 900	0.01 0.01	01/04/2016 31/03/2017		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 beginning/end of the year	% of total shares of the company				No. Of shares	% of total shares of the company
<b>Directors</b>								
1	Devendra Kumar Jain	69896 69896	0.70 0.70	01.04.2016 31.03.2017		Nil movement during the year	69896 69896	0.70 0.70
2	Pavan Kumar Jain	1132219 1132219	11.33 11.33	01.04.2016 31.03.2017		Nil movement during the year	1132219 1132219	11.33 11.33
3	Vivek Kumar Jain	1321791 1321791	13.23 13.23	01.04.2016 31.03.2017		Nil movement during the year	1321791 1321791	13.23 13.23
4	Siddharth Jain	2342586 2342586	23.44 23.44	01.04.2016 31.03.2017		Nil movement during the year	2342586 2342586	23.44 23.44
5	Devansh Jain	2303218 2303218	23.05 23.05	03.12.2016* 31.03.2017		Nil movement during the year	2303218 2303218	23.05 23.05
	* Mr. Devansh Jain was appointed as Additional Director of the company w.e.f. 03.12.2016.							
<b>Key Managerial Personnel (KMP)</b>								
1	Vijay Saxena	0	0		0		0	0
2	B.D. Maheshwari	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	Mr. B.D. Maheshwari Chief Financial Officer
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.80	10.24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission- as % of profit- others, specify...	0	0
5.	Others, please specify-Company contribution to PF	1.12	0.50
	Total (A)	17.92	10.74

**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 CSR 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	Shri D.K. Jain, Chairman Shri P.K. Jain, Managing Director Shri Siddharth Jain Director
3.	Average net profit of the Company for last three financial years	Rs. 652.11 lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 13.05 lakhs
5.	Details of CSR spent during the financial year : a. Total amount to be spent for the financial year; b. Total amount spent during the year c. Amount unspent, if any;	Rs. 13.05 lakhs  Rs. 40.94 lakhs  NIL



**INOX LEASING AND FINANCE LIMITED**

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

(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.	Contribution to Saint Hardyal Education and Orphan Welfare Society. (Old Age Home for Helpless OLD)	Promoting Health Care	Delhi/NCR	12,00,000/-	12,00,000/-	12,00,000/-	Through Inox Group CSR Trust
2.	Contribution to Smile Foundation for Education support of under privileged children under Mission Education Programme.	Promoting education	Delhi	10,55,000/-	10,55,000	8,59,264/-	Through Inox Group CSR Trust
3.	Contribution to Shri Digamber Jain Sanskrit Shiksha Samiti	Promoting education	Jaipur	10,00,000	10,00,000	10,00,000	Through Inox Group CSR Trust
4.	Contribution to Corpus Fund of Inox Group CSR Trust	NA	Expenditure on CSR build capacity through implementing agency	8,39,000/-	8,39,000/-	8,39,000/-	Through Inox Group CSR Trust

**Annexure D**

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

Sr. No.		
	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.	During the year, against the required amount of Rs. 13.05 lakhs the Company has spent Rs. 40.94 lakhs on CSR related activities .This amount includes the unspent amount of Rs. 27.89 lakhs for the financial year 2014-15 and 2015-16.
	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

Delhi, 16th August, 2017



## 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, 2017, 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, 2017 and its profit and cash flows for the year ended on that date.

### **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.





**INOX LEASING AND FINANCE LIMITED**

- (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, 2017 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.
    - iv. The Company has provided requisite disclosures in Note No. 37 to these standalone financial statements as regards to its holdings and dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedure performed and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management,
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 : 16th August, 2017

**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 2017 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 2016, 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 : 16th August, 2017

### 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, 2017 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 : 16th August, 2017



INOX LEASING AND FINANCE LIMITED

## STAND ALONE BALANCE SHEET AS ON 31ST MARCH, 2017

(Rs. In lakhs)

	Note No.	As at 31st March, 2017		As at 31st March, 2016	
		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		13,375.28		12,755.55
			<b>14,374.63</b>		<b>13,754.90</b>
<b>Non-current liabilities</b>					
(a) Other Long-term liabilities	6		25.44		38.17
(b) Long-term Provisions	7		18.02		17.97
			<b>43.46</b>		<b>56.14</b>
<b>Current liabilities</b>					
(a) Trade Payables	8		4.81		2.82
(b) Other Current Liabilities	9		142.18		179.40
(c) Short-term Provisions	10		16.46		13.01
			<b>163.45</b>		<b>195.23</b>
<b>TOTAL</b>			<b>14,581.54</b>		<b>14,006.27</b>
<b>ASSETS</b>					
<b>Non-current Assets</b>					
(a) Fixed assets					
Tangible assets	11		150.91		37.32
Intangible assets	11A		1.15		—
(b) Capital work-in-progress			1,794.18		1,794.18
(c) Deferred Tax Asset	26		20.06		17.82
(d) Non-current investments	12		8,237.27		5,306.74
(e) Long-term Loans and advances	13		217.72		1,567.08
(f) Other non-current assets	14		42.32		52.13
<b>Current Assets</b>					
(a) Current investments	15		3,106.37		3,298.25
(b) Trade receivables	16		36.38		12.61
(c) Cash and cash equivalents	17		816.93		1,744.14
(d) Short-term loans and advances	18		70.87		73.64
(e) Other current assets	19		87.38		102.36
<b>TOTAL</b>			<b>14,581.54</b>		<b>14,006.27</b>

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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Delhi  
Date: 16<sup>th</sup> August, 2017

**STAND ALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

(Rs. In lakhs)

	Note No.	2016-2017		2015-2016	
		Rupees	Rupees	Rupees	Rupees
<b>Revenue from Operations (Gross)</b>	20		<b>581.69</b>		4,590.81
Other Income	21		<b>470.16</b>		374.65
<b>Total Revenue</b>			<b>1,051.85</b>		4,965.46
Employee benefits expense	22		<b>76.68</b>		69.11
Depreciation and amortization	23		<b>58.83</b>		39.84
Other expenses	24		<b>149.79</b>		99.17
<b>Total Expenses</b>			<b>285.30</b>		208.12
Profit before tax			<b>766.55</b>		4,757.34
<b>Tax Expense</b>					
a) Current Tax		<b>145.00</b>		210.00	
b) Deferred Tax		<b>(2.24)</b>		1.60	
c) Taxation for earlier years		<b>4.06</b>		2.34	
			<b>146.82</b>		213.94
Profit for the year			<b>619.73</b>		4,543.40
Basic & diluted earning per equity share			6.20		42.87

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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Delhi  
Date: 16<sup>th</sup> August, 2017



INOX LEASING AND FINANCE LIMITED

## Standalone Cash Flow Statement for the year ended 31st March, 2017

(Rs. In lakhs)

Particulars	2016-17	2015-16
<b>A Cash flow from operating activities</b>		
Profit before tax	766.55	4,757.34
Adjustments for :		
Depreciation and Amortisation	58.83	39.84
Income in respect of investing activities (Net)	(797.62)	(4,767.21)
	(738.79)	(4,727.37)
Operative profit before working capital changes	27.76	29.97
Adjustments for :		
Long-term provisions	0.06	3.21
Long-term liabilities	(12.72)	(12.72)
Trade payables	1.99	0.26
Other current liabilities	(37.22)	79.38
Short-term provisions	3.45	(953.67)
Long-term loans and advances	1,349.28	0.43
Trade receivables	(23.77)	(7.88)
Other current assets	15.05	(5.06)
Short-term loans and advances	2.78	(180.58)
	1,298.90	(1,076.63)
Cash generated from operations	1,326.66	(1,046.66)
Income-tax paid (Net)	(139.25)	(119.75)
<b>Net cash used in operating activities</b>	<b>1,187.41</b>	<b>(1,166.41)</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(142.97)	(18.98)
Purchase of investments	(3,939.61)	(222.79)
Redemption/Sale of Investments	1,571.50	902.55
Buyback of shares	—	(843.75)
Sale of fixed assets	—	13.00
Interest and Dividend received ( Net of expenses)	396.46	4461.55
<b>Net cash from investment activities</b>	<b>(2,114.62)</b>	<b>4,291.58</b>
<b>C Cash flow from financing activities</b>		
Dividend paid (Including Tax on Dividend)	—	(4,009.92)
<b>Net cash used in financing activities</b>	<b>—</b>	<b>(4,009.92)</b>
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>(927.21)</b>	<b>(884.75)</b>
Cash and cash equivalents as at the beginning of the year	1,744.14	2,628.89
Cash and cash equivalents as at the end of the year	816.93	1,744.14
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

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: 16<sup>th</sup> August, 2017

Place: Delhi  
Date: 16<sup>th</sup> August, 2017



## Notes to the Standalone Financial Statements for the year ended 31st March 2017

### 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 mobilised 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 s 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 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.

4. SHARE CAPITAL	As at 31st March, 2017		As at 31st March, 2016	
	Rupees	Rupees	Rupees	Rupees
<b>Authorised capital</b>				
11,000,000 Equity Shares of Rs.10/- Each		1,100.00		1,100.00
1,500,000 Redeemable Cumulative Preference Shares of Rs.100/- each		1,500.00		1,500.00
<b>Total</b>		<b>2,600.00</b>		<b>2,600.00</b>
<b>Issued, Subscribed and fully paid up capital</b>				
9,993,467 Equity shares of Rs.10/- each		999.35		999.35
<b>Total</b>		<b>999.35</b>		<b>999.35</b>

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

	As at 31-03-2017		As at 31-03-2016	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	9993467	99934670	10618467	106184670
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	—	—	625000	6250000
Shares outstanding at the end of the year	9993467	99934670	9993467	99934670

Note: Refer Note No. 25.



**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. NIL per equity share (previous year Rs. 39.50p 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. NIL per equity share (previous year Rs. 39.50p per equity share).

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

	31-03-2017		31-03-2016	
	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, 2017		As at 31st March, 2016	
	Rupees	Rupees	Rupees	Rupees
<b>Reconstruction Reserve</b>				
Balance as per last Balance Sheet		639.52		639.52
Amalgamation Reserve				
Balance as per last Balance Sheet		75.76		75.76
Capital Redemption Reserve				
Balance as per last Balance Sheet	1,462.50		1,400.00	
Add: Transferred from Free Reserves nominal value of shares bought back	—		62.50	
		1,462.50		1,462.50
Statutory Reserve Fund*				
Balance as per last Balance Sheet	5,681.00		4,771.00	
Add: Transferred from Profit and Loss Account	125.00		910.00	
*Pursuant to Reserve Bank of India (Amendment) Act, 1947		5,806.00		5,681.00
General Reserve				
Balance as per last Balance Sheet	1,301.25		1,690.00	
Less: Amount transferred on buyback of shares	—		(843.75)	
Add: Transferred from Profit and Loss Account	100.00		455.00	
Balance at the end of the year		1,401.25		1,301.25
Surplus in the statement of Profit & Loss				
Balance as per last Balance Sheet	3,595.52		4,621.71	
Add: Profit for the year	619.73		4,543.40	
		4,215.25		9,165.11
Less: Appropriations				
Interim Dividend	—		4,009.92	
Proposed dividend	—		-	
Tax on Buyback of shares	—		194.67	
Transfer to Statutory Reserve Fund	125.00		910.00	
Transfer to General Reserve	100.00		455.00	
<b>Total Appropriations</b>	<b>225.00</b>		<b>5,569.59</b>	
Balance at the end of the year		3,990.25		3,595.52
<b>Total</b>		<b>13,375.28</b>		<b>12,755.55</b>


**INOX LEASING AND FINANCE LIMITED**

(Rs. In lakhs)

	<b>As at 31st March, 2017</b> Rupees	As at 31st March, 2016 Rupees
<b>6. LONG TERM LIABILITIES</b>		
For lease hold land	<b>25.44</b>	38.17
	<b>25.44</b>	38.17
<b>7. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
- Gratuity	<b>12.09</b>	11.99
- Leave benefits	<b>5.93</b>	5.98
<b>Total</b>	<b>18.02</b>	17.97
<b>8. TRADE PAYABLES</b>		
<b>Dues to</b>		
Micro and Small Enterprises	—	—
Others	<b>4.81</b>	2.82
<b>Total</b>	<b>4.81</b>	2.82
<b>9. OTHER CURRENT LIABILITIES</b>		
Unclaimed dividend (see note below)	<b>121.03</b>	157.69
Other current liabilities	<b>19.84</b>	20.65
Statutory dues and taxes	<b>1.31</b>	1.06
<b>Total</b>	<b>142.18</b>	179.40
<p>In respect of unpaid dividends, the actual amount to be transferred to the Investor Protection Fund shall be determined on the due date.</p>		
<b>10. SHORT TERM PROVISIONS</b>		
Provision for employee benefits		
- Gratuity	<b>9.07</b>	11.16
- Leave benefits	<b>1.79</b>	1.85
Provision for Taxation (net)	<b>5.60</b>	—
<b>Total</b>	<b>16.46</b>	13.01

**11. TANGIBLE ASSETS**

(Rs. In lakhs)

Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 31.03.17	As at 31.03.16
1	BUILDINGS:	31.28	—	—	31.28	23.26	0.38		23.64	7.64	8.02
2	FURNITURE & FIXTURES	51.77	—	—	51.77	36.11	4.27		40.38	11.39	15.66
3	VEHICLES	0.69	140.81	—	141.50	0.47	17.34		17.81	123.68	0.22
4	OFFICE EQUIPMENTS	37.56	0.58	—	38.14	24.14	5.80		29.94	8.20	13.42
	<b>TOTAL</b>	<b>121.30</b>	<b>141.38</b>	<b>—</b>	<b>262.68</b>	<b>83.98</b>	<b>27.79</b>	<b>—</b>	<b>111.77</b>	<b>150.91</b>	37.32
	PREVIOUS YEAR:	217.39	13.00	109.09	121.30	179.90	7.57	103.49	83.98	37.32	—


**11A. INTANGIBLE ASSETS**

(Rs. In lakhs)

Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 31.03.17	As at 31.03.16
11	COMPUTER SOFTWARE	-	1.58	-	1.58	-	0.43	-	0.43	1.15	-
	<b>TOTAL</b>	-	<b>1.58</b>	-	<b>1.58</b>	-	<b>0.43</b>	-	<b>0.43</b>	<b>1.15</b>	-
	PREVIOUS YEAR:	-	-	-	-	-	-	-	-	-	-

**12. NON CURRENT INVESTMENTS**

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

**QUOTED**

	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		Nos.	Rs. in lacs	Nos.	Rs. in lacs
i) In Subsidiary Company					
Gujarat Fluorochemicals Limited (face value of Rs. 1/- each fully paid up)	1	<b>57,715,310</b>	<b>1,921.18</b>	57,715,310	1,921.18
Inox Leisure Limited (subsidiary of Gujarat Fluorochemicals Limited)	10	<b>587,461</b>	<b>257.20</b>	587,461	257.20
ii) In Other Companies					
Damania Capital Market Limited	10	<b>124,200</b>	<b>37.26</b>	124,200	37.26
Eastern Mining Limited	10	<b>10,300</b>	<b>3.30</b>	10,300	3.30
Konar Organics Limited	10	<b>41,100</b>	<b>4.11</b>	41,100	4.11
Rajinder Pipes Limited	10	<b>8,300</b>	<b>3.32</b>	8,300	3.32
Unified Agro Industries (India) Limited	10	<b>1,800</b>	<b>0.45</b>	1,800	0.45
W S Telesystem Limited	10	<b>8,300</b>	<b>3.32</b>	8,300	3.32
Orient Fabritex Limited	10	<b>140,000</b>	<b>14.00</b>	140,000	14.00
BOC India Limited	10	<b>200</b>	<b>0.21</b>	200	0.21
Ahmedabad Gases Limited	10	<b>200</b>	<b>0.02</b>	200	0.02
Bombay Oxygen Corpn. Limited	100	<b>5</b>	<b>0.06</b>	5	0.06
			<b>2,244.43</b>		2,244.43
Less: Provision for dimunition in value of investments			<b>60.99</b>		60.99
			<b>2,183.44</b>		2,183.44
iii) Investments in Mutual Funds					
Birla Sunlife FTP Series KG-Growth	10	—	—	2,263,469	226.35
UTI FTIF Series XVII-XIII (369D)-Growth	10	<b>2,181,540</b>	<b>218.15</b>	2,181,540	218.15
			<b>218.15</b>		444.50


**INOX LEASING AND FINANCE LIMITED**

	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		Nos.	Rs. in lacs	Nos.	Rs. in lacs
<b>UNQUOTED</b>					
i) In Equity shares					
Inox India Private Limited		<b>419,186</b>	<b>3,187.50</b>	—	—
Ideas & U Limited	10	<b>500,000</b>	<b>50.00</b>	500,000	50.00
			<b>3,237.50</b>		50.00
Less: Provision for dimunition in value of investments			<b>50.00</b>		50.00
			<b>3,187.50</b>		—
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>2,462.58</b>		2,688.93
Market value of quoted investments			<b>439,563.96</b>		300,510.19
Aggregate value of unquoted investments			<b>5,088.31</b>		1,900.81
Aggregate provision for dimunition in value of investments			<b>110.99</b>		110.99
<b>Total Investments</b>			<b>7,439.90</b>		4,478.75

**2 Investment in Property (Long term and non - trade)**

(Rs. In lakhs)

Particulars	Gross Block (at cost)				Depreciation/Amortisation				Net Block	
	As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 01.04.16	Addition during the year	Deletion during the year	As at 31.03.17	As at 31.03.17	As at 31.03.16
Leasehold Land	204.05	0	0	204.05	0.81	0.20	0	1.01	203.04	203.24
Buildings:	752.96	-	0	752.96	128.21	30.41	0	158.62	594.34	624.75
<b>TOTAL</b>	<b>957.01</b>	<b>-</b>	<b>0</b>	<b>957.01</b>	<b>129.02</b>	<b>30.61</b>	<b>0</b>	<b>159.63</b>	<b>797.38</b>	<b>827.99</b>
PREVIOUS YEAR:	951.03	5.98	-	957.01	96.75	32.27	-	129.02	827.99	—

**Total Non Current Investments (1+2)**
**8,237.27** 5,306.74


**INOX LEASING AND FINANCE LIMITED**

(Rs. in lakhs)

<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Rupees</b>	<b>Rupees</b>

**13. LONG TERM LOANS AND ADVANCES**

(Unsecured, considered good)

Prepaid Expenses	<b>0.12</b>	0.81
Loans to employees	<b>1.60</b>	0.27
Advances recoverable in cash or in kind — Considered Good	<b>66.00</b>	66.00
Inter corporate Deposits - Others	<b>150.00</b>	1,500.00
<b>Total</b>	<b>217.72</b>	1,567.08

**14. OTHER NON-CURRENT ASSETS**

MAT Credit entitlement

	<b>42.32</b>	52.13
	<b>42.32</b>	52.13

**15. CURRENT INVESTMENTS**

	<b>As at 31st March, 2017</b>			<b>As at 31st March, 2016</b>	
	Value Rs.	Nos.	Rs. in lakhs	Nos.	Rs. in lakhs

**Current Portion of Long Term Investment**

Investment in Mutual Funds

BSL INT Income Fund Annual Plan IX-Growth	10	—	—	2248303.000	224.83
Birla Sunlife FTP Series HQ-Growth	10	—	—	1000000.000	100.00
Birla Sunlife FTP Series HS-Growth	10	<b>1211029.000</b>	<b>121.10</b>	1211029.000	121.10
Birla Sunlife Dynamic Bond Fund-Growth	10	<b>667816.438</b>	<b>202.11</b>		
DSP BR Short Term Fund -Growth	10	<b>1014223.064</b>	<b>240.60</b>	1014223.064	240.60
DSP BR FMP Series 105-12M-Growth	10	—	—	1997894.136	199.79
DSP BR Income Opportunities Fund-Growth	10	<b>1447860.314</b>	<b>274.59</b>	1447860.314	274.59
Franklin Templeton India Short Term Income Plan-Growth	1,000	<b>28141.789</b>	<b>741.40</b>	28141.789	741.40
Franklin India G SecFund-Growth	10	<b>614629.661</b>	<b>250.00</b>	—	—
IDFC FTP Series-24 366D-Growth	10	—	—	2,193,728.910	219.37
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	<b>2768899.000</b>	<b>327.09</b>	2768899.000	327.09
ICICI PRU Regular Savings Fund Growth	10	<b>1437224.104</b>	<b>210.00</b>	1437224.104	210.00
TATA FMP Series 43 Plan A-Growth	10	—	—	2,000,000.000	200.00
TATA Short Term Bond Fund-Growth	10	<b>734,845.646</b>	<b>200.00</b>	734,845.646	200.00
UTI Short Term Income Fund Growth	10	<b>1431342.788</b>	<b>239.48</b>	1431342.788	239.48
UTI Dynamic Bond Fund Growth	10	<b>1559851.502</b>	<b>300.00</b>	—	—
<b>Total</b>			<b>3,106.37</b>		3,298.25

**INOX LEASING AND FINANCE LIMITED**

	As at 31st March, 2017 Rupees	As at 31st March, 2016 Rupees	(Rs. In lakhs)
<b>16. TRADE RECEIVABLES</b>			
(Unsecured, considered good, unless otherwise stated)			
Outstanding for a period exceeding six months			
Others	<b>36.38</b>	12.61	
<b>Total</b>	<b>36.38</b>	12.61	
<b>17. CASH AND CASH EQUIVALENTS</b>			
Balances with banks in current accounts	<b>15.94</b>	82.21	
Cash on hand	<b>3.19</b>	4.24	
In Liquid fund of Mutual Funds	<b>—</b>	150.00	
	<b>19.13</b>	236.45	
<b>Other bank balances</b>			
Unpaid dividend account	<b>121.03</b>	157.69	
Deposits with original maturity of more than 3 months but less than 12 months	<b>676.77</b>	1,350.00	
<b>Total</b>	<b>797.80</b>	1,507.69	
	<b>816.93</b>	1,744.14	
<b>18. SHORT TERM LOANS AND ADVANCES</b>			
(Unsecured, considered good, unless otherwise stated)			
Prepaid Expenses	<b>1.72</b>	2.08	
Loans to employees	<b>1.26</b>	1.24	
Security Deposits	<b>67.89</b>	67.89	
Advance Income tax (net of provision)	<b>—</b>	2.43	
<b>Total</b>	<b>70.87</b>	73.64	
<b>19. OTHER CURRENT ASSETS</b>			
Interest accrued on Bank deposits	<b>21.19</b>	46.51	
Interest accrued on Tax Free Bonds	<b>63.79</b>	55.85	
Income tax refund receivable	<b>2.32</b>	—	
Interest accrued on ICD's	<b>0.08</b>	—	
<b>Total</b>	<b>87.38</b>	102.36	

**INOX LEASING AND FINANCE LIMITED**

	(Rs. In lakhs)	
	2016-17	2015-16
<b>20. REVENUE FROM OPERATIONS</b>		
Brokerage received	<b>185.23</b>	129.26
Dividend Income on long term investments		
i) from subsidiary company	—	4,040.07
ii) from others	<b>0.15</b>	0.16
on current investments	<b>10.33</b>	14.43
Interest income		
on inter corporate deposits	<b>158.31</b>	165.45
on bank deposits	<b>82.74</b>	100.45
on tax free bonds	<b>144.93</b>	136.99
others	—	4.00
<b>Total</b>	<b>581.69</b>	4,590.81
<b>21. OTHER INCOME</b>		
Profit on sale of investments on long term investments	<b>347.18</b>	60.54
on current investments	<b>53.97</b>	237.71
Rent received	<b>69.00</b>	69.00
Profit on sale of assets	—	7.40
Others	<b>0.01</b>	
<b>Total</b>	<b>470.16</b>	374.65
<b>22. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	<b>68.40</b>	60.77
Contribution to Provident fund and other fund	<b>3.80</b>	3.94
Gratuity	<b>4.17</b>	3.94
Staff Welfare expenses	<b>0.31</b>	0.46
<b>Total</b>	<b>76.68</b>	69.11
<b>23. DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible assets	<b>27.79</b>	7.57
Depreciation on InTangible assets	<b>0.43</b>	
Depreciation on Investment property	<b>30.41</b>	32.07
Amortization of Investment property	<b>0.20</b>	0.20
<b>Total</b>	<b>58.83</b>	39.84
<b>24. OTHER EXPENSES</b>		
Rates & Taxes	<b>0.62</b>	2.75
Legal & Professional Expenses	<b>9.75</b>	4.91
Rent paid	<b>12.00</b>	12.00
Insurance	<b>0.69</b>	0.83
General Repairs	<b>11.03</b>	5.46
Repairs & Maint Building	<b>17.05</b>	10.41
Corporate Social Responsibility (CSR Expenses) - Refer Note No. 36	<b>40.94</b>	—
Miscellaneous Expenses	<b>57.71</b>	62.81
<b>Total</b>	<b>149.79</b>	99.17





## INOX LEASING AND FINANCE LIMITED

### 25. Buy back of shares

In the previous year the company had acquired 6,25,000 equity shares of Rs. 10/- each at a price of Rs. 135/- per share from the shareholders under open offer for buy back of shares. The company's paid up capital was reduced to 99,93,467 equity shares of Rs. 10/- each. The buy back amount of Rs. 8,43,75,000/- was paid out of Free Reserves of the company.

### 26. 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.

### 27. 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 17.55 million (previous year USD 18.50 million) and to Aditya Birla Finance Ltd. Rs. 70 crores (previous year Nil) respectively.

#### b. Inter Corporate Deposit

Inter Corporate Deposit (ICD) of Rs. NIL (previous year Rs. 1500 lakhs) given to Inox India Private Limited for general business purposes. ICD of Rs. 150 lakhs (previous year NIL) given to INOX FMCG Pvt. Ltd. for general business purposes.

#### c. Letter of Comfort

Company has issued a letter of comfort to RBL Bank Limited for credit facilities of Rs. 1500 lakhs (previous year NIL) granted by them to Inox FMCG Pvt. Ltd.

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

(Rs. In lakhs)

Particulars	2016-17	2015-16
<b>Deferred Tax Liability - Deferred Tax Assets:</b>	<b>—</b>	<b>—</b>
Provision for retirement benefits	<b>9.55</b>	10.25
Depreciation (on account of difference between tax depreciation and depreciation charged in the books)	<b>8.40</b>	5.56
Expenses allowable on payment basis	<b>2.11</b>	2.01
<b>Total assets</b>	<b>20.06</b>	17.82

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

Particulars		
Audit Fees	<b>1.30</b>	1.30
Tax Audit Fees	<b>0.75</b>	0.75
For Other services	<b>2.00</b>	1.23
Service Tax	<b>0.62</b>	0.47
<b>Total</b>	<b>4.67</b>	3.75

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

	<b>—</b>	—
--	----------	---



**31. 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.

**32. 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)	
	2016-17	2015-16
<b>33. 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>11.95</b>	11.80
Depreciation for the year	<b>0.15</b>	0.16
Future minimum lease payments-		
(a) Not later than one year	<b>69.00</b>	34.50
(b) Later than one year and not later than five years	<b>103.50</b>	—
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	—	—

**34. 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	— (4,040.07)			— (4,040.07)
Reimbursement of expenses (received)				
Gujarat Fluorochemicals Ltd	<b>2.24</b> (—)			<b>2.24</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		<b>150.00</b> (—)		<b>150.00</b> (—)
Interest received				
Inox India Private Limited		<b>158.22</b> (165.45)		<b>158.22</b> (165.45)
Inox FMCG Private Limited		<b>0.08</b> (—)		<b>0.08</b> (—)
Inter-Corporate Deposit received back				
Inox Leisure Limited		<b>1,500.00</b> (—)		<b>1,500.00</b> (—)
<b>(B) Amounts outstanding</b>				
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> (—)		<b>150.00</b> (—)
<b>(C) Amounts payable</b>				
	—	—		—



**35 Employee Benefits**

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 4.18 lacs (Previous year Rs. 3.94 lacs 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 Acturial Valuation as on 31st March, 2017.

(Amount Rs. In lacs)

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Change in Benefit Obligation				
Liability at the beginning of the year	23.14	19.20	5.72	4.88
Interest Cost	1.50	1.49	0.39	0.38
Current Service Cost	1.84	1.74	0.52	0.58
Benefit paid	(6.15)	—	(0.96)	—
Acturial (Gain)/Loss	0.83	0.71	0.06	(0.12)
Liability at the end of the year	21.16	23.14	5.73	5.72
Expenses recognized in the Profit and Loss Account				
Interest Cost	1.50	1.49	0.39	0.38
Current Service Cost	1.84	1.74	0.52	0.58
Acturial (Gain)/Loss	0.83	0.71	0.06	(0.12)
Expenses recognized in the Profit and Loss Account	4.17	3.94	0.97	0.84
Acturial Assumptions				
Discount Rate	7.46%	7.46%	7.46%	7.46%
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 acturial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**36 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. 13.05 lakhs (previous year Rs. 13.72 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	40.94 (-)	— (-)	40.94 (-)

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

**INOX LEASING AND FINANCE LIMITED****37 Transactions in Specified Bank Notes**

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBN'S	Other Denomination Notes	Total
Closing cash in hand as on 8th November, 2016	6.50	0.57	7.07
(+) Permitted receipts	-	2.10	2.10
(-) Permitted payments	-	(0.68)	(0.68)
(-) Amount deposited in banks	(6.50)	-	(6.50)
Closing cash in hand as on 30th December, 2016	-	1.99	1.99

**38 Basic and diluted Earning per share:**

Basic and Diluted Earnings have been calculated as follows:

Profit after taxation (Rs)	<b>619.73</b>	4,543.40
No. of equity shares outstanding at the beginning of the year	<b>9993467</b>	10618467
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>6.20</b>	42.87

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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Delhi  
Date: 16<sup>th</sup> August, 2017



**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 paid:				
(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	325.05	1,650.90
(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>Current Investmenmts</b>		
1. Quoted:		
(I) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds*	3106.37	3298.25
(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>Long Term investments:-</b>		
1. Quoted:		
(I) Shares		
(a) Equity	5366.17	2183.44
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	218.15	444.50
(iv) Government Securities	—	—
(v) Others (please specify)	—	—
2. Unquoted:		
(I) Shares		
(a) Equity	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>	<u>10871.32</u>	<u>9427.90</u>



## (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	---	1560.00	1560.00
c) Other related parties	---	---	---	---	---	---
2. Other than related parties	---	115.05	115.05	---	90.90	90.90
<b>Total</b>		325.05	325.05		1650.90	1650.90

\*\*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)	439280.26	2178.38	299976.89	2178.38
b) Other related parties	3187.50	3187.50	---	---
2. Other than related parties	5898.15	5180.39	6350.17	5598.62
<b>Total</b>	448365.91	10546.27	306327.06	7777.00

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

## (7) Other information

Current year

Previous year

Particulars	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: Delhi  
Date: 16<sup>th</sup> August, 2017





INOX LEASING AND FINANCE LIMITED

# **INOX LEASING AND FINANCE LIMITED**

## **CONSOLIDATED ANNUAL ACCOUNTS**

**2016-2017**



# 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 2017, 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 2017, 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 18 subsidiaries, 3 joint venture companies and 1 associate, 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.

Our opinion on the consolidated financial statements of the Company and our 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, 2017 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, 2017 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



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.
- iv. The Company has provided requisite disclosures in Note No. 56 to these consolidated financial statements as regards to its holdings and dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedure performed and representations provided to us by the management, we report that the disclosures are in accordance with the company and as produced to us by the management.

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

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

Place: Mumbai  
Date : 16<sup>th</sup> August, 2017



## 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 2017 – 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, 2017, 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 : 16<sup>th</sup> August, 2017



INOX LEASING AND FINANCE LIMITED

## Consolidated Balance Sheet of Inox Leasing and Finance Limited and its Subsidiary Companies as at 31st March, 2017

(Rs. in Lakhs)

	Note No.	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	4	999.35	999.35
(b) Reserves and surplus	5	243218.36	242123.66
		<b>244217.71</b>	243123.01
<b>(2) Minority interest</b>			
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	6	114327.87	106250.61
(b) Deferred tax liabilities (Net)	47(1)	43627.68	34812.14
(c) Other Long term liabilities	7	10732.73	3586.54
(d) Long-term provisions	8	3341.58	2456.53
		<b>172029.86</b>	147105.82
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	9	187835.13	175374.58
(b) Trade payables			
Due to micro and small enterprises	10	386.94	551.51
Due to others	10	110122.26	134337.73
(c) Other current liabilities	11	70165.89	56916.24
(d) Short-term provisions	12	4275.97	6759.55
		<b>372786.19</b>	373939.61
<b>TOTAL</b>		<b>1111520.06</b>	1079616.64
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Goodwill on consolidation (net)	1(C)	2307.90	1604.66
(b) Fixed assets			
(i) Tangible assets	13	345069.85	457345.27
(ii) Intangible assets	14	10784.97	12498.81
(iii) Capital work-in-progress		42854.89	25695.48
(c) Deferred tax assets (net)	47(2)	2759.86	3492.27
(d) Non-current investments	15	41870.00	31817.71
(e) Long-term loans and advances	16	70615.80	64632.40
(f) Other non-current assets	17	2043.32	2697.58
		<b>518306.59</b>	599784.18
<b>(2) Current assets</b>			
(a) Current investments	18	30282.54	12520.09
(b) Inventories	19	103309.64	92224.48
(c) Trade receivables	20	278850.16	290045.07
(d) Cash and bank balances	21	49685.76	58224.13
(e) Short-term loans and advances	22	23762.21	21809.86
(f) Other current assets	23	107323.16	5008.83
		<b>593213.47</b>	479832.46
<b>TOTAL</b>		<b>1111520.06</b>	1079616.64

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: 16<sup>th</sup> August, 2017

Place: Delhi  
Date: 16<sup>th</sup> August, 2017



## Consolidated Statement of Profit and Loss of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2017

	Note No.	2016-2017	2015-2016
<b>I. Revenue from operations</b>	24	<b>652752.46</b>	729948.46
Less : Excise Duty		<b>10454.80</b>	10082.03
		<b>642297.66</b>	720417.17
<b>II. Other income</b>	25	<b>11298.95</b>	8808.64
<b>III. Total Revenue (I + II)</b>		<b>653596.61</b>	729225.81
<b>IV. Expenses:</b>			
Cost of materials consumed	26	<b>238706.42</b>	322744.63
Purchases of Stock-in-Trade	27	<b>1045.14</b>	223.94
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	<b>(2383.19)</b>	9570.49
Employee benefits expense	29	<b>33714.85</b>	28013.42
Finance costs	30	<b>30803.59</b>	23227.85
Depreciation and amortization expense	31	<b>33035.81</b>	32792.63
Impairment loss		<b>88.46</b>	—
Goodwill on consolidation written off		<b>40.88</b>	164.62
Other expenses	32	<b>265634.37</b>	247990.78
<b>Total expenses</b>		<b>600686.33</b>	664728.36
<b>V. Less: Expenditure capitalized</b>		<b>(951.67)</b>	(18999.08)
<b>VI. Net Expenditure</b>		<b>599734.66</b>	645729.28
<b>VII. Profit before exceptional items and tax</b>		<b>53861.95</b>	83496.53
<b>VIII. Exceptional items</b>	37	<b>(21946.09)</b>	(496.02)
<b>IX. Profit before tax (VII-VIII)</b>		<b>31915.86</b>	83000.51
<b>(X) Tax expense:</b>			
(1) Current tax		<b>16151.56</b>	23371.02
(2) MAT credit entitlement		<b>(5671.52)</b>	(1569.67)
(3) Deferred tax		<b>9547.14</b>	3542.55
(4) Taxation pertaining to earlier years	41(b)	<b>(495.58)</b>	—
		<b>19531.60</b>	22626.91
<b>XI. Profit for the year (IX-X)</b>		<b>12384.26</b>	60373.60
<b>XII. Less : Share of minority interest in profit /(loss)</b>		<b>(9073.27)</b>	(39224.14)
<b>XIII. Add: Share in profit of associates</b>	1(A)(i)	<b>0.00</b>	0.41
<b>XIV. Net Profit (XI+XII+XIII)</b>		<b>3310.99</b>	21149.87
<b>XV Basic and diluted Earnings per share of Rs.10 each (in Rs)</b>	57	<b>33.13</b>	200.16

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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Delhi  
Date: 16<sup>th</sup> August, 2017





## Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2017

(Rs. in Lakhs)

	2016-2017	2015-2016
<b>A Cash flow from operating activities</b>		
Profit before tax	12384.25	60587.54
Adjustments for :		
Tax Expense	19531.60	22412.97
Depreciation and Amortisation	33035.81	32792.63
Loss on asset held for sale	22579.13	—
Loss on retirement/disposal of fixed assets (Net)	475.06	328.03
Allowance for doubtful deposits and advances	39.44	132.82
Bad debts and remissions	819.46	522.89
Amounts written off	0.83	399.24
Exchange difference on translation of assets and liabilities	(11.54)	(439.93)
Unrealised Foreign Exchange loss/(gain) - net	(3991.55)	(861.33)
Unrealised MTM (gain)/loss on Financial Assets and Derivatives	(481.75)	(218.34)
Expense on ESOP	5.27	—
Allowance for doubtful trade receivables (net of reversal)	8.71	1003.27
Impairment loss on Goodwill and Property, plant & equipment	116.14	—
Liabilities and provisions written back	(139.42)	(513.58)
Income in respect of investing activities (Net)	(4234.25)	(6241.37)
Finance Costs	30803.59	23227.84
	<u>98556.53</u>	<u>72545.14</u>
Operative profit before working capital changes	110940.78	133132.68
Adjustments for :		
Other Long term liabilities	(12.72)	(12.72)
Long-term provisions	1028.35	(2355.78)
Trade payables	(13371.38)	44547.52
Other current liabilities	10543.45	(3194.37)
Short-term provisions	3.45	(953.67)
Long-term loans and advances	(6384.00)	(7655.30)
Inventories	(11464.08)	(4887.21)
Trade receivables	(1916.51)	(99963.27)
Other non current assets	15.06	(5.06)
Other current assets	1540.18	168.31
Short-term loans and advances	2.78	(180.58)
	<u>(20015.42)</u>	<u>(74870.63)</u>
Cash generated from operations	90925.36	58262.05
Income-tax paid (Net)	(15818.02)	(20043.04)
<b>Net cash from operating activities</b>	<u>75107.34</u>	<u>38219.01</u>



## Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2017

(Rs. in Lakhs)

	2016-2017	2015-2016
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets (including change in capital work in progress and capital advances)	<b>(65663.78)</b>	(79789.32)
Acquisition of intangible assets	<b>(306.64)</b>	(2701.78)
Sale of fixed assets	<b>313.68</b>	36.93
Purchase of other investments	<b>(73326.19)</b>	(99722.00)
Redemption/Sale of Investments	<b>1571.50</b>	902.55
Redemption of other Investments	<b>50573.38</b>	98376.54
Buyback of shares	<b>—</b>	(843.75)
Inter-corporate and other loans given (Net)	<b>(875.00)</b>	(1150.00)
Inter-corporate deposit received back	<b>1160.00</b>	300.00
Investment in subsidiary company	<b>(1015.82)</b>	(451.57)
Purchase/redemption of other non-current investments	<b>(5000.00)</b>	(19977.92)
Sale of investments in joint venture	<b>924.08</b>	—
Interest and Dividend received ( Net of expenses)	<b>4858.22</b>	6631.27
Movement in bank fixed deposits with original maturity of more than three months and margin money deposits (Net)	<b>18370.28</b>	(40209.94)
<b>Net cash used in investment activities</b>	<b>(68416.29)</b>	(138598.99)
<b>C Cash flow from financing activities</b>		
Proceeds from long term loans	<b>20869.01</b>	29343.03
Repayment of long term loans	<b>(19700.52)</b>	(41589.90)
Proceeds from short term loans (net)	<b>30578.92</b>	56302.50
Proceeds from Cash Credit/Overdraft(Net)	<b>—</b>	(1798.08)
Finance costs	<b>(27828.75)</b>	(24981.43)
Dividend paid (Including Tax on Dividend)	<b>—</b>	(13264.82)
<b>Net cash from /(used in) financing activities</b>	<b>3918.66</b>	4011.30
<b>D Capital receipts</b>	<b>212.53</b>	—
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>10822.24</b>	(96368.68)
Cash and cash equivalents as at the beginning of the year.	<b>13638.51</b>	109923.31
Disposal of Joint Venture during the year	<b>(685.82)</b>	—
Add: Cash received on account of subsidiary acquired during the year	<b>0.18</b>	83.88
Cash and cash equivalents as at the end of the year	<b>23775.11</b>	13638.51
Notes: Components of cash and cash equivalents are as per note no. 21		
Cash Flow is prepared and presented under 'Indirect Method'		
Cash and cash equivalents include bank balance of Rs. 1,01,988.45 lakhs in Public Issue Accounts being Groups share in the IPO proceeds of Inox Wind Limited as at the beginning of the year.		
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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director

Place: Delhi  
Date: 16<sup>th</sup> August, 2017

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****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 2017	As at 31 <sup>st</sup> March 2016
Gujarat Fluorochemicals Limited (GFL)	India	52.54%	52.54%
Inox Leisure Limited (ILL) subsidiary of GFL	India	0.61%	0.61%

Gujarat Fluorochemicals Limited ("GFL" or the "subsidiary company") is a public company engaged in the business of manufacturing and trading of Refrigeration Gases, Anhydrous Hydrochloric Acid, Caustic Soda, Chlorine, Chloromethane, Polytetrafluoroethylene (PTFE) and Post-treated Polytetrafluoroethylene (PTPTE). The Company caters to both domestic and international markets. The shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange of India.

Inox Leisure Ltd.(ILL) is engaged in the business of operating and managing multiplexes and cinema theatres in India. Inox Infrastructure Ltd.(IIL) is engaged in the business of real estate and property development. Inox Wind Ltd.(IWL) is engaged in the business of manufacture and sale of wind turbine generators (WTGs) and providing Erection, Procurement and Commissioning (EPC) services for WTGs. GFL Americas is engaged in the business of manufacture, trading and sale of Post Treated Polytetrafluorethylene (PT-PTFE) Compounds. IRL is engaged in the business of generation and sale of wind energy and providing services for erection & commissioning of wind farms. Gujarat Fluorochemicals Singapore is engaged in investment activities. Gujarat Fluorochemicals GMBH is engaged in the business of trading of polymer compounds especially, Polytetrafluoroethylene (PT-PTFE).

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

**(b) Subsidiaries of Gujarat Fluorochemicals Limited :-**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
Inox Leisure Limited (ILL)	India	48.09% (*)	48.09% (*)
Inox Infrastructure Limited (IIL)	India	100%	100%
Inox Wind Limited (IWL)	India	63.09%	63.09%
Gujarat Fluorochemicals Americas, LLC (GFL Americas)	USA	100%	100%
Inox Renewables Limited (IRL)	India	100%	99.98%
Gujarat Fluorochemicals Singapore Pte. Limited	Singapore	100%	100%
Gujarat Fluorochemicals GmbH, Germany many (GFL GmbH)	Germany	100%	100%

Proportion of ownership interest in Inox Leisure Limited is computed on the total paid-up capital of ILL viz. including Treasury shares held by ILL through Inox Benefit Trust (see note no. 39).

**(c) Subsidiary of GFL Singapore Pte. Limited**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
GFL GM Fluorspar SA	Morocco	74%	74%

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

**(d) Subsidiary of Inox Wind Limited:-**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
Inox Wind Infrastructure Services Limited	India	100%	100%

Inox Wind Infrastructure Services Limited is engaged in the business of providing Erection, Procurement & Commissioning (EPC), Operation & Maintenance (O&M) services and Common Infrastructure facilities services for Wind Turbine Generators.

**(e) Subsidiary of Inox Wind Infrastructure Services Limited (IWISL):-**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
Marut Shakti Energy India Limited (MSEIL)	India	100%	100%
Satviki Energy Private Limited (SEPL) – see note (B)(iii)	India	100%	N.A
Sarayu Wind Power (Tallimadugula) Private Limited (SWPTPL) – see note (B)(iii)	India	100%	N.A
Vinirraa Energy Generation Private Limited (VEGPL) – see note (B)(iii)	India	100%	N.A
Sarayu Wind Power (Kondapuram) Private Limited (SWPKPL) – see note (B)(iii)	India	100%	N.A
RBRK Investments Limited	India	100%	N.A

MSEIL, SEPL, SWPTPL, VEGPL and SWPKPL are engaged in the business of development of Wind Farm.

**(f) Subsidiary of Inox Renewables Limited:-**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
Inox Renewables (Jaisalmer) Limited	India	100%	100%

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

**(g) Subsidiaries of Inox Leisure Limited:-**

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
Shouri Properties Private Limited - see note B(i)(b) below	India	99.29%	99.29%

Satyam Cineplexes Limited is engaged in the business of operating & managing multiplexes in India. Shouri Properties Private Limited holds a license to operate a multiplex cinema theatre which is operated by Inox Leisure Limited.

**(h) Joint Ventures of the Company:-**

- (i) GFL has a Joint Venture interest of 25% in Swarnim Gujarat Fluorspar Private Limited, a company incorporated in India. As at 31st March, 2017 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.

**(i) Joint Venture of Inox Leisure Limited (ILL):-**

ILL has a Joint Venture interest of 50% in Swanston Multiplex Cinemas Private Limited ('SMCPL'), a company incorporated in India. As at 31st March, 2016 the Company has invested a sum of Rs. 279.52 Lakh in the share capital of SMCPL. SMCPL was engaged in the business of operating a multiplex.

**(j) 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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

for Investments in Associates in consolidated financial statements'. The Group's share of the post-acquisition profits is included in the carrying cost of the investment as under:-

(Rs. in Lakhs)

S. No.	Particulars	2016-17	2015-16
1	Book value of Investment on acquisition	<b>3200.00</b>	3200.00
2	Share of Profit – Up to Previous Year	<b>1.88</b>	1.47
3	Share of Profit – Current Year	—	0.41
4	Carrying amount	<b>3201.88</b>	3201.88

Capital commitment towards partly paid shares of Megnasolace is Rs. 16800.00 Lakh (Previous year Rs. 16800.00 Lakh).

**(C) Acquisitions and disinvestment during the year**

- i) Acquisitions by Company's subsidiary Inox Leisure Limited ('ILL')
  - a) During the year ended 31st March, 2016, Inox Leisure Limited (ILL) had further subscribed to 12,50,000 equity shares of Shourie Properties Private Limited (SPPL). On allotment of these shares, the shareholding increased to 99.29% equity shares of SPPL.
- ii) Acquisitions by Inox Wind Infrastructure Services Limited( IWISL), subsidiary of Inox Wind Limited
  - a) During the year ended 31st March, 2017 , RBRK has become a subsidiary w.e.f. 28th August 2016 on acquisition of the entire share capital of RBRK by IWISL. Consequently, the financial results of RBRK are included in the CFS from 29th August 2016 on the basis of the financial statements prepared and certified by the RBRK's management for the period ended on 28th August 2016.
  - b) During the year ended 31st March, 2016previous year, SEPL had become a subsidiary of IWISL w.e.f. 19th November 2015 on acquisition of the entire share capital of SEPL by IWISL. Consequently, the financial results of SEPL are included in the CFS from 19th November 2015 on the basis of the financial statements prepared and certified by the SEPL's management for the period ended on 18th November 2015.
  - c) During the year ended 31st March, 2016 previous year, SWPTPL had become a subsidiary w.e.f. 9th December 2015 on acquisition of the entire share capital of SWPTPL by IWISL. Consequently, the financial results of SWPTPL are included in the CFS from 9th December 2015 on the basis of the financial statements prepared and certified by the SWPTPL's management for the period ended on 8th December 2015.
  - d) During the year ended 31st March, 2016, VEGPL had become a subsidiary w.e.f. 23rd January 2016 on acquisition of the entire share capital of VEGPL by IWISL. Consequently, the financial results of VEGPL are included in the CFS from 23rd January 2016 on the basis of the financial statements prepared and certified by the VEGPL's management for the period ended on 22nd January 2016.
  - e) During the year ended 31st March, 2016, SWPKPL had become a subsidiary w.e.f. 25th March 2016 on acquisition of the entire share capital of SWPKPL by IWISL. Consequently, the financial results of SWPKPL are included in the CFS from 25th March 2016 on the basis of the financial statements prepared and certified by the SWPKPL's management for the period ended on 24th March 2016.

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

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

**(D) Breakup of goodwill and capital reserve on consolidation:**

(Rs. in lakhs)

Breakup of net goodwill on consolidation	2016-17	2015-16
Goodwill on consolidation	<b>2488.86</b>	1785.62
Capital reserve on consolidation	<b>(180.96)</b>	(180.96)
Net goodwill on consolidation	<b>2307.90</b>	1604.66


**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

Movement during the year	2016-2017	2015-2016
Opening balance	<b>1604.66</b>	16508.24
Add: On acquisition of subsidiaries	<b>744.12</b>	1740.17
Less: On account of amalgamation	—	(16479.13)
Less: Goodwill on consolidation written off	<b>(40.88)</b>	(164.62)
Closing balance	<b>2307.90</b>	1604.66

**(E) Additional Information as required under Schedule III to the Companies Act, 2013:**

Name of the entity in the group	2016-17				2015-16			
	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	2.54	14374.63	18.72	619.73	2.46	13754.90	21.48	4543.40
<b>Subsidiaries (Group's share)</b>								
<b>Indian Subsidiaries</b>								
Gujarat Fluorochemicals Limited	53.04	300573.24	263.98	8740.48	52.14	291260.91	49.25	10415.45
Inox Infrastructure Limited	0.94	5323.26	(2.36)	(78.19)	0.97	5401.45	(0.13)	(26.93)
Inox Wind Limited	38.24	216726.71	754.66	24986.77	34.34	191825.63	227.56	48129.11
Inox Wind Infrastructure Services Limited	(2.10)	(11906.54)	(45.20)	(1496.59)	(1.33)	(7431.93)	(13.72)	(2902.65)
Marut Shakti Energy India Limited	(0.18)	(1048.16)	(12.08)	(400.02)	(0.05)	(289.60)	(1.63)	(345.14)
Satviki Energy Private Limited	0.01	78.82	(0.04)	(1.45)	0.01	80.27	(0.00)	(0.33)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.01)	(61.25)	(0.16)	(5.20)	(0.01)	(56.05)	(0.04)	(7.57)
Vinirrrmaa Energy Generation Private Limited	(0.01)	(55.63)	(1.41)	(46.63)	(0.00)	(9.00)	(0.01)	(1.79)
Sarayu Wind Power (Kondapuram) Private Limited	(0.00)	(12.44)	(0.09)	(2.89)	(0.00)	(9.55)	(0.00)	(0.39)
RBRK Investments Limited	0.01	47.56	1.76	58.29	0.00	0.00	0.00	0.00
Inox Renewables Limited	0.80	4541.91	(371.06)	(12285.91)	8.88	49628.60	(12.52)	(2647.36)
Inox Renewables (Jaisalmer) Limited	2.27	12890.64	(5.24)	(173.40)	2.34	13064.04	1.05	221.70
Inox Leisure Limited	10.91	61837.81	82.22	2722.24	10.58	59110.32	36.71	7764.45
Shouri Properties Private Limited	0.01	74.64	0.15	5.09	0.01	69.55	(0.07)	(14.44)
<b>Foreign Subsidiaries</b>								
GFL GmbH	0.05	296.34	1.67	55.40	0.05	267.72	0.97	204.32
GFL LLC USA	0.18	995.54	2.05	68.01	0.17	954.30	(1.51)	(319.12)
GFL Singapore	0.43	2437.15	0.51	17.03	0.32	1772.69	0.03	6.45
GFL GM Morocco	(0.01)	(72.75)	(8.34)	(275.97)	0.04	206.24	(0.55)	(116.77)
Minority Interest in all subsidiaries	18.93	107298.13	(274.03)	(9073.27)	56.84	317466.42	(185.46)	(39224.14)
	0.00		0.00		0.00	0.00	0.00	
<b>Indian Associates</b>		0.00		0.00		0.00	0.00	0.00
Megnasolace City Private Limited	0.57	3201.88	0.00		0.00	0.00	0.00	0.41
<b>Joint Ventures (Investments as per equity method) Indian Joint Venture</b>								
Swarnim Gujarat Flourspar Private Limited	0.02	93.18	(0.07)	(2.36)	0.02	95.54	(0.01)	(2.20)
Swanston Multiplex Cinemas Private Limited	0.00	5.82	0.35	11.65	(0.00)	(5.83)	0.00	0.00
<b>Foreign Joint Venture</b>								
XuanchengHengyuan Chemical Technology Co. Ltd	0.00	0.00	(3.39)	(112.11)	0.07	365.56	(2.15)	(455.38)
<b>Intercompany eliminations</b>								
Consolidation eliminations / adjustments	(26.63)	(150936.49)	(302.62)	(10019.70)	(67.84)	(378950.97)	(19.24)	(4071.21)
Total	100.00	566704.01	100.00	3310.99	100.00	558571.21	100.00	21149.87



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

### 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.

- i. 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.
- ii. Interest in joint ventures is reported using proportionate consolidation method.
- iii. 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.
- iv. 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'.
- v. Goodwill on consolidation represents excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, and is recognized as an asset in the consolidated financial statements. The Goodwill on consolidation is evaluated for impairment whenever there is any indication that its carrying amount may have been impaired. When the cost to the parent of its investment in a subsidiary 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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

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 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





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

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 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

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.

### **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, 2017**

(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 Preference Shares of Rs.100/- each

**Total**

As at 31st March, 2017	As at 31st March, 2016
<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>	1061.85
<b>999.35</b>	1,061.85

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

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

**Total**

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

At the beginning of the year

Less: Shares acquired and cancelled under Open Offer for Buyback of shares - see note No. 33

At the end of the year

2016-17		2015-16	
Nos	Amount	Nos	Amount
9993467	99934670	10618467	106184670
—	—	625000	6250000
<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. NIL per equity share (previous year Rs. 39.50p per equity share). Further, dividend of Rs. NIL per equity share (previous year Rs. NIL per equity share) is proposed to be distributed to the equity shareholders. The total distribution of dividend to the equity shareholders is Rs. NIL per equity share (previous year Rs. 39.50p/- 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, 2017		As at 31st March, 2016	
Number	% holding	Number	% holding
<b>1,132,219</b>	<b>11.33</b>	1,132,219	11.33
<b>1,321,791</b>	<b>13.23</b>	1,321,791	13.23
<b>2,303,218</b>	<b>23.05</b>	2,303,218	23.05
<b>1,080,032</b>	<b>10.81</b>	1,080,032	10.81
<b>1,031,644</b>	<b>10.32</b>	1,031,644	10.32
<b>2,342,586</b>	<b>23.44</b>	2,342,586	23.44



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

5 Reserves and surplus	As at 31st March, 2017	As at 31st March, 2016
Capital Reserves		
As per last Balance Sheet	6653.58	6653.88
Addition during the year	111.67	—
	<b>6765.25</b>	6653.58
Reconstruction Reserve		
As per last Balance Sheet	639.52	639.52
Debenture Redemption Reserve		
As per last Balance Sheet	—	—
Transfer from Retained Earning	1135.55	—
	<b>1135.55</b>	—
Capital Redemption Reserve		
As per last Balance Sheet	1521.80	1459.30
Add: Nominal value of shares bought back	—	62.50
	<b>1521.80</b>	1521.80
Securities Premium Account		
As per last Balance Sheet	24576.67	23955.44
Add: Addition on Amalgamation	—	621.23
On account of change in Minority Interest	1.18	—
	<b>24577.85</b>	24576.67
Revaluation Reserve		
As per last Balance Sheet	2913.04	2926.11
Less: Transfer to fixed assets	(2913.04)	(13.07)
	—	2913.04
Employees stock options outstanding amount		
As per last Balance Sheet	—	—
Movements during the year	1.40	—
Share options outstanding account	1.40	—
Amalgamation Reserve		
As per last Balance Sheet	75.76	154.55
Less: Deduction on account of Amalgamation	—	(78.79)
	<b>75.76</b>	75.76
Statutory Reserve Fund		
As per last Balance Sheet	5681.00	4771.00
Transfer from the Statement of Profit and Loss	125.00	910.00
	<b>5806.00</b>	5681.00
Consolidation Reserve		
As per last Balance Sheet	24555.76	24555.76
General Reserve		
As per last Balance Sheet	154994.84	153097.84
Add: Addition on Amalgamation	—	26.54
Less: Deduction on account of Amalgamation	—	(893.19)
Less: Transferred on buyback of shares	—	(843.75)
Transfer from the Statement of Profit and Loss	1676.20	3607.40
	<b>156671.04</b>	154994.84



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Other Reserves		
Reserve on sale of treasury shares		
As per last Balance Sheet	—	3765.71
Less: Deduction on account of Amalgamation	—	(3765.71)
	—	—
Hedging Reserve		
As per last Balance Sheet	(694.59)	(655.71)
Movements during the year	663.62	(38.88)
	(30.97)	(694.59)
Foreign currency translation reserve		
As per last Balance Sheet	869.06	1023.88
On account of disposal of joint venture	(566.74)	—
Movements during the year	(48.76)	(154.82)
	253.56	869.06
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	20368.40	10745.75
Profit for the year	3310.98	21149.87
On account of disposal of joint venture	(550.35)	—
Less: On account of Amalgamation	—	(197.80)
On account of change in minority interest	(2.08)	—
	24227.65	31697.82
Less : Appropriations		
General Reserve	1676.20	3607.40
Statutory Reserve	125.00	910.00
Debenture Redemption Reserve	1135.55	—
Interim Dividend	—	5834.63
Proposed Dividend	—	—
Tax on Dividend	—	782.70
Tax on buyback of shares	—	194.67
	21290.90	20368.42
<b>Sub-total</b>	<b>243218.36</b>	<b>242154.86</b>
<b>Group Share in Joint Ventures</b>	<b>—</b>	<b>(31.20)</b>
<b>Total</b>	<b>243218.36</b>	<b>242123.66</b>
<b>6 Long-term borrowings</b>		
Term Loans		
Secured Loans		
From Banks		
- Rupee Loans	30457.90	21924.81
- Foreign Currency Loans	70271.65	76815.58
- Non-Convertible Redeemable Debentures	19500.00	—
<b>Sub Total</b>	<b>120229.55</b>	<b>98740.39</b>
From Other Parties		
- Rupee Loans	24861.47	26542.00
<b>Total</b>	<b>145091.02</b>	<b>125282.39</b>
Less: Current maturities of Long-term borrowings (disclosed under note no. 11: Other current liabilities)	30763.15	19031.78
	114327.87	106250.61

For nature of securities and terms of repayment please refer to note no. 39



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>7 Other long-term liabilities</b>		
Security deposits	353.83	399.17
Retention money	193.98	76.20
Income received in advance	10158.06	3071.83
Statutory dues and taxes payable	1.42	1.17
For leasehold land	25.44	38.17
<b>Total</b>	<b>10732.73</b>	<b>3586.54</b>
<b>8 Long-term provisions</b>		
Provision for employee benefits (see note no. 46)		
- for Gratuity	2261.99	1673.76
- for Leave benefits	1079.59	782.77
<b>Total</b>	<b>3341.58</b>	<b>2456.53</b>
<b>9 Short-term borrowings</b>		
<b>9.1 (i) Secured Loans</b>		
From Banks		
- Cash Credit/Overdraft	32202.77	7669.02
- Short Term Working Capital Demand Loans	8100.00	2000.00
- Packing Credit & Buyers Credit	62788.17	101548.41
- Foreign Currency Short Term Loans	1429.50	1500.74
	<b>104520.44</b>	<b>112718.87</b>
Others	1680.82	—
	<b>106201.26</b>	<b>112718.87</b>
<b>9.2 (ii) Unsecured Loans</b>		
From Banks		
- Short term working capital demand loan	11500.00	10000.00
- Foreign Currency Short Term Loans	18050.61	18239.14
- Commercial Papers	2495.39	17299.52
<b>Sub Total</b>	<b>32046.00</b>	<b>45538.66</b>
From Other Parties		
- Commercial papers	49587.87	14868.33
<b>Sub Total</b>	<b>187835.13</b>	<b>173125.66</b>
Group Share in Joint Ventures	—	2248.92
<b>Total</b>	<b>187835.13</b>	<b>175374.58</b>
<b>9.3 For nature of securities and terms of repayment please refer to note no. 39</b>		
<b>10 Trade payables</b>		
- dues to Micro and Small Enterprises (see note no. 51)	386.94	551.51
- dues to others	110107.90	133581.22
	<b>110494.84</b>	<b>133604.73</b>
<b>Group Share in Joint Ventures</b>	<b>14.36</b>	<b>1284.51</b>
<b>Total</b>	<b>110509.20</b>	<b>134889.24</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>11 Other current liabilities</b>		
Current maturities of long-term debt (from note no. 6)	<b>30763.15</b>	19031.78
Interest accrued but not due on borrowings	<b>1714.71</b>	2032.50
Interest accrued and due on borrowings	<b>838.89</b>	72.75
Creditors for capital expenditure	<b>11319.96</b>	8346.36
Derivative financial liabilities	<b>933.75</b>	1586.70
Security deposits	<b>688.82</b>	675.25
Income received in advance	<b>2363.33</b>	4690.17
Advances from customers	<b>2900.99</b>	2542.79
Unclaimed dividends (see note below)	<b>295.17</b>	431.41
Retention money	<b>318.01</b>	310.25
UI charges payable	<b>509.98</b>	—
Statutory dues and taxes payable	<b>6052.03</b>	7653.65
Payable towards purchase of shares of subsidiaries	<b>1300.56</b>	1732.70
Dues to employees	<b>2826.66</b>	3007.74
Expense payables	<b>3558.16</b>	2164.22
Other Payables	<b>2881.48</b>	2082.82
	<b>70165.65</b>	56361.09
<b>Group Share in Joint Ventures</b>	<b>0.24</b>	555.15
<b>Total</b>	<b>70165.89</b>	56916.24
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. 46)		
- for Gratuity	<b>420.30</b>	326.01
- for Leave benefits	<b>843.64</b>	643.63
	<b>1263.94</b>	969.64
(b) Other provisions		
- for Municipal tax - (see note no 48a)	<b>185.61</b>	235.80
- for Service tax - (see note no 48d)	<b>1074.63</b>	1042.44
- for MVAT / sales tax- (see note no 48c)	<b>30.43</b>	30.43
- for taxation (net of taxes paid)	<b>1721.36</b>	4430.20
	<b>4275.97</b>	6708.51
<b>Group Share in Joint Ventures</b>	<b>—</b>	51.04
<b>Total</b>	<b>4275.97</b>	6759.55

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017



(Rs. in Lakhs)

## 13 TANGIBLE ASSETS

Particulars	Gross Block					Depreciation/Amortization					Net Block									
	As at 01-04-2016	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	Deductions on Account of China JV	As at 31-03-2017	As at 01-04-2016	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Impairment	Deductions	Deductions on Account of China JV	As at 31-03-2017	As at 31-03-2016	
(a) Tangible Assets																				
Land																				
- Freehold Land	4441.76	0.00	(2.12)	8.03	472.37	664.22	0.00	0.00	0.00	4255.82	0.00	0.00	1.43	0.69	0.00	0.00	0.00	2.12	4253.70	4441.76
- Leasehold Land	9134.24	0.00	0.00	0.00	384.54	384.54	0.00	0.00	0.00	8769.70	611.41	0.00	0.00	182.39	66.80	0.00	0.00	727.00	8042.70	8522.83
Buildings	58432.66	0.00	(17.44)	0.00	4875.42	210.12	0.00	0.00	0.00	63080.52	9100.98	0.00	(2.21)	1923.66	13.81	0.00	0.00	11008.62	52071.90	49331.68
Lease hold improvements	30351.41	0.00	(1.26)	0.00	3798.64	100.26	0.00	31.49	0.00	34078.02	13138.53	0.00	(0.35)	2120.93	39.76	0.00	0.00	15230.43	18847.59	17212.88
Plant and Equipments	475562.80	8593.68	(15.44)	0.00	44282.50	156206.24	(204.62)	(20.31)	0.00	354785.01	109332.86	(3048.72)	(9.77)	0.00	71.12	24031.13	26017.65	104357.97	250427.04	366229.94
Furniture and Fixtures	12682.07	0.44	(1.62)	0.00	2511.90	448.03	0.00	8.52	0.00	14752.40	6837.43	0.00	(0.52)	0.00	2.53	1548.48	170.74	8317.18	6435.22	5744.64
Vehicles	863.65	0.28	(0.74)	0.00	448.68	112.99	0.00	0.00	0.00	1199.32	541.68	0.00	(0.53)	0.00	0.00	98.79	0.00	564.95	634.37	321.97
Office Equipment	10188.59	(0.26)	(0.78)	0.00	1550.96	173.54	0.00	0.00	0.00	11575.49	6207.26	0.00	(0.48)	0.00	3.73	1162.29	154.64	7218.16	4357.33	3981.33
<b>Total (a)</b>	<b>601657.18</b>	<b>8594.14</b>	<b>(38.40)</b>	<b>8.03</b>	<b>57929.47</b>	<b>158279.94</b>	<b>(204.62)</b>	<b>19.70</b>	<b>0.00</b>	<b>492496.28</b>	<b>145970.15</b>	<b>(3048.72)</b>	<b>(13.86)</b>	<b>88.46</b>	<b>31082.16</b>	<b>26562.19</b>	<b>0.00</b>	<b>147426.43</b>	<b>345069.85</b>	<b>455767.03</b>
(b) Share in Joint Venture *	3670.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3670.88	0.00	2112.64	0.00	0.00	0.00	2112.64	0.00	0.00	0.00	1568.24
<b>Grand Total (a + b)</b>	<b>605328.06</b>	<b>8594.14</b>	<b>(38.40)</b>	<b>8.03</b>	<b>57929.47</b>	<b>158279.94</b>	<b>(204.62)</b>	<b>19.70</b>	<b>3670.88</b>	<b>492496.28</b>	<b>147882.79</b>	<b>(3048.72)</b>	<b>(13.86)</b>	<b>88.46</b>	<b>31082.16</b>	<b>26562.19</b>	<b>2112.64</b>	<b>147426.43</b>	<b>345069.85</b>	<b>457345.27</b>
Previous year	514602.58	0.00	100.39	8.37	87356.26	1310.32	3758.91	811.87	0.00	605328.06	117895.57	0.00	(33.11)	0.24	0.00	31083.18	963.09	147982.79	457345.27	

1. Addition on account of acquisitions is in respect of subsidiary acquired.  
2. For buildings given on operating lease - see note no.43

## 14 INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	Gross Block					Depreciation/Amortization					Net Block									
	As at 01-04-2016	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	Deductions on Account of China JV	As at 31-03-2017	As at 01-04-2016	Revaluation Deletion	Translation Difference	Acquisition (see note below)	Impairment	Deductions	Deductions on Account of China JV	As at 31-03-2017	As at 31-03-2016	
(a) Intangible Assets																				
Technical Know How	11719.14	0	0	0	156.57	0	0	0	0	11875.71	3895.56	0	0	0	0	1199.18	0	5195.74	6679.97	7722.57
Software	2548.15	0	-0.24	0	358.65	16.36	0	0	0	2890.20	1775.96	0	-0.12	0	0	368.94	14.26	1530.52	1359.68	1372.13
Mining Rights	1302.06	0	-73.71	0	0	0	0	0	0	1228.35	324.83	0	-18.44	0	0	83.33	0	389.72	838.63	977.22
Product Development	734.20	0	0	0	0	0	0	0	0	734.20	212.34	0	0	0	0	146.84	0	359.18	375.02	521.85
Goodwill	1750.00	0	0	0	0	0	0	0	0	1750.00	127.54	0	0	0	0	90.79	0	218.33	1531.67	1622.46
Movie Production	155.50	0	0	0	0	0	0	0	0	155.50	133.47	0	0	0	22.03	0	155.50	0.00	22.02	
<b>Total (a)</b>	<b>18209.05</b>	<b>0</b>	<b>-73.95</b>	<b>0</b>	<b>515.22</b>	<b>16.36</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18833.96</b>	<b>5970.7</b>	<b>0</b>	<b>-18.56</b>	<b>0</b>	<b>0</b>	<b>1911.11</b>	<b>14.26</b>	<b>7848.99</b>	<b>10784.97</b>	<b>12238.25</b>
(b) Share in Joint Venture	555.69	0	0	0	0	0	0	0	0	555.69	0.00	295.13	0	0	0	0	0	295.13	0.00	260.56
<b>Grand Total (a + b)</b>	<b>18764.74</b>	<b>0</b>	<b>-73.95</b>	<b>0</b>	<b>515.22</b>	<b>16.36</b>	<b>0</b>	<b>0</b>	<b>555.69</b>	<b>18833.96</b>	<b>6265.83</b>	<b>0</b>	<b>-18.56</b>	<b>0</b>	<b>1911.11</b>	<b>14.26</b>	<b>295.13</b>	<b>7848.99</b>	<b>10784.97</b>	<b>12498.81</b>
Previous year	14499.01	0	109.74	0	4184.14	28.15	0	0	0	18764.74	4602.16	0	16.66	0	0	1675.24	28.13	6265.93	12498.81	

Notes:

1. Addition on account of acquisitions is in respect of subsidiary acquired.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

	Face Value Rs.	Nos. As at 31st March, 2017	Nos. As at 31st March, 2016	As at 31st March, 2017 Amount (Rs. in Lacs)	As at 31st March, 2016 Amount (Rs. in Lacs)
<b>15 NON CURRENT INVESTMENTS</b>					
(Long term, non-trade, at cost, unless otherwise stated)					
<b>[I] INVESTMENTS IN SECURITIES</b>					
<b>A] UNQUOTED</b>					
<b>i) Investment in Equity instrument</b>					
<b>In Associate companies</b>					
Megnasolace City Private Limited					
- Equity shares of Rs.10/- each	10	5000000	5000000	3201.88	3201.88
- paid up Rs. 1.60 per share					
(previous year Rs. 1.60 per share)					
<b>In Other companies</b>					
Kaleidoscope Entertainment Private Limited	1	562500	562500	60.75	60.75
Ideas & U Limited	10	500000	500000	50.00	50.00
Inox India Pvt. Ltd.	10	419186	0	3187.50	0.00
Less: Provision for diminution in value of Investment				6500.13	3312.63
				110.75	110.75
				6389.38	3201.88
<b>ii) In Index link Debentures</b>					
NCD-Citicorp Finance				5000.00	0.00
				5000.00	0.00
<b>iii) Investment in Government or Trust Securities</b>					
National Saving Certificate				123.33	118.23
(Held in the name of Directors & pledged with					
Government Authorities)					
Less : Current portion of Long Term Investments				25.00	7.50
(Disclosed under note no. 18 : Current Investments)				98.33	110.73
<b>iii) Investment in Mutual Funds</b>					
Reliance Yearly Interval Series 8 Direct Plan-Growth	10	9211751	9211751	1000.00	1000.00
DWS Interval Annual Plan Series 1-DP Growth	10	9205730	9205730	1000.00	1000.00
ICICI Prudential FMP Sr.76-1134 Days-Plan Y-growth	10	10000000	10000000	1000.00	1000.00
ICICI Prudential FMP Sr.76-1135 Days-Plan Z-Regular					
Plan-Growth	10	10000000	10000000	1000.00	1000.00
ICICI Prudential FMP Sr.77-1132 Days-Plan A-Regular					
Plan-Growth	10	10000000	10000000	1000.00	1000.00
IDFC Fixed term Pl.Sr.108 - 1144 Days-Regular Plan-Growth	10	10000000	10000000	1000.00	1000.00
SBI Debt Fund Sr.B-16 - 1100 Days-Regular Plan-Growth	10	10000000	10000000	1000.00	1000.00
ICICI Prudential Equity Arbitrage Fund-Regular -Dividend	10	0	7237596	0.00	999.59
Kotak Equity Arbitrage-Monthly Dividend (Regular)	10	18504811	18504811	2000.00	2000.00
RelianceArbitrage Advantage Fund-Monthly Dividend					
Plan Dividend Payout	10	0	19070140	0.00	2000.00
HDFC Short Term Plan-Growth	10	3677863	3677863	1000.00	1000.00
Birla Sun Life Short Term Opportunities Fund-Regular					
Plan-Growth	10	4355989	4355989	1000.00	1000.00
DSP Black Rock Short Term Fund-Regular Plan-Growth	10	4174494	4174494	1000.00	1000.00
Franklin India Short Term Income Plan-Retail-Growth	10	34670	34670	1000.00	1000.00
DHFL Pramerica Short Maturity Fund-Growth	10	3958860	3958860	1000.00	1000.00
HDFC FMP 371 Days June 2014(2)Series.31-Growth	10	0	6250000	0.00	625.00
ICICI Prudential FMP Series 74-369 Days K Regular Growth	10	0	10000000	0.00	1000.00
Religare Invesco FMP Series 23-Plan L (370 Days)-Regular					
Plan Growth	10	0	10000000	0.00	1000.00
HDFC FMP 370 Days June 2014(2) Series 31 Regular -					
Growth	10	0	10000000	0.00	1000.00
SBI Debt Fund Series A35-369Days -Direct - Growth	10	0	10000000	0.00	1000.00
Reliance Fixed Horizon Fund-XXVI Series 33 -					
Direct Plan -Growth Plan	10	0	10000000	0.00	1000.00
SBI Blue Chip Fund - Regular Plan - Growth	10	3233654	0	1000.00	0.00
Kotak Select Focus Fund - Grwoth (Regular Plan)	10	3840840	0	1000.00	0.00
Principal Emerging Blue Chip Fund - Regular Plan - Growth	10	1245816	0	1000.00	0.00
L&T India Value Fund - Growth	10	3483438	0	1000.00	0.00
Birla Sun Life India Reforms Fund - Growth - Regular Plan	10	6444864	0	1000.00	0.00
Franklin Build India Fund - Growth	10	3102618	0	1000.00	0.00
Franklin India Smaller Companies Fund - Growth	10	2109794	0	1000.00	0.00
Mirae Asset Emerging Blue Chip Fund - Regular Plan -					
Growth	10	2538693	0	1000.00	0.00
HDFC High Interest Fund - Dynamic Plan - Regular Plan -					
Growth	10	2570751	0	1500.00	0.00



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

	Face Value Rs.	Nos. As at 31st March, 2017	Nos. As at 31st March, 2016	As at 31st March, 2017		As at 31st March, 2016	
				Amount (Rs. in Lacs)		Amount (Rs. in Lacs)	
Birla Sun Life Dynamic Bond Fund - Retail - Growth - Regular Plan	10	4951132	0	1500.00		0.00	
ICICI Prudential Dynamic Bond Fund - Growth	10	5273233	0	1000.00		0.00	
DSP Blackrock Strategic Bond Fund - Institutional Plan - Growth	1000	49508	0	1000.00		0.00	
Reliance Fixed Horizon Fund-XXXI-Sr.9-Direct Growth	10	2500000	0	250.00		0.00	
Birla Sunlife FTP Series KG-Growth	10	0	2263469	0.00		226.35	
UTI FTIF Series XVII-XIII (369D)-Growth	10	2181540	2181540	218.15		218.15	
					27468.15		23069.09
<b>iv) Investment in Venture Capital Fund</b>							
Indiareit Fund Scheme III	100000	0	293	0.00		292.58	
Kshitij Venture Capital Fund	338	250000	250000	843.75		843.75	
				843.75		1136.33	
Less : Current portion of Long Term Investments (Disclosed under note no. 18 : Current Investments)				843.75		1136.33	
<b>v) Investment in Bonds</b>							
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	250	250.00		250.00	
HUDCO 8.14% Tax Free Bond	1,000	20,000	20,000	200.00		200.00	
IIFCL 8.01% Tax Free Bonds	1,000,200	20	20	200.04		200.04	
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	250	250.00		250.00	
NHAI 8.27% Tax Free Bonds	1,000	20,000	20,000	200.00		200.00	
NHAI 7.14% Tax Free Bonds	1,000	14,285	14,285	142.85		142.85	
PFC 8.20% Tax Free Bonds	1,000	8,544	8,544	85.44		85.44	
REC 7.93% Tax Free Bond	1,000	12,248	12,248	122.48		122.48	
PFC 7.19% Tax Free Bonds	1,000	10,000	10,000	100.00		100.00	
REC 8.01% Tax Free Bond 2013	1,000	30,000	30,000	300.00		300.00	
					1,850.81		1,850.81
Total Unquoted Investments					40806.67		28232.51
<b>B] QUOTED</b>							
Investment in Equity instrument							
GFL Tata Global Beverages Limited (pursuant to merger of Mount Everest Mineral Water Ltd)	10	0	1,630,944	—		2,489.33	
Damania Capital Market Limited	10	124,200	124,200	37.26		37.26	
Eastern Mining Limited	10	10,300	10,300	3.30		3.30	
Konar Organics Limited	10	41,100	41,100	4.11		4.11	
Rajinder Pipes Limited	10	8,300	8,300	3.32		3.32	
Unified Agro Industries (India) Limited	10	1,800	1,800	0.45		0.45	
W S Telesystem Limited	10	8,300	8,300	3.32		3.32	
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	100	5	5	0.06		0.06	
					66.05		2555.38
Less: Provision for diminution in value of Investment					60.99		60.99
Total Quoted Investment					5.06		2494.39
Total Investments					40811.73		30726.90
Aggregate amount of quoted investments					66.05		2555.38
Market value of quoted investments					2366.42		2082.72
Aggregate amount of unquoted investments					14568.02		27636.28
Aggregate provision for diminution in value of investments					171.74		171.74

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

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 01.04.16	Additions	As at 31.03.17	As at 01.04.16	For the year	As at 31.03.17	As at 31.03.17	As at 31.03.16
Leasehold Land	373.43	—	373.43	1.91	0.37	2.28	371.15	371.52
Building	858.60	—	858.60	139.30	32.18	171.48	687.12	719.29
Total	1,232.03	—	1,232.03	141.21	32.55	173.76	1,058.27	1,090.81
Previous Year	1,226.05	5.98	1,232.03	107.01	34.21	141.22	1,090.81	

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

**41870.00**

**31817.71**



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>16 Long-term loans and advances</b> (Unsecured, considered good, unless otherwise stated)		
Capital advances	9783.96	11549.34
Security deposits		
- Considered good	17480.29	12554.43
- Considered doubtful	91.51	311.88
	<u>17571.80</u>	<u>12866.31</u>
Less: Provision for doubtful deposits	91.51	311.88
	<u>17480.29</u>	<u>12554.43</u>
Advances recoverable in cash or in kind		
- Considered good	2154.93	1245.52
- Considered Doubtful	58.64	84.77
	<u>2213.57</u>	<u>1330.29</u>
Less: Provision for doubtful advances	58.64	84.77
	<u>2154.93</u>	<u>1245.52</u>
Inter corporate deposits	150.00	1500.00
Prepaid expenses	128.98	129.05
Loans to employees	1.60	0.27
Electricity charges refund claimed	389.83	389.83
Balances in Excise, Service Tax and VAT Accounts	519.98	224.74
Entertainment tax refund claimed	3701.70	3335.01
Income tax paid (net of provisions)	10220.98	13001.15
MAT credit entitlement	26083.36	20686.71
	<u>70615.61</u>	<u>64616.05</u>
<b>Group Share in Joint Ventures</b>	<b>0.19</b>	<b>16.35</b>
<b>Total</b>	<b><u>70615.80</u></b>	<b><u>64632.40</u></b>
<b>17 Other non-current assets</b>		
Deposits		
Non-current bank balances (from note no. 21)	985.79	1473.47
Recoverable towards fixed assets of Chandigarh	914.16	932.44
Interest accrued		
- on investments	28.98	21.81
- on bank fixed deposits	72.07	56.01
- others	—	161.72
MAT credit entitlement	42.32	52.13
<b>Total</b>	<b><u>2043.32</u></b>	<b><u>2697.58</u></b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

	Face Value Rs.	Nos. As at 31st March, 2017	Nos. As at 31st March, 2016	As at 31st March, 2017 Amount (Rs. in Lacs)	As at 31st March, 2016 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 Venture Capital Fund</b>						
Indiareit Fund Scheme III	100000	—	293.00	—	292.58	
Kshitij Venture Capital Fund	338	<b>250,000.00</b>	250,000.00	<b>843.75</b>	843.75	1,136.33
				<b>843.75</b>		
<b>ii) Investment in Government or Trust Securities</b>						
National Saving Certificate (Held in the name of Directors & pledged with Government Authorities)				<b>25.00</b>		7.50
<b>B] CURRENT INVESTMENT</b>						
<b>i) Investment in Mutual Funds - Unquoted</b>						
HDFC Liquid Fund-Direct Plan-Growth	10	<b>1217</b>	10855	<b>34.80</b>	310.34	
Taurus Liquid Fund -Growth Plan	1000	—	15320	—	250.00	
HDFC Liquid Fund-Growth	1000	—	8414	—	250.00	
Birla Sun Life Cash Plus-Growth-Regular Plan	10	—	414681	—	1,001.00	
Birla Sunlife Dynamic Bond Fund-Growth	10	<b>667816</b>	—	<b>202.11</b>	—	
IDFC Arbitrage Fund Dividend -(Direct Plan)	10	—	24946339	—	3,221.67	
Relinace MTF - Direct Growth Plan (IP-AG)	10	—	6416097	—	2,000.00	
DSP BlackRock Income Opportunities -Direct Plant-Growth	10	—	4103271	—	1,000.00	
BSL INT Income Fund Annual Plan IX-Growth	10	—	2248303	—	224.83	
Birla Sunlife FTP Series HQ-Growth	10	—	1000000	—	100.00	
Birla Sunlife FTP Series HS-Growth	10	<b>1211029</b>	1211029	<b>121.10</b>	121.10	
DSP BR Short Term Fund -Growth	10	<b>1014223</b>	1014223	<b>240.60</b>	240.60	
DSP BR FMP Series 105-12M-Growth	10	—	1997894	—	199.79	
DSP BR Income Opportunities Fund-Growth	10	<b>1447860</b>	1447860	<b>274.59</b>	274.59	
Franklin Templeton India Short Term Income Plan-Growth	1,000	<b>28142</b>	28142	<b>741.40</b>	741.40	
Franklin India G SecFund-Growth	10	<b>614630</b>	—	<b>250.00</b>	—	
IDFC FTP Series-24 366D-Growth	10	—	2193729	—	219.37	
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	<b>2768899</b>	2768899	<b>327.09</b>	327.09	
ICICI PRU Regular Savings Fund Growth	10	<b>1437224</b>	1437224	<b>210.00</b>	210.00	
TATA FMP Series 43 Plan A-Growth	10	—	2000000	—	200.00	
TATA Short Term Bond Fund-Growth	10	<b>734846</b>	734846	<b>200.00</b>	200.00	
UTI Short Term Income Fund Growth	10	<b>1431343</b>	1431343	<b>239.48</b>	239.48	
DSP BlackRock Income Opportunities -Direct Plant-Growth	10	<b>8399458</b>	4103271	<b>2,107.10</b>	—	
UTI Dynamic Bond Fund Growth	10	<b>1559851</b>	—	<b>300.00</b>	—	
ICICI Prudential Liquid Plan-Growth	100	<b>417237</b>	—	<b>993.43</b>	—	
ICICI Prudential Liquid Plan-Growth-Regular Plan	100	<b>12518</b>	—	<b>30.00</b>	—	
Birla Sun Life MTF - Regular Growth Option	10	<b>3453221</b>	—	<b>1,015.56</b>	—	
Franklin Templeton Mutual fund MTF - Growth Option	10	<b>1830785</b>	—	<b>700.00</b>	—	
SBI Blue chip fund MTF - Growth Regular Option	10	<b>1135790</b>	—	<b>350.00</b>	—	
HDFC High Interest Fund Dynamic MTF - Growth Regular Option	10	<b>1762916</b>	—	<b>1,000.00</b>	—	
UTI Dynamic bond fund High MTF - Growth Option	10	<b>5302508</b>	—	<b>1,000.00</b>	—	
Indiabulls ultra short term fund MTF - Growth Option	10	<b>317402</b>	—	<b>5,051.53</b>	—	
IDFC Cash-fund MTF - Growth Option	10	<b>324090</b>	—	<b>6,400.00</b>	—	
SBI Mangnum insta cash fund MTF - Direct Option	10	<b>55699</b>	—	<b>2,000.00</b>	—	
Religare Invesco FMP Series 23-Plan L (370 Days)- Regular Plan Growth	10	<b>10000000</b>	—	<b>1,000.00</b>	—	
HDFC FMP 370 Days June 2014(2) Series 31 Regular - Growth	10	<b>10000000</b>	—	<b>1,000.00</b>	—	
SBI Debt Fund Series A35-369Days -Direct - Growth	10	<b>10000000</b>	—	<b>1,000.00</b>	—	
Reliance Fixed Horizon Fund-XXVI Series 33 - Direct Plan -Growth Plan	10	<b>10000000</b>	—	<b>1,000.00</b>	—	
HDFC FMP 371 Days June 2014(2)Series.31-Growth	10	<b>6250000</b>	—	<b>625.00</b>	—	
ICICI Prudential FMP Series 74-369 Days K Regular Growth	10	<b>10000000</b>	—	<b>1,000.00</b>	—	
				<b>29,413.79</b>		11,331.26
<b>Group Share in Joint Venture</b>				—		45.00
<b>Total current investments</b>				<b>30,282.54</b>		12,520.09
<b>Aggregate amount of unquoted current investments</b>				<b>29,413.79</b>		11,376.26



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>19 Inventories</b>		
(For basis of valuation see note no. 3(f))		
Raw materials	31670.73	23759.69
Work-in-progress	29188.99	28525.26
Finished goods	22232.22	20642.82
Stock-in-trade	203.78	128.90
Stores and spares	6871.99	5813.03
Others		
- Fuel	654.87	1649.49
- Packing Material	280.95	381.65
- By products	157.13	379.70
- Food and Beverages	523.90	422.09
- Construction Materials	11525.08	10140.53
	<u>13141.93</u>	<u>12973.46</u>
<b>Sub-total</b>	<b>103309.64</b>	91843.16
<b>Group Share in Joint Ventures</b>	—	381.32
<b>Total</b>	<u><b>103309.64</b></u>	<u>92224.48</u>
<b>20 Trade receivables</b>		
(Unsecured, considered good, unless otherwise stated)		
Considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	46035.39	29509.97
Others	232814.77	259460.31
	<u>278850.16</u>	<u>288970.28</u>
Considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	1106.14	1099.42
	<u>279956.30</u>	<u>290069.70</u>
Less: Provision for doubtful Trade receivables	(1106.14)	(1099.42)
	<u>278850.16</u>	<u>288970.28</u>
<b>Group Share in Joint Ventures</b>	—	1074.79
<b>Total</b>	<u><b>278850.16</b></u>	<u>290045.07</u>
<b>21 Cash and bank balances</b>		
<b>21.1 Cash &amp; cash equivalents</b>		
Balances with banks in current accounts	6227.27	12401.48
Cheques on hand	17279.79	14.15
In liquid funds of mutual funds	—	150.00
Bank deposits with original maturity for less than 3 months	—	112.24
Cash in hand	267.99	269.71
	<u>0.06</u>	<u>690.93</u>
<b>Group Share in Joint Ventures</b>	—	—
<b>Total cash and cash equivalents</b>	<u><b>23775.11</b></u>	<u>13638.51</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>21.2 Other Bank Balances</b>		
- In unpaid dividend accounts	295.17	431.41
- Deposit with original maturity for more than 3 months but less than 12 months	24061.27	43758.00
- Bank deposits with original maturity of more than 12 months	2536.36	1866.20
	<b>26892.80</b>	46055.61
Less: Amount disclosed under note no. 17 - Other non-current assets	985.77	1473.47
	<b>25907.03</b>	44582.14
<b>Sub-total</b>	<b>49682.14</b>	58220.65
<b>Group Share in Joint Ventures</b>	<b>3.62</b>	3.48
<b>Total</b>	<b>49685.76</b>	58224.13
<b>22 Short-term loans and advances</b> (Unsecured, considered good, unless otherwise stated)		
Advance to suppliers		
- Considered good	13935.12	9412.32
- Considered doubtful	68.10	68.10
	<b>14003.22</b>	9480.42
Less: Provision for doubtful advances	68.10	68.10
	<b>13935.12</b>	9412.32
Others		
Prepaid expenses	1433.76	1765.35
Advances recoverable in cash or in kind	439.91	617.66
Other receivables	225.50	63.41
Security deposits	542.30	1647.45
Advance to employees	—	2.43
Inter-corporate deposits (see note no. 48)	1301.95	2286.95
Considered doubtful	700.00	—
	<b>2001.95</b>	2286.95
Less : Provision for doubtful inter corporate deposits	700.00	—
	<b>1301.95</b>	2286.95
Electricity duty and Custom duty refund claimed	1533.33	3191.07
Balances in Excise, Service Tax and VAT accounts	4296.84	2322.71
	<b>23708.71</b>	21309.35
<b>Group Share in Joint Ventures</b>	<b>53.50</b>	500.51
<b>Total</b>	<b>23762.21</b>	21809.86



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>23 Other current assets</b>		
Assets held for disposal	102522.08	116.15
Insurance claims lodged	350.16	1335.04
Unbilled revenue	2395.63	415.07
Un amortised premium on forward contract	463.00	1139.40
Income tax refund receivable	2.32	—
Interest accrued	1260.99	2003.16
Advance recoverable	314.85	—
WCT receivable	14.09	—
	<u>107323.12</u>	<u>5008.82</u>
<b>Group Share in Joint Ventures</b>	<b>0.04</b>	<b>0.01</b>
<b>Total</b>	<b><u>107323.16</u></b>	<b><u>5008.83</u></b>
	<b>2016-17</b>	<b>2015-16</b>
<b>24 Revenue from operations</b>		
Sale of products	475350.18	562407.47
Sale of services	167698.60	155684.65
Other operating revenues	7191.15	7447.75
	<u>650239.93</u>	<u>725539.87</u>
Less : Excise Duty	10454.80	10082.03
	<u>639785.13</u>	<u>715457.84</u>
Dividend Income		
on long term investments		
from others	0.15	0.16
on current investments	10.33	14.43
Interest income		
on inter corporate deposits	158.31	165.45
on bank deposits	82.74	100.45
on tax free bonds	144.93	136.99
others	—	4.00
<b>Group Share in Joint Ventures</b>	<b>2116.07</b>	<b>4537.85</b>
<b>Total</b>	<b><u>642297.66</u></b>	<b><u>720417.17</u></b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

(Rs. in Lakhs)

	2016-17	2015-16
<b>25 Other income</b>		
Interest income		
- on bank deposits	2442.11	3334.65
- on inter - corporate deposits	192.27	247.39
- on Income tax refund	385.74	38.09
- on others	49.31	118.74
- on long term investments	11.94	10.68
	<u>3081.37</u>	<u>3749.55</u>
Dividend income		
- on long term investments	293.22	632.18
- on current investments	150.13	42.64
	<u>443.35</u>	<u>674.82</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))	(21.80)	25.05
- on current investments	1031.33	1399.35
	<u>1009.53</u>	<u>1424.40</u>
Provision for doubtful debts written back	11.53	0.92
Liabilities and provisions no longer required, written back	139.79	513.58
Net gain on foreign currency transactions and translation	5376.23	—
Reversal of mark to market loss on derivative contracts	—	218.34
Gain/Loss On Hedging Instruments	55.59	387.14
Gain on settlement of derivative	192.00	186.35
Insurance claims	269.58	886.81
Profit on retirement /disposal of fixed assets (net)	16.75	12.55
Rental income from operating leases	551.12	568.00
Bad debts recovered	—	18.00
Miscellaneous income	117.30	139.89
	<u>11264.14</u>	<u>8780.35</u>
<b>Group Share in Joint Ventures</b>	<b>34.81</b>	<b>28.29</b>
<b>Total</b>	<b><u>11298.95</u></b>	<b><u>8808.64</u></b>
<b>26 Cost of materials consumed</b>		
Raw materials consumed	224110.32	306632.18
Packing materials consumed	5898.44	5277.99
Cost of food and beverages	6806.71	6610.68
	<u>236815.47</u>	<u>318520.85</u>
<b>Group Share in Joint Ventures</b>	<b>1890.95</b>	<b>4223.78</b>
<b>Total</b>	<b><u>238706.42</u></b>	<b><u>322744.63</u></b>
<b>27 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade	1045.14	223.94
	<u>1045.14</u>	<u>223.94</u>





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

(Rs. in Lakhs)

	2016-17	2015-16
<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	20642.82	23752.22
Stock-in-trade	128.90	107.04
Material-in-process	5965.23	8678.12
Erection and commissioning work-in-progress	22560.03	25954.47
By-products	379.70	375.12
	<u>49676.68</u>	<u>58866.97</u>
Add: On account of subsidiaries acquired during the year	—	293.40
	<u>49676.68</u>	<u>59160.37</u>
Less : Closing stock		
Finished goods	22232.24	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>51782.15</u>	<u>49676.68</u>
Excise duty on stock of finished goods (net)	3.27	(17.93)
Effect of changes in exchange currency rates	(280.99)	104.73
<b>(Increase) / Decrease in stock</b>	<u>(2383.19)</u>	<u>9570.49</u>
<b>29 Employee benefits expense</b>		
Salaries and wages	29761.71	24786.95
Contribution to provident and other funds	1439.08	1190.30
Gratuity	827.10	547.47
Staff welfare expenses	1657.13	1430.66
	<u>33685.02</u>	<u>27955.38</u>
<b>Group Share in Joint Ventures</b>	29.83	58.04
<b>Total</b>	<u>33714.85</u>	<u>28013.42</u>
<b>30 Finance costs</b>		
Interest expenses	24000.96	17578.39
Interest on Income tax	657.73	517.98
Interest on deferred credit	47.30	68.10
Other borrowing costs	2194.74	2315.59
Loss on foreign currency transactions and translation	4142.96	4443.14
	<u>31043.69</u>	<u>24923.20</u>
Less: Capitalized	285.36	1803.82
	<u>30758.33</u>	<u>23119.38</u>
<b>Group Share in Joint Ventures</b>	45.26	108.47
<b>Total</b>	<u>30803.59</u>	<u>23227.85</u>
<b>31 Depreciation and amortization expense</b>		
Depreciation and amortization of tangible assets	31092.14	30748.35
Amortization of intangible assets	1911.11	1647.25
Depreciation on investment property	32.18	33.84
Amortization of investment property	0.37	0.37
	<u>33035.80</u>	<u>32429.81</u>
<b>Group Share in Joint Ventures</b>	0.01	362.82
<b>Total</b>	<u>33035.81</u>	<u>32792.63</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

	2016-17	2015-16
<b>32 Other expenses</b>		
Stores and spares consumed	6286.77	5575.53
Power and fuel	45320.19	41334.55
Entertainment tax	18474.58	17380.94
EPC, O & M, Common Infrastructure Facility and Site Development Expenses	50433.92	54450.63
Exhibition cost	34532.56	32529.99
Freight and octroi	14209.01	16405.80
Insurance	1123.97	1102.84
Excise duty, custom duty and sales tax	598.44	415.30
Production labour charges	1896.78	1809.49
Processing charges	15696.58	12946.85
Outsourced personnel cost	4563.99	3599.45
Common facility charges	5447.77	4850.91
Factory expenses	557.86	559.42
Repairs to		
- Buildings	595.86	834.84
- Plant and Equipments	5394.23	5237.23
- Others	999.37	1170.62
	<u>6989.46</u>	<u>7242.69</u>
Directors' sitting fees	51.00	46.80
Commission to directors	166.54	169.25
Rent & conducting fees	18328.66	16140.52
Rates and taxes	1628.06	1994.00
Service tax	5359.41	3825.05
Travelling and conveyance	3697.76	3136.54
Communication expenses	633.28	581.61
Legal and professional fees and expenses	4929.04	4259.63
Lease rentals and hire charges	1154.81	899.30
Loss on retirement /disposal of fixed assets (net)	491.81	183.76
Net (gain)/loss on foreign currency transactions and translation	—	1067.83
Amortisation of premium on forward contracts	1975.70	483.92
Provision for doubtful advances	936.24	12.24
Provision for doubtful deposits	35.00	120.58
Provision for doubtful debts	53.38	1004.19
Provision for diminution in value of assets held for disposal	—	14.98
Bad debts and remission	2624.80	522.89
Commission	1330.69	691.48
Royalty	2072.43	1430.01
Corporate Social Responsibility (CSR) expenditure (see note no. 55)	389.95	387.00
Miscellaneous expenses	13356.33	10543.21
	<u>265346.77</u>	<u>247719.18</u>
<b>Group Share in Joint Ventures</b>	<b>287.60</b>	<b>271.60</b>
<b>Total</b>	<b><u>265634.37</u></b>	<b><u>247990.78</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****33. Buy back of shares**

In the previous year Inox Leasing and Finance Limited had acquired 6,25,000 equity shares of Rs. 10/- each at a price of Rs. 135/- per share from the shareholders under open offer for buy back of shares. The company's paid up capital was reduced to 99,93,467 equity shares of Rs. 10/- each. The buy back amount of Rs. 8,43,75,000/- was paid out of Free Reserves of the company.

**34 Initial Public Offer by Subsidiary company**

In FY 2014-2015, Inox Wind Limited ("IWL"), a subsidiary of the Company, had made an Initial Public Offer (IPO) for 3,19,18,226 equity shares of Rs. 10 each, comprising of 2,19,18,226 fresh issue of equity shares by IWL and 1,00,00,000 equity shares offered for sale by the Company. The equity shares were issued at a price of Rs. 325 per share (including premium of Rs. 315 per share) subject to discount of Rs. 15 per share to the eligible employees of IWL and retail investors. The total proceeds from the IPO were Rs. 1,02,053.45 Lakhs. The total expenses in connection with the IPO were shared between IWL and Company. After considering consolidation effect: (a) the gain of Rs. 26,859.08 Lakhs on sale of these shares by GFL, net of expenses, was included in Exceptional items and (b) IWL's share in the IPO expenses was adjusted against the securities premium account. Fresh shares were allotted by IWL on 30th March, 2015 and the shares of IWL were listed on stock exchanges on 9th April, 2015.

**35 Amount of expenditure capitalized represents cost of one prototype WTG manufactured and capitalized as fixed assets.****36 Share-based payments****36.1 Details of the employee share option plan of 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 5th January, 2017, stock options of 20,000 shares have been granted to an employee of holding company and the vesting period for these equity settled options is between one to four years from the date of the grant. The options are exercisable within one year from the date of vesting. No options were granted during the year ended 31st March, 2016.

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

**36.2 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. 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:"

Grant date share price	230
Exercise price	15
Expected volatility	38.53% to 41.80%
Option life	1.5 to 4.5 years
Dividend yield	0
Risk free interest rate	6.09% to 6.47%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****36.3 Movements in share options during the year**

Particulars	2016-2017
Balance at beginning of year	NIL
Granted during the year	20000
Forfeited during the year	NIL
Exercised during the year	NIL
Balance at end of year	20000
Exercisable as on 31st March, 2017	NIL
Weighted average exercise price of all stock options	Rs. 15

**36.4 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 the employee of holding company and the compensation cost of Rs. 5.27 Lakhs (previous year Rs. Nil) is recognised in the Statement of Profit and Loss.

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

For Options granted on 5 January 2017:	
Number of options outstanding	20000
Weighted Average Remaining Contractual Life (in years)	4.77
Weighted Average Exercise Price (Rs.)	15

**37 Goodwill on asset acquisition**

During the year ended 31st March 2016, the Group had purchased the rights, title and interest in the assets of a running multiplex with 9 screens. The total purchase consideration paid in cash and cash equivalents was Rs.2,650.00 lakhs.

**Assets acquired at the date of acquisition**

(Rs.in Lakhs)

Particulars	Amount
Property, Plant & equipment	900
Goodwill acquired (Intangible Assets)	1750
<b>Total</b>	<b>2650</b>

During the year ended 31st March 2016, The Group acquired a subsidiary by purchase of its entire equity and the total purchase consideration was paid in cash. The assets acquired at the date of acquisition comprised of property, plant and equipments of Rs. 8.37 lakhs.

**38 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. 880.00 Lakhs during the year ended 31st March, 2017 (2015-2016: Rs. 1,184.00 Lakhs) being entertainment tax exemption in respect of such multiplexes. Cumulative amount as on 31st March, 2017 is Rs. 5,206.27 lakhs (2015-2016: Rs. 5,281.89 lakhs).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****39. 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, 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)

**As at 31st March, 2016**

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	5,152.62	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	2,485.38	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	9,738.46	Quarterly Repayment, final maturity on 15th March, 2021	Hedged at 8.24% p.a.	(b)
4.	Mizuho Bank Limited	External Commercial Borrowing	9,738.46	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, 2017****Securities for borrowings :-**

- 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 and exclusive 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. Axis Bank Limited:- The Foreign currency term loan from Axis Bank Limited was secured by way of first charge on all movable and immovable assets of 36 MW Wind Power Project at Mahidad, Gujarat, and exclusive charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka -Vagra, District -Bharuch, Gujarat. Further, the lender also has a charge/lien over the Receivables, assignment of rights under the project agreements and escrow account relating to 36 MW Wind Power Project at Mahidad.

**(b) The Terms of Repayment of Working Capital Loans are as under:****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	Commercial Paper	2,495.39	Bullet Repayment on 11th April, 2017	6.80% p.a.
3.	Kotak Mahindra Bank	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	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	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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****As at 31st March, 2016**

Sr. No.	Lender's Name	Loan Type	Amount outstanding Rs. in Lakhs	Terms of Repayment	Rate of Interest
1.	HDFC Bank	Commercial Paper	2,490.01	Bullet Repayment on 18.04.2016	8.70% p.a.
2.	Kotak Mahindra Bank	Buyer's Credit	2,572.16	Repayment range from 27th May 2016 to 7th February 2017	Interest range from 12M LIBOR + 0.50% to 12 M LIBOR 1.00%
3.	Yes Bank	Buyer's Credit	5,802.19	Repayment range from 5th April 2016 to 14th February 2017	Interest range from 12M LIBOR + 0.58% to 12 M LIBOR 0.95%
4.	BNP Paribas	Packing Credit in Foreign Currency	8,889.38	Repayment range from 20th June 2016 to 26th September 2016	Interest range from 6M EURIBOR + 0.14% to 6M + EURIBOR 0.45%, 6M LIBOR + 0.20% p.a.
5.	IDBI Bank	Packing Credit in Foreign Currency	975.41	Repayment on 10th August 2016	6M LIBOR + 0.75% p.a.

**Maximum balance of commercial papers:**

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

Maximum balance during the F.Y. 2015-2016 was Rs.11,000 Lakhs.

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

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

**As at 31st March, 2017**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest	Security Note
Foreign currency term loan from ICICI Bank (DIFC-Dubai)	23,341.90	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	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	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	Quarterly installments varied between 31st December, 2013 and 30th June, 2023.	12.15 % p.a.	(d)
Term loan from International Finance Corporation	20,899.62	Half yearly installments varied between 14th October, 2013 and 14th April, 2027.	11.44 % p.a.	(e)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****As at 31st March, 2016**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest	Security Note
Foreign currency term loan from ICICI Bank (DIFC-Dubai)	27,859.81	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)	10,925.41	In 20 equal half yearly installments varied between 20th September, 2013 and 20th March, 2023.	6 months libor + 4.14% p.a.	(a)
Foreign currency term loan from ICICI Bank (Bahrain)	1,794.48	In 38 equal quarterly installments varied between 20th December, 2007 and 20th March, 2017.	5.86 % p.a.	(b)
Rupee term loan from Yes Bank Limited	12,482.25	Quarterly installments varied between 31st December, 2014 and 30th June, 2028.	12.10 % p.a	(c)
Rupee term loan from Aditya Birla Finance Limited	4,186.51	Quarterly installments varied between 31st December, 2013 and 30th June, 2023.	12.40 % p.a	(d)
Term loan from International Finance Corporation	22,261.50	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 are 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.
- 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 is secured by way of:

- First mortgage/charge/security interest on all of the IRL's present and future assets pertaining to the Gude Panchgani 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 IRL.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****c) Rupee term loan from Yes Bank Limited (Mumbai)**

This loan is 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 immovable assets both freehold and leasehold pertaining to the project.
- First charge on all the rights, title, interest, benefits, claims and demands whatsoever of IRL in project agreements, clearances etc. pertaining to the project.

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

This loan is 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 immovable 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 accounts of 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 is secured by hypothecation of all movable and immovable fixed assets including cash flow and receivables of project assets of its Dangri (64MW) wind farm.

**(c) The Terms of repayment of Working Capital Loans are as under:**

(Rs. in Lakhs)

Particulars	Amount outstanding as at 31st March, 2017	Amount outstanding as at 31st March, 2016	Terms of repayment	Rate of interest
Rupee term loan from IndusInd Bank Limited	10000.00	10000.00	Repayable by way of bullet repayment at the end of six months from the date of rollover i.e. 31st March, 2017	9.00% p.a. (As at 31st March, 2016 10.60%)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****III. In respect of loans taken by Inox Wind Limited (IWL):****(a) The Terms of repayment of Term Loans are as under :**

(Rs.in Lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016
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.	4,000.00	5,333.33
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	5,958.00	—
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.	1,125.00	1,500.00
Rupee term loan from Bank is secured by extention 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 intrerest @ 9.10% p.a. and is repayable in 20 quarterly installments starting from 30 June 2017.	2,000.00	—
Rupee term loan is secured by first pari-passu charge on the current assets, receivables, moveable fixed assets of Inox Wind Infrastructure Services Limited and carries interest @ 12.75% p.a. The loan is repayable in five years starting from December 2015, with annual repayment of 12%, 20%, 32% and 36% respectively for each year, with quarterly rests.	—	94.00
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.	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.	85.50	103.37

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****(b) The Terms of repayment and securities of Current borrowings are as under :**

(Rs.in Lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016
Foreign currency term loan is secured by first pari-passu charge on current and movable fixed assets of the Company and carries interest rate @ 8.00% p.a)	1,429.50	1,500.74
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%.	62,788.17	1,01,548.41
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% - 9.10% p.a)	8,100.00	2,000.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 9.25%-12.85% p.a.	32,202.77	5,156.37
Other Loan - (Invoice Purchase Finance) is secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 8.75% p.a.	1,680.82	—
Working capital demand loans from bank is unsecured, taken for 181 days and carries interest @ 8.50% p.a.	1,500.00	—
Commercial papers are unsecured and are net of unamortized interest of Rs. 357.89 Lakhs (31 March 2016: Rs. 321.66 Lakhs) and carry interest in the range of 8.50% to 9.15% p.a. and are repayable in 64 to 90 days. Maximum balance during the year Rs. 54,039.32 Lakhs (Rs. 39,295.32 Lakhs as on 31 March 2016)	28,642.11	29,678.34

**(c) Debentures:**

1950 non-convertible redeemable debentures of Rs. 10 Lakhs each fully paid up, are issued at par, and carry interest @ 8.33% p.a. payable semi-annually. The maturity pattern of the debentures is as under:

(Rs. in Lakhs)

Month	Principal
Aug-17	4,875.00
Feb-18	4,875.00
Aug-18	4,875.00
Feb-19	4,875.00
	<b>19,500.00</b>

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****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, 2017**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest	Security Note
Axis Bank Ltd. (Term Loan II)	1,444.00	Repayable in 16 equal quarterly instalments of Rs. 250.00 Lakhs each beginning from 1st October 2014	9.55%	(a)
HDFC Bank Ltd	4,001.01	The loan is repayable in 16 equal quarterly instalments of Rs. 250 Lakhs beginning from 4th June 2017.	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 7th 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 29th 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 26th June 2018.	8.60%	(c)

**As at 31st March, 2016**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest	Security Note
Axis Bank Ltd. (Term Loan I)	1,498.56	Repayable in 16 equal quarterly instalments of Rs. 374.64 Lakhs each beginning from 30th June 2013	9.70%	(a)
Axis Bank Ltd. (Term Loan II)	2,444.00	Repayable in 16 equal quarterly instalments of Rs. 250.00 Lakhs each beginning from 1st October 2014	9.70%	(a)
HDFC Bank Ltd.	4,000.00	The loan is repayable in 16 equal quarterly instalments beginning from 30th June 2017.	9.30%	(b)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(ii) The Terms of repayment of Working Capital are as under :

**As at 31st March 2016**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest	Security Note
Axis Bank Ltd. - Over draft facility	2,512.65	Repayable on demand	10.60%	(d)

(iii) Securities provided for secured loans

**a. Axis Bank Ltd**

Term loans 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 the new multiplexes/property 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 the new multiplexes/property 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 the new multiplexes/property financed by the said term loans.

**d. Axis Bank –Over draft facility**

Bank overdraft from Axis Bank is secured against first charge on the entire current assets of ILL, both present and future; and extension of first charge by way of mortgage of property at Vadodara and Anand, Gujarat.

**(IV) Commercial Papers**

During the year ended 31st March 2016, ILL had raised short term funds by issue of Commercial Papers (CP). Discount on CP varied between 7.55% to 8.05% and maximum balance outstanding during the year was Rs. 3,000.00 lakhs (1st April 2015 Rs. 32,000.00 lakhs).

**V. In respect of loans taken by GFL GM Fluorspar:**

(i) The terms of repayment of term loan from bank is as under:

**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

**As at 31st March 2016**

Particulars	Amount outstanding Rs. in Lakhs	Terms of repayment	Rate of interest
Exim Bank	3787.62	The ECB is repayable in 10 structured half yearly instalments commencing from 8th September, 2016.	6 Month Libor Plus 4% per annum

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

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.

There is no default on repayment of principal or payment of interest on borrowings.

**40. In respect of income-tax matters of Inox Leisure Limited (ILL):**

- a) ILL's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by various appellate authorities and also in the proceedings before the appellate authorities and Hon'ble High Court of Judicature at Gujarat. Provision for income tax, till the year ended 31st March 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes. The matter is presently pending before the Hon'ble Supreme Court.
- b) In view of the assessment and appellate orders received by ILL, the tax liability for earlier years and the written down value of fixed assets as per the Income-tax Act, 1961 is recomputed and consequential reduction in taxation of earlier years is recognized in the Statement of Profit and Loss. The amount included under 'Taxation pertaining to earlier years' is as under:

	(Rs. in Lakhs)	
Particulars	2016-2017	2015-2016
Income-tax	(31.90)	—
Deferred tax	—	(1486.00)
MAT Credit entitlement	(126.80)	(902.33)
Net credit	(158.70)	(2388.33)

**41. Contingent liabilities :-**

(a) Claims against the Group not acknowledged as debts Rs. 11,833.38 Lakhs (as at 31st March 2016: Rs. 8,968.10 Lakhs). 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 ILL, aggregating to Rs. 932.44 Lakh. The party has made a counter claim towards rent for lock in period and other costs which is included in the amount above. At present the matter is pending before the Arbitrator and hence the amount of Rs. 932.44 Lakh is carried forward as amount recoverable towards claim in 'Other financial assets'.
- b) In the arbitration proceedings in respect of termination notice of MOU for another proposed multiplex, the arbitrator has awarded the matter against ILL and directed ILL 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 ILL to pay the amount of difference between the rent payable by ILL 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. ILL has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.
- c) Other claims (as at 31st March, 2017 : Nil ,as at 31st March 2016 Rs. 298.46 Lakhs) are by owners of the multiplex premises which are under negotiations with the respective parties.

ii. In respect of Inox Renewables Limited

Claim of Rs. 870.00 Lakhs (as at 31st March 2016: 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. 3,828.16 Lakhs (as at 31st March, 2016: Rs. 667.88 Lakhs).

Some of the suppliers have raised claims including interest on account of non-payment in terms of the respective contracts. IWL has contended that the suppliers have not adhered to some of the contract terms. At present the matters are pending before the jurisdictional authorities or are under negotiations.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

- b) In respect of claims made by three customers for non-commissioning of WTGs, the amount is not ascertainable.
- (b) In respect of Income tax Matters Rs. 28,134.31 Lakhs (as at 31st March, 2016: Rs. 9,776.03 Lakhs). This includes
- i. In respect of Gujarat Fluorochemicals Limited
- The Company has received CIT (A) orders for A.Y. 2008-09 to A.Y. 2011-12 wherein the CIT (A) has confirmed the action of the Assessing Officer in respect of:
- i. treatment of Investment activity of the Company in respect of investment in shares as a business activity, and
- ii. re-computation of the amount of deduction u/s 80IA by applying the regulatory prices in respect of power generated at its captive power units.
- iii. Disallowance u/s 14A in respect of exempt income.
- The Company has not accepted the orders of the CIT(A) and has preferred appeal before ITAT, Ahmedabad. The said issues were decided in favour of the Company by CIT(A) in earlier years. Consequently, the amount of demands in respect of the above are included in the amount of contingent liabilities including for subsequent years where assessment orders are received. Amount of Rs. 8,359.20 Lakhs (as at 31st March, 2016 : Rs. 8,093.33 Lakhs) has been paid in respect of above income tax demands and not charged to the Statement of Profit and Loss.
- iv. For the A.Y.2012-13, Assessing Officer has made protective disallowance in respect of slump sale transaction and treated the same as income from short term capital gain as per direction given by Dispute Resolution Panel, Mumbai. The total demand as per assessment order is Rs.19,068.69 lakhs ( as at 31st March,2016 : Nil).
- The Company has not accepted the orders of the Assessing Officer and has preferred appeal before ITAT, Ahmedabad.
- ii. In respect of Inox Leisure Limited(ILL):
- i. Assessment dues for assessment year 2013-14 of Rs. 216.16 Lakh (as at 31st March, 2016: Rs. 216.16 Lakhs). Reassessment dues for A.Y. 2011-12 Rs. 183.19 Lakhs ( as at 31st March,2016 : Nil)and penalty levied for assessment year 2011-12 Rs. 200 Lakhs ( as at 31st March,2016 : Nil), which is being contested by ILL before appellate authorities.
- iii. In respect of Inox Wind Limited(IWL):
- Income tax matters - Rs. 95.02 lakhs (31 March 2016: Nil)
- During the year, IWL has received income tax order for financial year 2012-2013, levying demand of Rs. 95.02 Lakh on account of mismatch of Tax deducted at source (TDS). IWL has filed appeals before the first appellate authority.
- iv. In respect of Inox Renewables Limited
- Income tax Demands of Rs. 310.83 Lakh (as at 31st March 2016: Rs. 1441.46 Lakhs) for assessment year 2012-13 , 2013-14 & 2014-15 which is being contested and appeals have been filed under the applicable laws.
- v. Group's share in the contingent liability of joint venture – Rs 5.60 Lakhs (as at 31st March 2016: Rs 5.60 lakhs)
- (c) In respect of excise duty & service tax matters - Rs. 24,245.57 Lakh (31st March 2016: Rs. 21,327.28 Lakhs). This includes:
- i. In respect of Gujarat Fluorochemicals Limited.
- a. Amount of Rs. 17.94 Lakhs (as at 31 March 2016: Rs. 573.68 Lakhs) for which the Company has received various show cause notices regarding levy of service tax on certain items. The Company has filed the replies or is in the process of filing replies.
- b. Amount of Rs. 414.22 Lakhs (as at 31st March 2016 : Nil) in respect of Service tax demand on account of non-payment of Service tax in respect of Import of services relating to supply of intangible services and Storage Warehousing services.
- c. Amount of Rs. 2,251.52 Lakhs (as at 31st March 2016 : Rs. 2,357.02 Lakhs) for which the Company has received various show cause notices regarding service tax input credit on certain items and inter-unit transfers. The Company has filed the replies or is in the process of filing replies.
- d. Amount of Rs.462.58 Lakhs (as at 31st March 2016 : Rs. 155.19 Lakhs) is respect of demand on account of cenvat credit availed on certain items, levy of excise duty on freight recovered from customers and cenvat credit availed

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

on equipment and components supplied by third party. The Company has filed appeal before Commissioner of Central Excise and Service tax.

- e. Amount of Rs. 927.32 Lakhs (as at 31st March 2016 Rs. 849.18 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.
- f. In respect of above Service tax, Excise and Customs matters, the Company has paid an amount of Rs. 32.09 Lakhs (as at 31st March 2016 : Rs. 14.64 Lakhs) and not charged to Statement of Profit and Loss.

ii. In respect of Inox Leisure Limited:

- a) Amount of Rs. 16,641.03 Lakhs (as at 31 March 2016 : Rs. 15,027.63 Lakhs) is in respect of levy of service tax on film distributors' share paid by ILL and the matter is being contested by way of appeal / representation before the appropriate authorities.
- b) Amount of Rs. 2,360.45 Lakhs (as at 31 March 2016 : Rs. 2,360.45 Lakhs) for which ILL has received a show cause notice regarding levy of service tax on sale of food and beverages in multiplex premises and ILL has filed replies to these show cause notices.
- c) In respect of service tax on payment of architect fee to foreign architects by ILL and receipt of pouring and signing fee (as at 31st March 2017 : Nil, as at 31 March, 2016 : Nil)

iii. In respect of Inox Wind Limited :

- a) 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 on account of disallowance of exemption of Research & Development cess from payment of service tax. IWL has filed appeals before the first appellate authority. IWL has estimated the amount of demand which may be ultimately sustained at Rs. 32.19 lakhs and provision for the same is made during the year.

(d) In respect of Custom duty matter – Rs. 1,174.85 Lakhs (as at 31 March 2016 : Rs. 1,091.89 Lakhs).

i. In respect of Gujarat Fluorochemicals Limited

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. Amount of Rs. 83.00 Lakhs (previous year Rs. 83.00 Lakhs) has been paid in respect of above Custom duty demand and not charged to the Statement of Profit and Loss.

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.

ii. In respect of Inox Leisure Limited

ILL has received a notice in respect of custom duty of Rs. 4.36 Lakhs (as at 31st March, 2016 Rs. 4.36 Lakhs) payable on import of cinematographic films. The amount of duty is not quantified by the authorities and ILL has filed an appeal before the Appellate Tribunal and the same is pending hearing.

(e) In respect of Sales tax matters Rs. 458.73 Lakhs (as at 31st March, 2016 : Rs. 388.29 Lakhs). This includes:

i. In respect of Gujarat Fluorochemicals Limited

Company has received VAT & CST assessment order levying VAT demand of Rs. 62.88 Lakhs & CST demand of Rs. 49.58 Lakhs for the F.Y.2011-12 & 2012-13 respectively. Company has not accepted the Order and has filed appeal to Joint Commissioner of Commercial tax for F.Y.2011-12 and is in process of filing appeal with Joint Commissioner of Commercial tax for F.Y.2012-13.

ii. In respect of Inox Leisure Limited

Demand of Rs. 237.06 Lakh (as at 31st March, 2016 : 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 Lakh.

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





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

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 "Disputed sales tax liabilities (net of payments)" in Note no. \*\*

- (f) In respect of property tax matters Rs. 569.73 Lakh (as at 31st March 2016 : Rs. 605.08 Lakhs,). This represents:
- i. In respect of Inox Leisure Limited  
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.
- (g) In respect of Entertainment tax demands Rs. 3,180.85 Lakhs (as at 31st March 2016 : Rs. 2,937.69 Lakhs). This includes:
- i. In respect of Inox Leisure Limited
    - a) Demand of Rs. 2,385.46 Lakhs (as at 31st March, 2016 : Rs. 2199.71 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. 693.07 Lakhs (as at 31st March, 2016 : Rs. 602.37 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.
    - c) Other demands of Rs.102.32 Lakhs (as at 31st March, 2016 : Rs.135.61 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, 2016 : 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 may be required to charge additional cost of Rs. 389.83 Lakhs (as at 31st March 2016 : 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 14: '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 & Finance Limited to ICICI Bank in respect of loan taken by Inox India Pvt. Limited USD 17.55 million (previous year USD 18.50million) and to Aditya Birla Finance Ltd. for loan taken of Rs. 70 crores (previous year NIL) for general business purpose.

### 42. Commitments:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, is Rs. 27,145.25 Lakhs (as at 31st March, 2016 : Rs. 33,461.99 Lakhs).
- (b) Amount of customs duty exemption availed by 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 2016 Rs. 1,997.83 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, 2017 : Rs. 11,842.08 Lakhs (as at 31st March, 2016 : Rs. 14,292.47 Lakhs).  
The above amount includes amount of entertainment tax disputes pertaining to exemption period reported under Note \*\* ((as at 31st March, 2017 : Rs. 1,195.85 Lakhs (as at 31st March, 2016 : Rs. 1,112.67 Lakhs).
- (d) Capital commitment towards partly paid shares – Rs. 16,800.00 Lakhs (31st March, 2016 Rs. 16,800.00 Lakhs).
- (e) Letter of Comfort issued to RBL Bank Ltd. for credit facilities of Rs. 1500 lakhs (previous year NIL) granted to Inox FMCG Pvt. Ltd.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****43. The major components of the net deferred tax assets and liability are as under :**

## i. Deferred Tax Liabilities (net):

Amount (Rs. in Lakhs)

Sr. No.	Particulars	2016-2017	2015-2016
(A)	<b>Deferred Tax Liabilities</b>		
	(i) On account of difference between tax depreciation and depreciation/amortisation charged in books	45823.29	37,099.01
	(ii) Others	—	—
	<b>Total</b>	<b>45823.29</b>	<b>37099.01</b>
(B)	<b>Deferred Tax Assets</b>		
	(i) Expenditure allowable on payment basis	1888.70	1549.13
	(ii) Others	306.91	737.78
	<b>Total</b>	<b>2195.61</b>	<b>2286.91</b>
	<b>Net Deferred Tax Liability (A-B)</b>	<b>43627.68</b>	<b>34812.10</b>

## ii. Deferred Tax Assets (Net):

**Sr. No. Particulars**

Amount (Rs. in Lakhs)

Sr. No.	Particulars	2016-17	2015-16
(A)	<b>Deferred Tax Assets</b>		
	(i) Expenditure allowable on payment basis	2.11	65.92
	(ii) Unabsorbed losses	3136.24	3410.54
	(iii) Depreciation	8.40	5.56
	(iv) Others	115.76	10.25
	<b>Total</b>	<b>3262.51</b>	<b>3492.27</b>
(B)	<b>Deferred Tax Liabilities</b>		
	(i) Depreciation	502.65	0.00
	<b>Total</b>	<b>502.65</b>	<b>0.00</b>
	<b>Net Deferred Tax Assets (A-B)</b>	<b>2759.86</b>	<b>3492.27</b>

**44. 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 9-25 years with a minimum lock-in period of 3-10 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. 18,041.74 Lakhs (F.Y. 2015-16 RS. 15,764.21 Lakhs) in respect of such lease arrangements.

Non-cancellable operating lease commitments

**Particulars**

Not later than 1 year	18,036.75
Later than 1 year and not later than 5 years	72,923.31
Later than 5 years	169,971.72
<b>Total</b>	<b>260,931.78</b>

Rs.in Lakhs

As at 31st March 2017	As at 31st March 2016
18,036.75	16,270.85
72,923.31	65,226.90
169,971.72	162,020.47
<b>260,931.78</b>	<b>243,518.22</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

b) In respect of other assets taken on Operating Lease

The Plants taken on operating lease are for an 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:

<b>Particulars</b>	(Rs. In Lakhs)	
	<b>2016-2017</b>	<b>2015-2016</b>
Payments recognised as expense	<b>76.31</b>	80.28

<b>Particulars</b>	(Rs. In Lakhs)	
	<b>As at 31st March, 2017</b>	As at 31st March, 2016
<b>Non-Cancellable Operating Lease commitments</b>		
not later than one year	<b>76.40</b>	83.46
later than one year and not later than five years	<b>234.02</b>	180.00
later than five years	—	26.25

**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.

<b>Particulars</b>	(Rs. In Lakhs)	
	<b>As at 31st March, 2017</b>	As at 31st March, 2016
<b>Non-Cancellable Operating Lease Receivable</b>		
not later than one year	<b>596.94</b>	477.04
later than one year and not later than five years	<b>811.76</b>	69.43
later than five years	—	—

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****45. The Group has recognised following provision towards expenses:**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2016-2017</b>	2015-2016
a) In respect of municipal taxes payable for one of Group's multiplexes		
Opening Balance	<b>235.80</b>	183.00
Provided during the year	<b>97.68</b>	52.80
Paid during the year	<b>147.87</b>	Nil
Closing balance	<b>185.61</b>	235.80
b) In respect of IPO Expenses		
Opening Balance	—	3178.54
Provided during the year	—	—
Paid during the year	—	3178.54
Closing balance	—	—
c) Towards MVAT/Sales Tax		
Opening Balance	<b>30.43</b>	30.43
Provided during the year	—	—
Paid during the year	—	—
Reversed during the year	—	—
Closing balance	<b>30.43</b>	30.43
d) For service tax on renting of immovable properties		
Opening Balance	<b>1042.44</b>	1042.44
Provided during the year	<b>32.19</b>	Nil
Paid during the year	<b>Nil</b>	Nil
Closing balance	<b>1074.63</b>	1042.44

- (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 and disallowance of exemption of Research & Development cess from payment of service tax
- (iii) Provision for MVAT was in respect of liability on sale of 'copyrights', and was fully settled during the year ended 31 March 2016.

**46 Employee Benefits:**

## (a) Defined Contribution Plans

The Group contributes to the Government managed provident & pension fund for all qualifying employees.

Contribution to Provident & Other fund of Rs.1,347.28 Lakhs (31st March,2016: Rs.1,059.79 Lakhs) is recognized as an expenses and included in Contribution to Provident & Other funds' in the Statement of Profit and Loss and Rs. 26.21 Lakhs (31st March,2016: Rs. 19.67 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 services 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.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

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

(Rs in Lakhs)

**Particulars**

**Gratuity**

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
Opening defined benefit obligation	<b>1999.76</b>	1599.26
Current Service Cost	<b>489.27</b>	403.20
Interest cost	<b>143.73</b>	121.29
Actuarial gains / (losses) on obligation:		
a) arising from changes in financial assumptions	<b>184.96</b>	46.08
b) arising from experience adjustments	<b>7.98</b>	-23.10
Past service cost, including losses/(gains) on curtailments	<b>1.16</b>	0
Benefits Paid	<b>-144.57</b>	-146.97
Present value of obligation as at year end	<b>2682.29</b>	1999.76

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

(Rs in Lakhs)

**Particulars**

**Gratuity**

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
Service Cost		
Current Service Cost	<b>489.27</b>	403.20
Actuarial (gains)/losses from settlements	<b>192.94</b>	22.98
Net interest expense	<b>143.73</b>	121.29
Amount recognized in profit & loss	<b>825.94</b>	547.47

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

**Particulars**

**Valuation (Gratuity)**

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
Discount rate	<b>6.69% to 6.69%</b>	7.46% to 7.70%
Expected rate of salary increase	<b>7% to 8%</b>	7% to 8%
Employee Attrition Rate	<b>5% to 10%</b>	5% to 10%

Mortality

IALM(2006-08) Ultimate Mortality Table

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

(c) Other long term 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. 502.67 Lakhs (31st March,2016: Rs 768.36 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)**

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
Discount rate	<b>6.69% to 6.69%</b>	7.46% to 7.70%
Expected rate of salary increase	<b>7% to 8%</b>	7% to 8%
Employee Attrition Rate	<b>5% to 10%</b>	5% to 10%

Mortality

IALM (2006-08) Ultimate Mortality Table

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**iv. **Other disclosures : Experience Adjustment**

(Rs in Lakhs)

	2016-17	2015-16	2014-15	2013-14	2012-13
(i) Gratuity					
Present value of Defined benefit obligations	2661.13	1976.61	1578.41	1141.10	979.55
Experience (Gain)/Loss on obligation	(104.84)	49.91	13.60	(812.95)	(118.50)
(ii) Leave Encashment					
Present value of Defined benefit obligations	884.80	509.46	405.20	191.16	115.57
Experience (Gain)/Loss on obligation	(113.99)	(12.06)	(135.00)	69.94	(37.02)

**47. Related Party Disclosures :**

(i) Names of Related Parties

**(A) Where control exists:****Subsidiary Company-** Gujarat Fluorochemicals Limited**(B) Other related parties with whom there are transactions during the year:****Joint Ventures-**

Xuancheng Hengyuan Chemical Technology Co. Ltd. (XHCT Co. Ltd) - Upto 07th September, 2016.

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

Swarnim Gujarat Fluorspar Private Limited

**Associate of a subsidiary**

Megnasolace City Private Limited

**Key Management Personnel (KMP)**

Mr. P K Jain (Managing Director)

Mr. V K Jain (Managing Director of GFL)

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

Mr. J S Bedi (Whole Time Director of GFL) upto 28th April 2015

Mr. Alok Tandon-Manager of Inox Leisure Limited

Mr. Anand Bhusari (Whole Time Director of GFL) w.e.f. from 28th April 2015

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

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

Mr. Vineet Davis- (Whole Time Director) in Inox Wind Infrastructure Services Limited (IWISL)

Mr. Manoj Dixit- (Whole Time Director) in IWISL

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

Mr. Siddharth Jain - Non-Executive Director

**Relatives of Key Management Personnel**

Mr. D K Jain (Father of Mr. P K Jain and Mr. VK Jain)

Mr. Siddharth Jain (Son of Mr. .P K Jain)

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

Devansh Gases Private Limited

Devansh Trademart LLP (formerly known as Devansh Trading and Finance Private Limited)

Inox India Private Limited (formerly known as Inox India Limited)

Inox Air Products Private Limited (formerly known as Inox Air Products Limited)

Inox Chemicals LLP (formerly known as Inox Chemicals Private Limited)

Refron Valves Limited

Rajni Farms Private Limited

Siddhapavan Trading LLP (formerly known as Siddhapavan Trading and Finance Private Limited)

Siddho Mal Trading LLP (formerly known as Siddho Mal Investments Private Limited)

Inox FMCG Private Limited



**INOX LEASING AND FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(ii) Particulars of transactions

(Rs. in Lakhs)

Particulars	Subsidiary and Step-down Sub-subsidiary		Relative of Key Management Personnel (KMP)		Key Management Personnel (KMP)		Enterprises over which KMP or his relative has significant influence		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>A) Transactions during the year</b>										
<b>Sale of Goods</b>										
Inox Air Products Private Limited							0.89	1.12	1.12	1.12
Inox India Private Limited							1.98	2.34	1.98	2.34
Inox FMCG India Private Limited							40.70	—	40.70	—
Others							0.06	0.03	0.06	0.03
<b>Total</b>							<b>43.62</b>	<b>3.49</b>	<b>43.62</b>	<b>3.49</b>
<b>Purchase of Assets</b>										
Inox India Private Limited							48.00	30.00	48.00	30.00
<b>Total</b>							<b>48.00</b>	<b>30.00</b>	<b>48.00</b>	<b>30.00</b>
<b>Purchase of Goods</b>										
Inox Air Products Private Limited							451.79	448.82	451.79	448.82
Inox India Private Limited							2313.16	2465.17	2313.16	2465.17
Inox FMCG India Private Limited							147.97	—	147.97	—
<b>Total</b>							<b>2912.92</b>	<b>2913.99</b>	<b>2912.92</b>	<b>2913.99</b>
<b>Inter Corporate Deposits received back</b>										
Inox India Private Limited							1500.00	—	1500.00	—
<b>Total</b>							<b>1500.00</b>	<b>—</b>	<b>1500.00</b>	<b>—</b>
<b>Inter Corporate Deposits paid</b>										
Inox FMCG India Private Limited							150.00	150.00	150.00	150.00
<b>Total</b>							<b>150.00</b>	<b>150.00</b>	<b>150.00</b>	<b>150.00</b>
<b>Interest Received</b>										
Inox India Private Limited							158.22	165.45	158.22	165.45
Inox FMCG Pvt. Ltd.							0.08	—	0.08	—
<b>Total</b>							<b>158.30</b>	<b>165.45</b>	<b>158.30</b>	<b>165.45</b>
<b>Expenses (Repairs)</b>										
Refron Valves Limited							4.83	—	4.83	—
Inox India Private Limited							—	5.00	—	5.00
<b>Total</b>							<b>4.83</b>	<b>5.00</b>	<b>4.83</b>	<b>5.00</b>
<b>Reimbursement of expenses (paid)</b>										
Devansh Gases Private Limited							7.32	7.32	7.32	7.32
<b>Total</b>							<b>7.32</b>	<b>7.32</b>	<b>7.32</b>	<b>7.32</b>
<b>Equity shares 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>			<b>2.25</b>	<b>—</b>	<b>6.75</b>	<b>—</b>			<b>9.00</b>	<b>—</b>
<b>Advance given</b>										
Inox FMCG Private Ltd.							274.15	—	274.15	—
<b>Total</b>							<b>274.15</b>	<b>—</b>	<b>274.15</b>	<b>—</b>
<b>Advance received back</b>										
Inox FMCG Private Ltd.							274.15	—	274.15	—
<b>Total</b>							<b>274.15</b>	<b>—</b>	<b>274.15</b>	<b>—</b>
<b>Rent Received</b>										
Inox Air Products Private Limited							144.90	144.90	144.90	144.90
Gujarat Fluorochemicals Limited	69.00	69.00							69.00	69.00
Others							0.72	0.72	0.72	0.72
<b>Total</b>	<b>69.00</b>	<b>69.00</b>					<b>145.62</b>	<b>145.62</b>	<b>214.62</b>	<b>214.62</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(ii) Particulars of transactions

Amount Rs. in Lacs

Particulars	Subsidiary and Step-down Sub-subsidiary		Relative of Key Management Personnel (KMP)		Key Management Personnel (KMP)		Enterprises over which KMP or his relative has significant influence		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Rent paid</b>										
Inox Air Products Private Limited							2.40	2.40	2.40	2.40
Devansh Gases Private Limited							24.00	24.00	24.00	24.00
Rajni Farms Pvt. Ltd.							12.00	12.00	12.00	12.00
Others					1.20	1.20			1.20	1.20
<b>Total</b>					<b>1.20</b>	<b>1.20</b>	<b>38.40</b>	<b>38.40</b>	<b>39.60</b>	<b>39.60</b>
<b>O&amp;M Charges &amp; Lease Rents paid</b>										
Inox Air Products Private Limited							208.33	213.83	213.83	212.82
<b>Remuneration paid</b>										
Mr.V.K Jain					622.56	612.13			622.56	612.13
Mr.Devansh Jain					120.64	120.64			120.64	120.64
Others					567.72	450.76			567.72	450.76
<b>Total</b>					<b>1,310.92</b>	<b>1,183.53</b>			<b>1,310.92</b>	<b>1,183.53</b>
<b>Commission to Director</b>										
Mr. D K Jain			166.54	157.25					166.54	157.25
<b>Total</b>			<b>166.54</b>	<b>157.25</b>					<b>166.54</b>	<b>157.25</b>
<b>Sitting fees paid</b>										
Mr. D K Jain			1.00	2.00					1.00	2.00
Mr.P K Jain					0.20	1.60			0.20	1.60
Mr.Siddharth Jain			2.20	1.20					2.20	1.20
V K Jain					1.80	1.00			1.80	1.00
Mr.Devansh Jain					2.40	-			2.40	-
Bhupesh Juneja					1.40	-			1.40	-
<b>Total</b>			<b>3.20</b>	<b>3.20</b>	<b>5.80</b>	<b>2.60</b>			<b>9.00</b>	<b>5.80</b>
<b>C) Amounts receivable</b>										
<b>Trade receivable</b>										
Refron Valves Limited							0.02	—	0.02	—
Inox FMCG Private Limited							1.24	—	1.24	—
Inox India Private Limited							—	0.27	—	0.27
<b>Total</b>							<b>1.26</b>	<b>0.27</b>	<b>1.26</b>	<b>0.27</b>

**48. Disclosure required under section 186(4) of the Companies Act, 2013**

Inter-corporate deposit to other parties:

(Rs. in Lakhs)

Name of the party	Rate of Interest	Amount outstanding	
		31st March 2017	31st March 2016
Maxtech Oil and Gas Services Private Limited	12%	700.00	700.00
Castle Suppliers Private Limited	10%	336.95	336.95
Ritspin Synthetics Limited	10%	300.00	400.00
Global Powernet Private Limited	12%	—	850.00
Inox India Limited	11%	—	1500.00
Inox FMCG Private Limited	10.30%	150.00	—
Wearit Global Limited	10%	650.00	—
Vista Mining Private Limited	10%	15.00	—
Deepa Bagla Financial Consultants Pvt. Ltd.	11%	—	100.00

The above inter-corporate deposits are given for general business purpose and are repayable at call.





**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

**49. Outstanding derivatives and unhedged foreign currency exposure as at Balance Sheet date:**

a) Outstanding derivatives as at Balance Sheet date:

(Foreign currencies in Lakh)

S.No	Nature of Contract	Foreign Currency	Buy/Sell	2016-17	2015-16	Purpose
a)	Currency and Interest Rate Swap	USD	Buy	<b>432.57</b>	1010.16	Hedging of Loan and Interest Rate of Loan
b)	Forward Contracts	USD	Buy	<b>411.83</b>	686.39	Hedging of buyers credit
c)	Forward Contracts	EURO	Buy	<b>250.12</b>	244.19	Hedging of buyers credit

b) Unhedged foreign currency exposure as at Balance Sheet date:

(Foreign currencies in Lakh)

S.No.	Particulars	2016-2017						2015-2016					
		USD	EURO	GBP	CHF	YUAN	SGD	USD	EURO	GBP	CHF	YUAN	SGD
a)	Receivables	202.09	124.10	—	—	—	—	169.76	114.24	—	—	—	—
b)	Payables	113.43	20.51	5.83	0.28	247.60	—	375.12	65.82	10.92	0.11	—	0.20
c)	ECB/FCNRB	106.66	—	—	—	—	—	124.45	—	—	—	—	—
d)	PCFC	28.00	115.00	—	—	—	—	20.00	113.27	—	—	—	—
e)	Buyers Credit	310.76	67.82	—	—	—	—	529.01	122.55	—	—	—	—
f)	Interest Payable	2.89	0.12	—	—	—	—	3.12	0.17	—	—	—	—

**50. Segment Information :**

**A) Information about Primary (Business) Segments.**

(Rs. in Lakhs)

**Particulars**

**[I] Segment Revenue**

- i. Chemicals
- ii. Wind Energy Business
- iii. Power
- iv. Theatrical Exhibition
- v. Others, un-allocable and corporate
- Total Segment Revenue
- Less : Inter Segment Revenue
- Wind Energy Business
- Total External Revenue**

<b>Year Ended 31.03.2017</b>	Year Ended 31.03.2016
<b>148221.61</b>	152801.63
<b>333984.00</b>	448870.55
<b>22144.06</b>	16553.04
<b>140210.23</b>	133264.00
<b>581.47</b>	550.74
<b>645141.37</b>	741957.93
<b>2843.71</b>	21540.76
<b>642297.66</b>	720417.17



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017**

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>[II] Segment Result</b>		
i. Chemicals	13579.70	16051.64
ii. Wind Energy Business	39693.41	63204.93
iii. Power	13819.84	8087.89
iv. Theatrical Exhibition	6040.38	10896.71
Total Segment Result	<b>73133.33</b>	98241.17
Add: Less : Un-allocable Income/Expenses (net)	<b>(10413.88)</b>	7987.19
Less: Finance Costs	<b>30803.59</b>	23227.85
Profit Before Tax and after Exceptional Items	<b>31915.86</b>	83000.51
Less : Taxation (net )	<b>19531.60</b>	22626.91
<b>Profit for the year</b>	<b>12384.26</b>	60373.60
<b>[III] Other Information</b>		
<b>a] Segment Assets</b>		
i. Chemicals	295135.31	293728.27
ii. Wind Energy Business	486916.68	390587.34
iii. Power	123486.83	160100.71
iv. Theatrical Exhibition	108788.71	97403.75
v. Others, un-allocable and corporate	97192.53	137796.57
<b>Total</b>	<b>1111520.06</b>	1079616.64
<b>b] Segment Liabilities</b>		
i. Chemicals	20542.84	24225.08
ii. Wind Energy Business	139528.21	139368.27
ii. Power	904.76	1743.59
iv. Theatrical Exhibition	17928.55	15795.91
v. Others, un-allocable and corporate	365911.69	339912.59
<b>Total</b>	<b>544816.05</b>	521045.44
<b>c] Segment Capital Employed</b>		
i. Chemicals	274592.47	269503.19
ii. Wind Energy Business	347388.47	251219.07
iii. Power	122582.07	158357.12
iv. Theatrical Exhibition	90860.16	81607.84
v. Others, un-allocable and corporate	<b>(280915.41)</b>	(213692.53)
<b>Total</b>	<b>554507.76</b>	546994.69
<b>d] Capital Expenditure (Including Capital Advances)</b>		
i. Chemicals	21188.64	14646.67
ii. Wind Energy Business	28989.99	40380.63
iii. Power	18.74	12482.22
iv. Theatrical Exhibition	15316.40	14951.00
v. Others, un-allocable and corporate	—	11.60
<b>Total</b>	<b>65513.77</b>	82472.12



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>e] Depreciation &amp; Amortization</b>		
i. Chemicals	14965.79	14807.04
ii. Wind Energy Business	4379.69	3610.18
iii. Power	5123.25	6287.98
iv. Theatrical Exhibition	8504.87	8028.76
v. Others, un-allocable and corporate	62.21	58.67
<b>Total</b>	<b>33035.81</b>	<b>32792.63</b>
<b>e] Non-cash expenses (other than depreciation)</b>		
i. Chemicals	16.63	426.41
ii. Wind Energy Business	1084.32	517.13
iii. Power	2277.23	471.56
iv. Theatrical Exhibition	318	643.12
v. Others, un-allocable and corporate	—	—
<b>Total</b>	<b>3696.18</b>	<b>2058.22</b>
<b>B) Information about Secondary (Geographical) Segments:</b>		
Domestic	580828.67	663312.49
Overseas	61468.99	57104.68
<b>Total</b>	<b>642297.66</b>	<b>720417.17</b>

**C) Notes**

- 1) The Group operates in following business segments:
  - a. Chemicals - Comprising of Refrigerant gases, Anhydrous Hydrochloric acid, Caustic-Chlorine, Chloromethane, PTFE and PT-PTFE.
  - b. Power - Comprising of Power Generation.
  - c. Theatrical Exhibition – Operating & managing multiplexes and cinema theatres.
  - d. Wind Energy Business – Manufacture of Wind Turbine Generators (WTG), Erection Procurement & Commissioning services (EPC), Operations & Maintenance services (O&M), Common Infrastructure Facility Services and Site/Project Development for WTGs.
- 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.
- 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.
- 4) The above segment information includes the respective amounts identifiable in case of each of the segments and amounts are allocated on a reasonable basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****51. The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED" Act)**

(Rs. in Lakhs)

Particulars	2016-2017	2015-2016
Principal amount due to suppliers under MSMED Act at the year end.	<b>386.94</b>	551.51
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	<b>37.06</b>	18.76
Payment made to suppliers (other than interest) beyond the appointed date during the year	<b>1087.81</b>	304.94
Interest paid to suppliers under Section 16 of MSMED Act during the year	<b>0.20</b>	0.02
Interest due and payable to suppliers under MSMED Act for payments already made.	<b>70.08</b>	13.38
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	<b>125.36</b>	36.89

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group.

**52. Treasury shares in case of Inox Leisure Limited (ILL):**

Pursuant to the Composite Scheme of Amalgamation ("Scheme") of ILL's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with ILL, which was operative from 1st April, 2012, ILL had allotted 3,45,62,206 equity shares to the shareholders of the transferor companies on 10th July 2013, including 2,44,31,570 equity shares to Inox Benefit Trust ("Trust") towards shares held by ILL in Fame. These shares ("Treasury Shares") are held by the Trust exclusively for the benefit of ILL. ILL's interest in the Trust (at cost), being akin to Treasury Shares, in accordance with their substance and economic reality, is deducted from Shareholders' Fund. Any profit or loss arising from sale of Treasury Shares by the Trust is being recorded separately as 'Reserve on sale of Treasury Shares' under other equity, being transactions relating to the capital of ILL.

**53. Exceptional Items:**

(Rs. In Lakhs)

Particulars	2016-2017	2015-2016
Gain on sale of Group's entire stake in Joint Venture Company Xuancheng Hengyuan Chemical Technology Company Ltd.	<b>633.03</b>	0
<b>Total</b>	<b>633.03</b>	0
Expenses		
Loss on measurement of non-current asset classified as held for sale	<b>22579.12</b>	—
Net value of Assets written off in respect of one Multiplex, the operations of which were terminated during the year.	<b>0.00</b>	352.92
Provision for Additional Bonus payable in respect of financial year 2014-15 pursuant of retrospective amendment made by The payment of Bonus (Amendment) Act 2015	<b>0.00</b>	143.10
<b>Total</b>	<b>22579.12</b>	496.02
<b>Net Exceptional Items</b>	<b>(21946.09)</b>	(496.02)

**54. Prior period items**

Sr. No.	Nature of prior period items	(Rs. in Lakhs)
(i)	Legal and professional fees paid for initial assessment of new business initiative	311.18
(ii)	Revised computation of electricity duty benefit on the basis of re-interpretation of exemption order conditions	1122.90
iii)	Contribution to IWTMA	40.00
iv)	EPCG grant written off on non-fulfilment of export obligation	121.82
v)	Interest on EPCG grant	174.54
vi)	Interest on Vehicle loan	7.88
vii)	Sales commission	218.40
viii)	Settlement of claims of suppliers	372.74
ix)	Legal & professional fees	246.93
x)	Project development expenses	358.55
	<b>Total</b>	<b>2974.94</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017****55. 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. 1187.75 Lakhs (Previous year Rs.1141.09 Lakhs).
- (b) Amount spent during the year on:

(Rs. in lakhs)

Sr.	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	389.95	Nil	389.95
		(387.00)	Nil	(387.00)

Note: Figures in brackets pertain to previous year.

**56. Transactions in Specified Bank Notes (SBNs)**

During the year, the Group had specified bank notes or other denomination notes as defined in the MCA Notification G.S.R. 308 (E) dated 31st March, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016 the denomination wise SBNs and other notes as per the notification is given below:

Sr. No.	Particulars	SBNs	Other denomination notes	Total
(i)	Closing cash in hand as on 8th November, 2016	294.01	139.96	433.97
(ii)	(+) Permitted receipts	—	7036.30	7036.30
(iii)	(-) Permitted receipts	—	1461.67	1461.67
(iv)	(-) Amount deposited in banks	294.01	5308.86	5602.87
(v)	Closing cash in hand as on 30th December, 2016	—	405.73	405.73

**57. Calculation of Earnings Per Share (EPS):-**

Particulars	2016-17	2015-16
a) Profit for the year as per Statement of Profit and Loss -numerator for calculating basic EPS (Rs. in Lakh)	3310.99	21149.87
b) Equity shares outstanding at the beginning of the year – (Nos. in Lakh)	99.93	106.18
Equity shares outstanding at the end of the year – (Nos. in Lakh)	99.93	99.93
c) Nominal value of each share – (Re)	10	10
d) Basic and Diluted Earnings per share (Rs.)	33.13	200.16

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: 16<sup>th</sup> August, 2017

On behalf of the Board of Directors

**VIJAY SAXENA**  
Company Secretary

**D. K. JAIN**  
Chairman

**P. K. JAIN**  
Managing Director  
Place: Delhi  
Date: 16<sup>th</sup> August, 2017



**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, **Email id:** info@ilfl.co.in

**22<sup>nd</sup> Annual General Meeting – 29<sup>th</sup> September, 2017**

**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, \_\_\_\_\_ of \_\_\_\_\_ being the Member(s) 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 22<sup>nd</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> day, September 2017, at 10:00 a..m. at Ceejay House, 7<sup>th</sup> 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
<b>Ordinary business</b>				
1.	Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2017, the report of Auditors thereon and the report of the Board of Directors for the said year; and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017 and the report of the Auditors thereon.			
2.	Appointment of Director in place of Mr. Siddharth Jain, who retires by rotation and, being eligible, seeks re-appointment.			
3.	Appointment of Independent Auditors of the Company.			
<b>Special Business</b>				
4.	Appointment of Mr. Devansh Jain as Director of the company, liable to retire by rotation..			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

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.

**INOX LEASING AND FINANCE LIMITED**

(CIN: U65910MH1995PLC085703)

Registered Office: 69, Jolly Maker Chambers 2, Nariman Point, Mumbai 400021

22<sup>nd</sup> Annual General Meeting – 29<sup>th</sup> September, 2017**FORM MGT-11****ATTENDANCE FORM/BALLOT FORM****[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/ THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)

1.	Name and address of the Sole/First named Shareholder	
2.	Name (s) of the Joint Holder(s) (if any)	
3.	Registered Folio No./DPID-Client ID	
4.	Number of Shares held	
5.	I/We hereby exercise my/our attendance/vote(s) in respect of the resolutions set out below by recording my/our assent or dissent to the said Resolutions by placing the tick (☑) mark at the appropriate box below:	

Resolution No.	Resolutions	No. of shares	For	Against
Ordinary Business				
1.	Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2017, the report of Auditors thereon and the report of the Board of Directors for the said year; and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017 and the report of the Auditors thereon.			
2.	Appointment of Director in place of Mr. Siddharth Jain, who retires by rotation and, being eligible, seeks re-appointment.			
3.	Appointment of Independent Auditors of the Company.			
Special Business				
4.	Appointment of Mr. Devansh Jain as Director of the company, liable to retire by rotation.			

Place:

Date:

\_\_\_\_\_  
Signature of Shareholder/Proxy

Notes: This form is to be used for exercising attendance/voting at the time of 22<sup>nd</sup> Annual General Meeting to be held on Friday, the 29 September 2017 by shareholders/Proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.





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*If undelivered please return to :*



**INOX LEASING AND  
FINANCE LIMITED**

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