GUJARAT
FLUOROCHEMICALS
LIMITED

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GFL: 14: 2016

27th September, 2016

The Secretary
National Stock Exchange Limited
Exchange Plaza, Bandra Kurla Complex Bandra (E),
Mumbai 400 051
Scrip Code – GUJFLUORO

Sub: Annual Report for the Financial Year 2015-16
Ref: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sirs,

Pursuant to Regulation 34(1) of the Listing Regulations, we enclose herewith soft copy of the Annual Report of the Company for the Financial Year 2015-16 containing Standalone and Consolidated Balance Sheet of the Company as at 31st March, 2016, Standalone and Consolidated Profit and Loss Account, Board's Report and Independent Auditor's Report for the Financial Year ended on that date, which was approved and adopted by the Members at their of the Twenty-Ninth Annual General Meeting held on Monday the 26th September, 2016 at 12.00 noon at the Registered Office of the Company.

Annual Report of the Company for the Financial Year 2015-16 is placed on the website of the Company www.gfl.co.in.

We request you to take the above on record.

Yours faithfully,
For Gujarat Fluorochemicals Limited

Bhavin Desai
Company Secretary

Built for Lasting Growth



GUJARAT FLUOROCHEMICALS LIMITED

Annual Report 2015 -16


16,200 MT
India's largest and World's 4th largest PTFE Capacity
134,750 MT
Caustic Soda / Chlorine Capacity
04
01
PTFE PLANT
CHLORALKALI PLANT
GFL
OPERATIONS
REFRIGERANT GAS PLANT
CHLOROMETHANE PLANT
03
02
65,000 MT
Refrigerant Capacity
108,500 MT
Chloromethane Capacity

Built for Lasting Growth

In 2008, we identified a sizeable opportunity for offering world class quality and cost efficient PTFE products to the world and backed it up with intensely engaging technical and logistics customer service. Since then, Gujarat Fluorochemicals Limited (GFL) has become a significant player in the global market within a short span of time. In fact, we have developed India's largest, and most integrated, PTFE plant accounting for more than 10% of the world's PTFE capacity. This enables us to provide cutting edge solutions very competitively, ensuring long-term customer relations. With a capacity of ~16 ktpa, GFL is a significant player catering to a dominant share of the domestic markets. It also participates within global markets, with significant market shares in the EU and the US. With such global presence, GFL enjoys a peer position amongst the top 4 PTFE suppliers worldwide.

Today, we have state-of-the-art design, development and laboratory testing facilities to handle PTFE grades from concept to full-scale manufacture. Our team of qualified R&D engineers and product specialists carry out on-going new product and application development projects. Using our strong relationships with worldwide partners, we offer engineering solutions tailored to suit specific applications and customer requirements. Looking forward, we continue to build a growing base of discerning customers with whom our products are tested and qualified. With customers who are worldwide market leaders across many end-use industries, we ensure our products are focused on meeting their increasing demands. With a quality management system certified to ISO 900:2008, every level of our organisation is focused on satisfying and exceeding the needs and expectations of our customers.

With soft economic conditions globally, along with lower global pricing for PTFE perpetuated by the revalued Chinese currency, FY2016 was a challenging year for the entire industry. These conditions placed pressure on both growth and margins for all global PTFE players. Despite these headwinds, GFL delivered a fair performance by avoiding de-growth and improving overall margins. The Company took full advantage of generally soft commodity prices; its captive supply for key raw materials; and improved operational efficiencies to deliver satisfactory results. The Company is also amongst the most integrated players globally, giving it significant cost advantages when competing against other global players.

Planning for the future, we continue to invest in new products and areas of application that will be significant drivers for future growth, ensuring we build on our solid progress over a period of time. Offering design, development and laboratory testing facilities to handle projects from concept to full-scale manufacture, our team of qualified R&D engineers and product specialists are carrying out on-going new product and application development projects. Using our strong relationships with worldwide partners, we are offering engineering solutions tailored to suit specific applications. These applications include Engineering Plastics & Stock Shapes; High Performance Sealing Systems; Machined Components; Moulded Components; High Performance Surface Coating; Industrial Bakeware; High Performance Hose; and Valve Seats, amongst others. As these approvals translate into volume order bookings and deliveries, we look forward to swelling our top and bottom lines in the medium term. Going forward, GFL is well positioned to deliver quality growth and sustained cycles of value creation for its stakeholders.

GFL is also leveraging its technical skills, and surplus TFE capacity to enter into other higher value -added fluoropolymer markets, such as FKM, PFA, FEP, VDF and PVDF. Setting up manufacturing capacities for these will require minimal incremental capex, but will provide a robust addition to GFL's top-line and bottom-line. It has more than 25 years of rich experience in handling fluorine molecules, and is using this expertise to develop several fluorine based intermediates to be used in the pharma and agro sectors. GFL has a team of more than 100 scientists and analysts to develop new molecules, process technologies and commercialise them.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Devendra Kumar Jain
Chairman and Non-Independent Director

Shri Shailendra Swarup
Independent Director

Shri Pavan Jain
Non-Independent Director

Shri Vivek Jain
Managing Director and
Non-Independent Director

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

Shri Om Prakash Lohia
Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Shanti Prashad Jain
Independent Director

Shri Rajagopalan Doraiswami
Independent Director

Ms Vanita Bhargava
Independent Director

Shri Anand Bhusari
Whole-Time Director and
Non-Independent Director

Shri Chandra Prakash Jain
Independent Director

BOARD LEVEL COMMITTEES

AUDIT COMMITTEE

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Shailendra Swarup
Independent Director

Ms. Vanita Bhargava
Independent Director

COMMITTEE OF DIRECTORS FOR OPERAT IONS

Shri Devendra Kumar Jain
Chairman and Non-Independent Director

Shri Vivek Jain
Managing Director and
Non-Independent Director

Shri Deepak Asher
Non-Independent Director

NOMINATION AND REMUNERATION COMMITTEE

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Deepak Asher
Non-Independent Director

Shri Om Prakash Lohia
Independent Director

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri Devendra Kumar Jain
Chairman and Independent Director

Shri Pavan Jain
Non-Independent Director

Shri Vivek Jain
Managing Director and
Non-Independent Director

Shri Deepak Asher
Non-Independent Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Shanti Prashad Jain
Chairman and Independent Director

Shri Vivek Jain
Managing Director and
Non-Independent Director

Shri Deepak Asher
Non-Independent Director

KEY MANAGERIAL PERSONNEL

Shri Vivek Jain
Managing Director

Shri Manoj Agrawal
Chief Financial Officer

Shri Bhavin Desai
Company Secretary

BANKERS

Axis Bank Limited
BNP Paribas
Citi Bank N.A.
Mizuho Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
Indus Ind Bank Limited
Kotak Mahindra Bank Limited
The Hong Kong and Shanghai Banking Corporation Limited.
Yes Bank Limited

PLANT LOCATION

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

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

AUDITORS

M/s Patankar and Associates
Chartered Accountants,
Office No 19 to 23, 4th Floor,
Gold Wings, S No 118/A,
Plot no 543, Singhad Road,
Parvati Nagar, Pune 411030
Tel.: +91 20 2425 2117
Fax: +91 20 2425 2118

REGISTERED OFFICE

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

VADODARA OFFICE

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

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THE INOX GROUP OVERVIEW

About the Inox Group

We are part of the US$ 3 billion Inox Group, which has market leadership positions in various businesses, including industrial gases, engineering plastics, refrigerants, chemicals, cryogenic engineering, renewable energy and entertainment sectors.

Amongst other companies, the Group has three listed companies and has a joint venture with global majors, including Fortune-500 companies. The Group employs more than 9,000 people at over 150 business units across the country, with leadership across six sectors. The Group's distribution network spans over 50 countries around the globe.



Listed Companies

GUJARAT FLUOROCHEMICALS LIMITED

Market Capitalisation
₹ 5,68,803 Lakh
(BSE - 31st March, 2016)

- Largest producer (by volume) of chloromethanes, refrigerants & polytetrafluoroethylene in India

INOX LEISURE LIMITED

Market Capitalisation
₹ 1,84,910 Lakh
(BSE - 31st March, 2016)

- A film exhibition Company in the business of setting up, operating and managing a national chain of multiplexes under the brand name 'INOX'
- Present in 57 cities with 108 multiplexes and 425 screens

INOX WIND LIMITED

Market Capitalisation
₹ 5,77,764 Lakh
(BSE - 31st March, 2016)

- One of the largest manufacturers of Wind Turbine Generators (WTG) in India
- Manufacturers of key components of WTG, Power Blades, Nacelles and Hubs
- 1,104 MW Order Book from diversified customers including large IPPs, Utilities, PSUs, Corporates and Retail

Other Key Companies

INOX AIR PRODUCTS PRIVATE LIMITED

- 50:50 joint venture with Air Products Inc., USA
- Manufacturer of industrial gases in India
- 36 plants spread throughout the Company

INOX INDIA PRIVATE LIMITED

- Manufacturer of cryogenic liquid storage and transport tanks in India
- Offers comprehensive solutions in cryogenic storage, vapourisation and distribution engineering
- Has operations in India, USA, Canada, The Netherlands and Brazil

INOX RENEWABLES LIMITED

- Engaged in the business of setting up and operating of wind farms
- 233 MW installed capacity across three Indian States

GROUP BUSINESS OVERVIEW



INOX WIND LIMITED HAS AN AGGREGATE POWER PROJECT CAPACITY OF 4,500 MW ACROSS WIND SITES. POST EXPANSION, ITS CAPACITY WILL INCREASE TO 1.6 GW. IT HAS A DEEP ORDER BOOK PIPELINE OF OVER 1.1 GW.

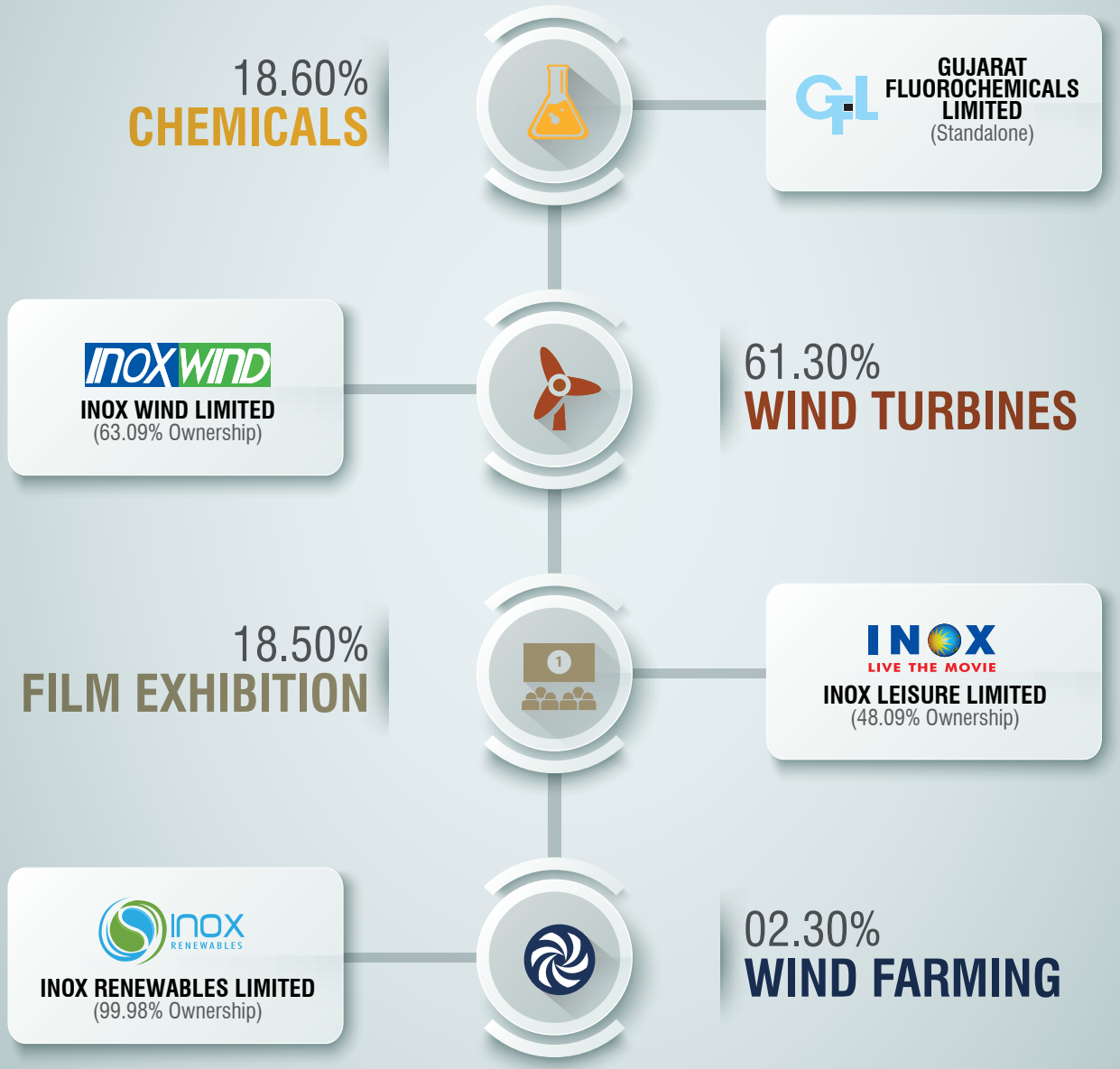


INOX LEISURE LIMITED HAS A 20% SHARE IN MULTIPLEX SCREENS, OPERATING 108 MULTIPLEXES AND OVER 425 SCREENS IN 57 CITIES WITH A SEATING CAPACITY OF 109,406.



GFL IS THE LARGEST PTFE RESIN PRODUCER IN INDIA AND THE 4TH LARGEST IN THE WORLD. OUR MANUFACTURING OPERATIONS ENJOY A TOTAL CAPACITY OF 16,200 MT PTFE, ACCOUNTING FOR 11% OF THE WORLD'S TOTAL PTFE CAPACITY.

₹ 7,19,866 Lakhs
TOTAL CONSOLIDATED REVENUE



OPERATIONAL & FINANCIAL HIGHLIGHTS CONSOLIDATED BUSINESS

TOTAL REVENUE
₹ 7,19,866 LAKHS

TOTAL EBITDA
₹ 1,30,257 LAKHS
EBITDA MARGIN 18.1%

TOTAL PAT
₹ 39,387 LAKHS
PAT MARGIN 5.5%

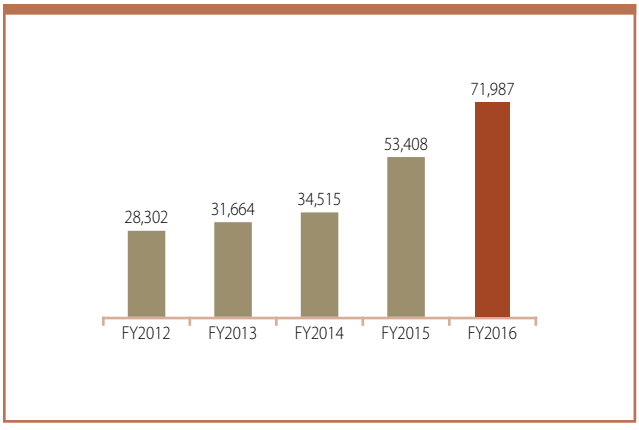
TOTAL DEBT
₹ 3,00,657 LAKHS

TOTAL EQUITY
₹ 4,49,640 LAKHS
LOW LEVERAGE - 0.7X

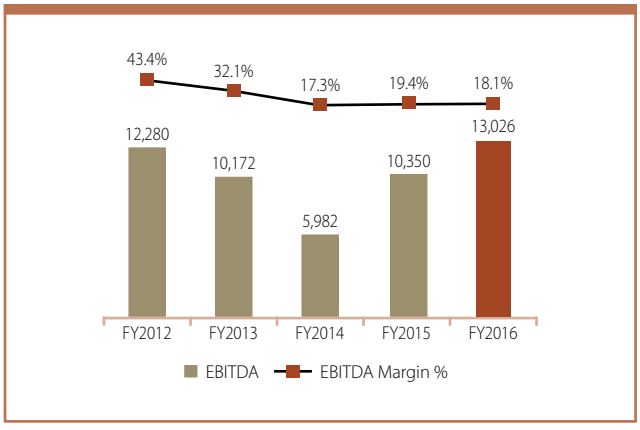
ROCE
13.6%

ROE
9.0%

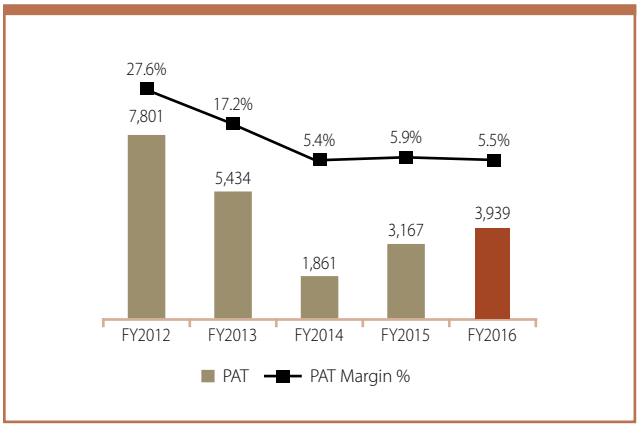
REVENUES
(₹ Mn) Consolidated



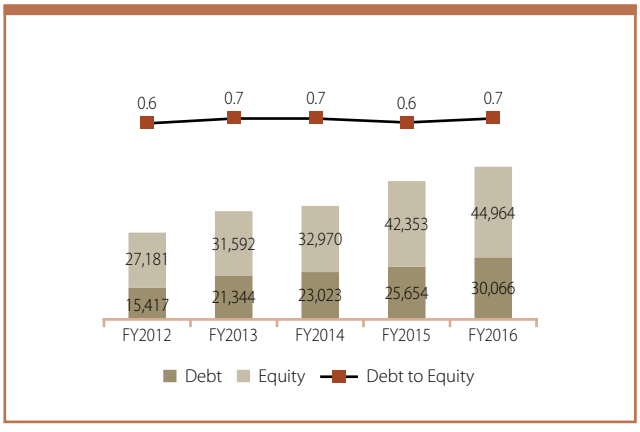
EBITDA & EBITDA MARGIN
(₹ Mn) Consolidated



PAT & PAT MARGIN
(₹ Mn) Consolidated



LEVERAGE ANALYSIS
(₹ Mn) Consolidated



OPERATIONAL & FINANCIAL HIGHLIGHTS CHEMICALS BUSINESS

REVENUE GREW BY
1.31% YOY

SECULAR GROWTH
ACROSS ALL PRODUCT CATEGORIES

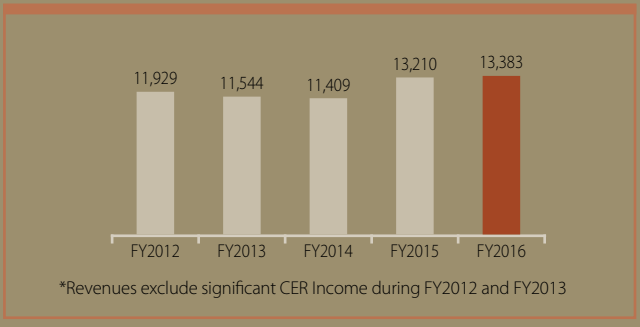
COMMENCEMENT OF
SPECIALITY CHEMICALS AND EXPORTS OF REFRIGERANTS

EBITDA MARGINS IMPROVED BY
70 BASIS POINTS TO **4.6%** AS HIGHER OPERATING EFFICIENCIES KICK IN

SURGE IN PAT BY
31% YOY

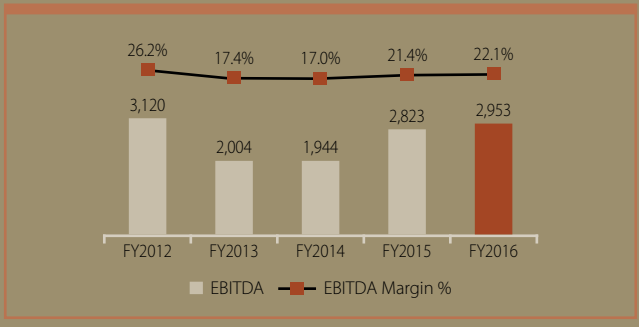
MAINTAINED LOW
LEVERAGE OF **0.2** DEBT/EQUITY

REVENUES
(₹ Lakh)

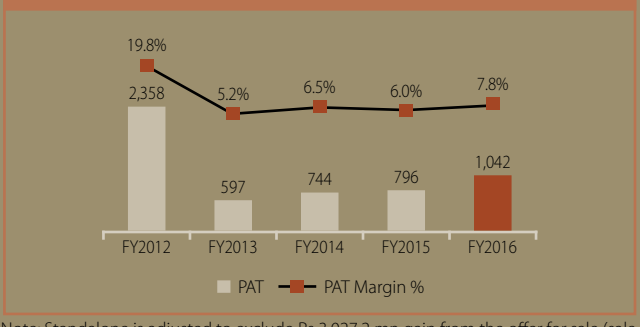


*Revenues exclude significant CER Income during FY2012 and FY2013

EBITDA AND EBITDA MARGIN
(₹ Lakh)

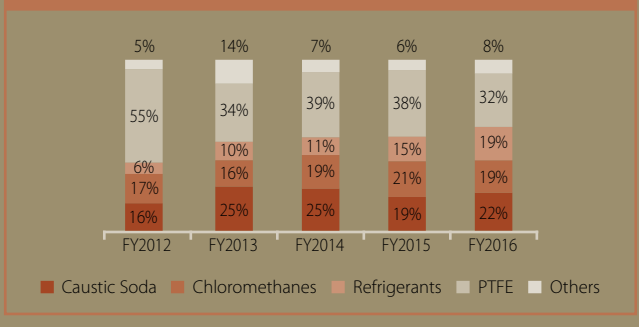


PAT AND PAT MARGIN
(₹ Mn)

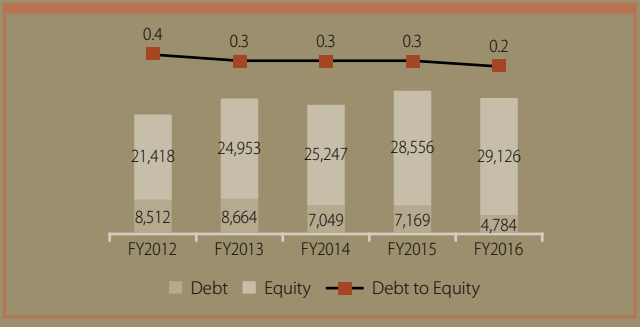


Note: Standalone is adjusted to exclude Rs 3,027.2 mn gain from the offer for sale (sale of 10 mn Inox Wind Limited shares by GFL as a part of the IPO of Inox Wind Limited).

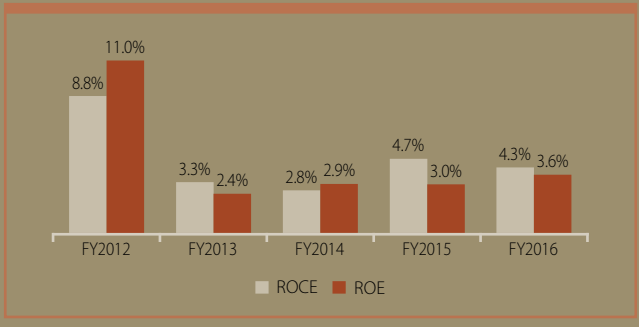
REVENUE BREAK-UP
(%)



LEVERAGE ANALYSIS
(₹ Mn)



RETURN METRICS
(%)





reating Value from our Fluoropolymer Portfolio

GFL HAS ALREADY MADE SUBSTANTIAL PROGRESS ON MOST OF THE ABOVE FLUOROPOLYMERS. IN PARTICULAR, THE COMMERCIAL PLANT FOR MANUFACTURING FKM IS ALREADY IN PRODUCTION AND FOR OTHER PRODUCTS, ADVANCED SAMPLES HAVE BEEN SENT TO THE MARKET FOR APPROVALS.

Fluoropolymers is a large global industry including many products such as PTFE, PVDF, FEP, FKM, PFA, Micropowders and ETFE. Over the last 7-8 years GFL has consolidated its position in the PTFE space and enjoys a top 4 ranking based on 16,00 TPS PTFE capacity, making a wide range of variants including Fine Powders, Aqueous Dispersions, Modified PTFE, and Post Treated PTFE Grades.

With the PTFE market facing surplus global supply over the last 3-4 years, GFL has reduced its capacity utilisation for TFE and PTFE. This spare capacity can be put to use for making a range of Fluoropolymers, with minimal capex infusion. The product variants include FKM Fluororubbers, PFA dispersions/Pellets, FEP dispersions/Pellets, Micropowders of all types and VDF/PVDF. These Fluoropolymers require higher value addition compared to PTFE, and therefore fetch 3-6 times the realisation per kilogram for PTFE products.

GFL has already made substantial progress on most of the above Fluoropolymers. In particular, the commercial plant for manufacturing FKM is already in production and for other products, advanced samples have been sent to the market for approvals.



building on Fluorine based intermediates in Agro and Pharma

THE COMPANY HAS AN EXTREMELY COST COMPETITIVE MANUFACTURING PROCESS DUE TO ITS FULLY INTEGRATED VALUE CHAIN. IT HAS A SUCCESSFUL TRACK RECORD OF SUPPLYING ITS PRODUCTS SUCH AS PTFE, FKM TO QUALITY DISCERNING CUSTOMERS IN EU, USA AND JAPAN.

Organic Fluorine molecules are increasingly becoming ingredients of newer crop protection and Pharma molecules. This is mainly because of the fact that Fluorine has the highest electro-negativity. Fluorine also has the liphophophilicity property, which means that it can dissolve readily in Fats; and due to the high efficacy of low volume doses, it causes minimal environmental impact. Earlier Chlorine and Hydroxyl groups were used due to abundant availability and ease to handle.

Due to above reasons, scientists have moved towards Fluorine molecules due to various advantages, even though handling Fluorine is more difficult and hazardous. Not surprisingly, only a limited number of Companies possess Fluorine handling experience. Since the use of Fluorine delivers healthier crops and more effective medicines, it is expected that in the next few years, about 40% of all pharma molecules will have F-molecules, 20% now. Similarly, in time one can expect about 50% crop protection chemicals will have F-molecules, from just 28% now.



120

SCIENTISTS AND ANALYSTS

Due to difficult handling of Fluorine and the complex nature of these potent molecules, the Agro and Pharma industry is resolved to outsourcing as much of the Fluorine based intermediates they need as possible. GFL has more than 25 years rich experience backed by experienced technical experts in safely handling fluorine molecules of all types. The Company possesses abundant in-house availability of these key building blocks of Fluorine molecules namely HF, AHF, KF, TFE and HFP.

The Company has an extremely cost competitive manufacturing process due to its fully integrated value chain. The Company has a successful track record of supplying its products such as PTFE, FKM to quality discerning customers in EU, USA and Japan. It has built a substantial R&D set-up with 120 scientists and analysts, giving it the capability to develop its own process technologies. Already, about 28 products are in pipeline, out of which commercial plants for five products have been set up. Going forward, there are twelve products in the pilot stages for commercial production.

Management Discussion & Analysis

THE SLOWDOWN AND RESTRUCTURING OF THE CHINESE ECONOMY, CORRECTION IN COMMODITY PRICES AND PRESSURE ON LARGE EMERGING ECONOMIES ARE SOME FACTORS EXPECTED TO IMPACT THE GROWTH PROSPECTS IN 2016 AND 2017.

GLOBAL ECONOMIC REVIEW

Global economic activity remained subdued in 2015, with the International Monetary Fund (IMF) estimating global GDP growth of 3.1%. Global economy is expected to grow by 3.4% in 2016 and 3.6% in 2017, as per the projection of the IMF. The anticipated pick-up in global activity is expected to by the be slower than what was earlier projected in October 2015 by World Economic Outlook (WEO), particularly in developing economies and emerging markets.

Going forward, the progress in advanced economies is seen as gradual and volatility is expected to remain. However, the situation in the emerging markets and the developing countries is varied with several challenging scenarios. The slowdown and restructuring of the Chinese economy, correction in commodity prices and pressure on large emerging economies are some factors expected to impact the growth prospects in 2016 and 2017.



Whilst, significant challenges such as China's rebalancing, lower commodity prices, and the steady transitioning from monetary easing conditions in the United States have been mitigated, projected growth over the next two years depends on growth rates in countries which are currently going through economic pain, such as Brazil, Russia and some other countries in Middle East. Brexit may also have some impact on markets in Europe and United Kingdom.

INDIA ECONOMIC REVIEW

The Indian economy successfully sailed through a very challenging phase in 2013 and 2014. These years were marked by a macro-economic slowdown, weak global demand and lower exports, slow progress on policy reforms, high inflation, and high fiscal and current account deficits. The situation witnessed improvement in 2015-16 with India's real GDP displaying 7.4% growth compared to 5.1% growth in 2013-14 and 6.9% in 2014-15. Inflationary pressures also eased with the Consumer Price Index (CPI) decreasing to 4.8% in March 2016 from 6.8% in FY2015 and 9.5% in FY2014. Fall in oil imports and gold imports helped the Government bring the current account deficit under control. Further, reduction in oil subsidies also helped the Government improve its fiscal deficit position.

The new Government displayed commitment to address various policy and business-related issues to drive the economic growth engine. One of the most important measures taken by the Government has been the opening up of sectors such as railways and defence for foreign investment, which helped draw a record Foreign Direct Investment (FDI) in 2015. With this, India's foreign exchange reserves position improved to US$ 350 billion by December 2015. The overall growth during FY2015-16 was, however, partially offset by contraction in the rural economy and demand due to two consecutive years of drought. The outlook for FY2016-17 is promising, backed by better monsoon forecasts by Indian Meteorological Department (IMD) and 7.5% real GDP growth forecast by the International Monetary Fund (IMF). At this growth rate, India should become the fastest growing large economy, ahead of China, in FY2016-17.

MANAGEMENT DISCUSSION & ANALYSIS

COMPANY BACKGROUND

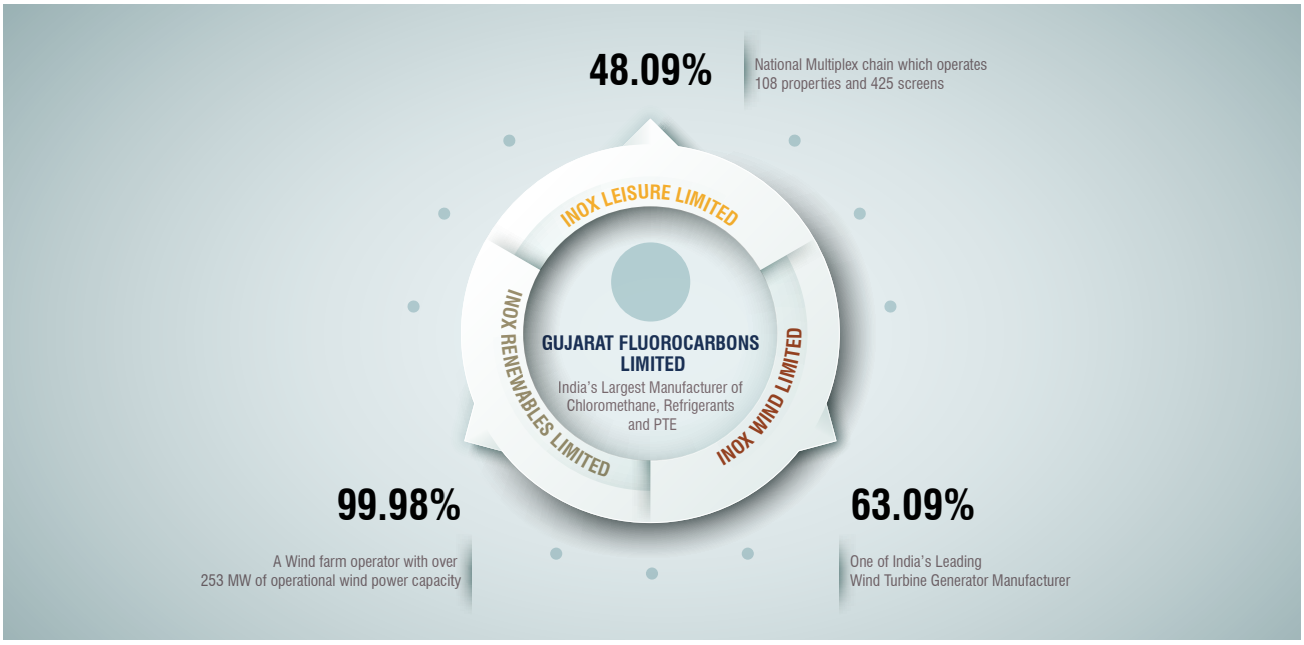
Gujarat Fluorochemicals Limited (GFL or the Company), a subsidiary of Inox Leasing and Finance Limited, is a part of the Inox Group which is diversified across industrial gases, engineering plastics, refrigerants, chemicals, cryogenic engineering, renewable energy and entertainment sectors.

16,200 MTPA
CAPACITY OF PLANT

GFL was incorporated in 1987 and commenced commercial operations in 1989 by setting up India's largest refrigerant plant in Ranjitnagar, Gujarat. The Company primarily supplied CFC and HCFC to more than 75 countries across the globe. As the CFC and HCFC had eventually to be phased out as per the phase-out schedule under the Montreal Protocol, GFL forward integrated into PTFE (Poly Tetra Fluoro Ethylene) in 2007 by commissioning amongst the world's most integrated and technologically advanced PTFE facility in Dahej, Gujarat. Starting with an initial capacity of 6,000 metric tonnes per annum (mtpa), the plant capacity was subsequently scaled up to reach 16,200 mtpa, becoming the India's largest and world's fourth largest PTFE facility, accounting for 11% of global PTFE capacity.

GFL embarked on a long-term business diversification strategy in 2002 and mandated McKinsey & Co. Inc. to advise it on identifying new business opportunities and develop implementation strategies around them. As a result of that study, GFL decided to foray into Indian theatrical exhibition business. Following another similar study carried out with the help of McKinsey & Co Inc. in 2006, GFL also embarked upon growing a renewable energy business.

While theatrical business was largely in line with India's growing consumption story, the renewables space was gaining importance on the back of global trends of emission reduction measures and drive for clean energy sources. The theatrical exhibition business was implemented through its subsidiary, Inox Leisure Limited, which eventually got listed in 2006. Today, Inox Leisure is India's 2nd largest national multiplex chain operator with 425 screens in 108 properties across 57 cities in India. The renewable energy business consisted of wind farming business which was started in 2007 and carried out by subsidiary Inox Renewables Limited, and wind turbine manufacturing business which was started in 2009 and carried out by subsidiary Inox Wind Limited. Inox Wind Limited which eventually got listed in 2015. Today, Inox Renewables Limited operates wind farms with a total capacity of 253 MW spread across Rajasthan, Maharashtra and Tamil Nadu and Inox Wind Limited is amongst the top 3 wind turbine manufacturers in India, with a total wind turbine manufacturing capacity of 1,600 MW and a market share of close to 25%.



CHEMICAL BUSINESS: INDUSTRY STRUCTURE & GFL

1. PTFE



According to Research & Markets study, the global market for PTFE reached 165,000 mtpa in 2015 and is projected to reach about 210,000 mtpa by 2022, growing at a CAGR of 3-4%. In value terms, global demand for PTFE is projected to touch US$ 2.9 billion by 2022. Asia-Pacific region was the leading global consumer of PTFE, accounting for around 53% share in 2015, and is likely to post the fastest CAGR of 7.3% over 2016-2022. China and Japan are the key consumers of PTFE in Asia-Pacific, while countries including South Korea and India have comparatively small consumption levels. Cheap availability of raw materials and growth in various end-user industries has resulted into growing PTFE demand in the region. Europe was the second largest market for PTFE with around 25% share. North America and Europe are expected to exhibit strong growth in demand for PTFE over next five years.

The major driving factor for the global PTFE market is strong demand from various end-user industries including chemical processing, textile, medical, cookware, electronics & electrical, and automotive & transportation, among others. The chemical processing sector leads the global volume consumption of PTFE with an estimated 30.9% share. However, the automotive & transportation sector is likely to post the fastest CAGR of 6.9% in volume terms over 2016-2022 to reach a projected 34,100 mtpa by 2022. Revival of global economy with rise in demand for electronic appliances is driving demand for PTFE. Demand for PTFE is gaining popularity for wires to be used in aerospace industry and computer applications due to its excellent dielectric properties. Non-stick cookware is another important end-use owing to PTFE's inflammability and non-stick properties.

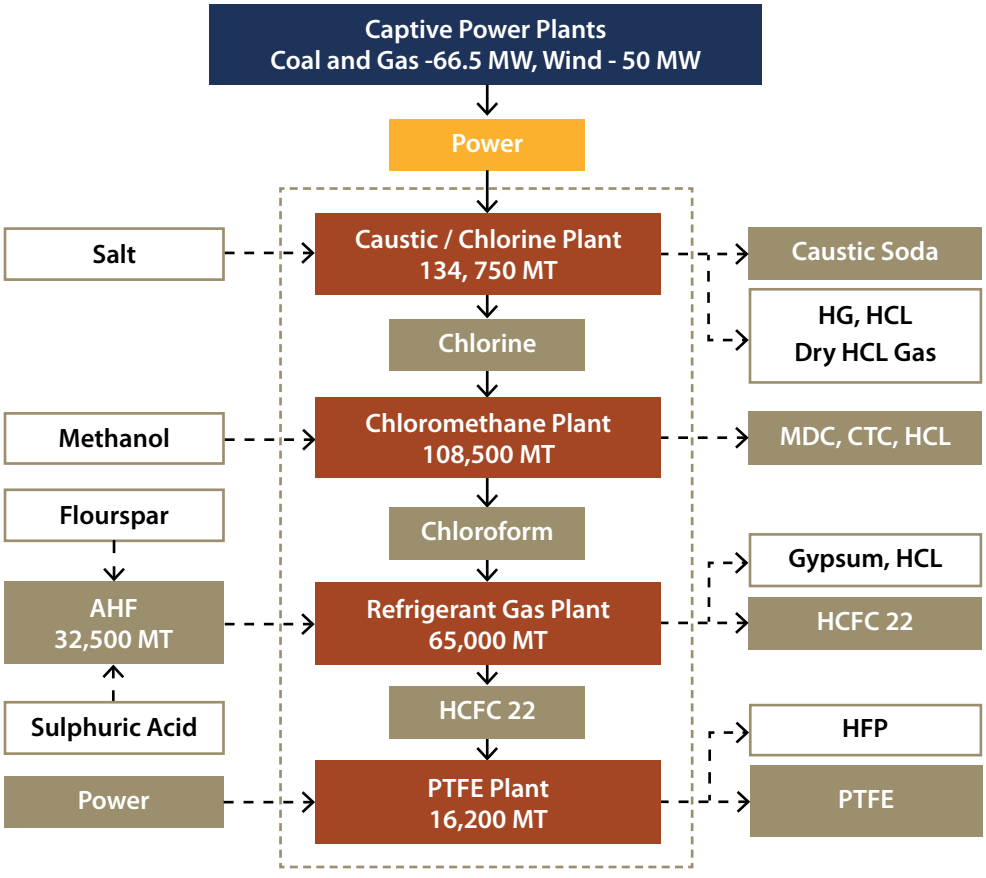
On the basis of product type, PTFE is segmented as granular, fine powder, micronized powder and others (dispersion, liquid, etc.). Granular PTFE is one of the largest product segments of PTFE market with over 30% share primarily due to wide use in moulding applications and as a feedstock for filled compounds. Fine powder and micronized powder also hold significant share of global PTFE market. Fine powder is the fastest growing PTFE form with a CAGR of 6.7% to 2018. Fine powder is mainly consumed in applications like tubing, sealing tape, membrane, insulation layer of wire, and liners, among others. Micronized PTFE is also finding increasing usage in applications including thermoplastics, lubricants and inks. The U.S. and China are at forefront of PTFE micro powder consumption, while Germany, Japan, and the U.K. are other key markets for micronised PTFE consumption. China is the key market in Asia-Pacific, consuming more than half of the demand for PTFE micro powders, followed by Japan, South Korea, and India where consumption is growing at a steady rate. Increase in the consumption of PTFE micro powders for inks, coatings, and thermoplastics has been observed in Asia-Pacific due to continued industrialisation and rise in the manufacturing sector of the region.

INCREASE IN THE CONSUMPTION OF PTFE MICRO POWDERS FOR INKS, COATINGS, AND THERMOPLASTICS HAS BEEN OBSERVED IN ASIA-PACIFIC DUE TO CONTINUED INDUSTRIALISATION AND RISE IN THE MANUFACTURING SECTOR OF THE REGION.

MANAGEMENT DISCUSSION & ANALYSIS

GFL's World Class Fully Integrated Facility

GFL operates its PTFE business through its world class manufacturing facility in Dahej, Gujarat. The facility has a total capacity of 16,200 mtpa, making it the largest PTFE facility in India and 4th largest PTFE facility in the world accounting for around 11% of global PTFE capacity. This facility is one of the most integrated and technologically advanced in the world. The manufacturing complex at Dahej enjoys international quality and process certifications, including ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.



Vertical integration with raw material sufficiency (including Fluorspar, Chlorine, Chloroform, HCFC 22 and Power) makes GFL highly cost-competitive compared to other global players. The Company has placed enormous emphasis on high and consistent quality of all PTFE grades by process improvements and adopting sophisticated process control software for obtaining consistent quality.

GFL Key Operating Metrics for PTFE in FY2015-16

Products/Chemicals	Units of Sales	Volume Sold during FY2015	Volume Sold during FY2016	Growth (%)	Annual Capacity
PTFE (Polytetrafluoroethylene)	MT	9,219	8,054	-13%	16,200

2. Caustic Chlorine Operations

GFL Key Operating Metrics for Caustic Soda in FY2015-16

Products/Chemicals	Units of Sales	Volume Sold during FY2015	Volume Sold during FY2016	Growth (%)	Annual Capacity
Caustic Soda	MT	105,451	114,890	9%	134,750

GFL Key Operating Metrics for Chloromethane in FY2015-16

Products/Chemicals	Units of Sales	Volume Sold during FY2015	Volume Sold during FY2016	Growth (%)	Annual Capacity
Chloromethane	MT	62,820	65,837	5%	108,500

Note: The Chloromethanes produced are partially utilised for captive purposes and remaining volumes are sold in the market.

3. Réfrigérant Gases

GFL Key Operating Metrics for Refrigerants in FY2015-16

Products/Chemicals	Units of Sales	Volume Sold during FY2015	Volume Sold during FY2016	Growth (%)	Annual Capacity
HCFC 22	MT	11,748	14,307	22%	65,000

Note: The HCFC-22 produced is partially utilised for captive purposes and remaining volumes are sold in the market.

COMPETITIVE ADVANTAGES

- **Leading player in PTFE market with strong entry barriers:** GFL operates one of the largest PTFE facilities in the world, accounting for 11% of the global PTFE capacity. Furthermore, the vertical integration right up to safeguarding of raw material supply makes GFL one of the most cost competitive manufacturers of PTFE in the world. GFL benefits from advantages of high entry barriers caused by high capex intensity, restricted access to technology, access to key raw materials, and long and stringent product development and approval cycle with customers. New players cannot easily enter this market on a standalone basis.

- **Cost-competitiveness benefits of vertical integration:** GFL's ability to produce a wide range of chemicals through its vertically integrated facility makes it one of the most cost-competitive producers of PTFE in the world. The operational and costing advantage of this integration has ensured that the Company is well placed competitively and is less susceptible to the volatility of the commodity cycle.

- **Scope for future scalability leading to positive operating leverage:** GFL has strong potential for business scalability with only minimal incremental investments in the future. GFL is poised to reap benefits from increasing capacity utilization which will lead to increase in operating leverage, higher operating margins and better return ratios. With the consolidation in the PTFE market, GFL is strongly placed to absorb the incremental demand by offering most cost competitive solutions to its customers.

- **Raw material security:** The vertically integrated facility provides self-sufficiency with respect to availability of key raw materials like Chlorine, Chloroform, Power and HCFC 22. Further, GFL has also safeguarded availability of Fluorspar, a key raw material required for production of PTFE. GFL acquisition of a significant interest in Fluorspar mines in Morocco means that it shall no longer face supply constraints for this key raw material going forward. In addition to own mine in Morocco, GFL also has signed long-term supply agreements for ensuring adequate fluorspar supply.

- **Customer stickiness:** GFL works closely with customers to develop grades and qualities to suit customers' requirements. Further, strong focus on service, quality consistency and continual technical support results in high customer retention. The Company also supports its customers through its on-shore warehousing and service presence in Germany and USA. GFL's gradual shift to value added products for its customers will allow the company to generate better margins and more stable pricing for its products.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL OVERVIEW

GFL's Consolidated Business performance has improved during Financial Year 2015-16. On a consolidated business level, for the full Financial Year, Revenues went up from Rs. 53.40 billion to Rs. 71.98 billion, indicating a growth of 35%. EBITDAE & Other Income went up from Rs. 10.35 billion to Rs. 13.04 billion, indicating a growth of 26%. EBITDA margin for FY2015-16 were 18.1%. PAT went up by 24% from Rs. 3.17 billion (before exceptional item of sale of Equity Shares of Subsidiary, Inox Wind Limited) to Rs. 3.94 billion and PAT margin for FY2016 was 5.5%.

GFL's Consolidated Result comprises of essentially four different businesses. The Wind Turbine manufacturing business is housed within GFL itself. There is a Wind Turbine manufacturing business that is conducted by Inox Wind Limited and its subsidiaries. Inox Wind Limited is independently listed. The Wind Farming business is owned by Gujarat Fluorochemicals Limited through its subsidiary Inox Renewables Limited. And the Film Exhibition business is conducted by Inox Leisure Limited. Inox Leisure Limited is also listed independently and therefore the consolidated revenues of GFL and the consolidated profitability reflects the revenues and the profitability of all four of these businesses put together.

The key Financial Highlights in terms of Revenue, EBITDA and PAT for the full Financial Year 2015-16 from all four businesses are:

Revenue

- Revenue growth from the Chemical business (other than subsidiaries) went up by 1% from Rs. 13.20 billion to Rs. 13.38 billion.
- Revenues from the Wind Turbine manufacturing business went up by 63% which is Rs. 27.08 billion going up to Rs. 44.14 billion.
- Revenues from the Wind Farming business, went down by 14% from Rs. 1.95 billion to Rs. 1.67 billion.
- Revenues from the Cinema Exhibition business, went up by 31% for the full year from Rs. 10.16 billion going up to Rs. 13.32 billion.
- As a result of which aggregate Revenues for the full year went up by 35% from Rs. 53.40 billion to Rs. 71.98 billion.

EBITDAE and Other Income

- Chemical business grew up by 3% from Rs 2.78 billion to Rs 2.87 billion.
- Wind Turbine business went up by 62% from Rs. 4.25 billion to Rs. 6.90 billion.
- Wind Farming went down by 24% from Rs. 1.76 billion to Rs. 1.34 billion.
- Cinema Exhibition business went up by 55% from Rs. 1.23 billion to Rs. 1.90 billion.

GFL BENEFITS FROM ADVANTAGES OF HIGH ENTRY BARRIERS CAUSED BY HIGH CAPEX INTENSITY, RESTRICTED ACCESS TO TECHNOLOGY, ACCESS TO KEY RAW MATERIALS, AND LONG AND STRINGENT PRODUCT DEVELOPMENT AND APPROVAL CYCLE WITH CUSTOMERS.

- As a result of which EBITDAE and Other Income for the full year went up by 26% from Rs. 10.35 billion to Rs. 13.04 billion.

PAT

- Chemicals PAT went up from Rs. 0.80 billion to Rs. 1.04 billion, that is a growth of 31%.
- Wind Turbine manufacturing business PAT went up by 52% from Rs. 2.96 billion to Rs. 4.52 billion.
- Wind Farming business PAT was Rs. 0.04 billion which converted into a loss of Rs. 0.24 billion for the full year FY2016.
- Film Exhibition business PAT improved from Rs. 0.20 billion in FY2015 to Rs. 0.77 billion in FY2016 that is a growth of 287%.

As a result of which PAT for the full year went up by 24% from Rs. 3.17 billion (before exceptional item of sale of Equity Shares of subsidiary, Inox Wind Limited) to Rs. 3.94 billion.

The Chemical Business standalone product-wise performance for the Financial Year 2015-16 are:

- Caustic Soda revenue went up by 17%, from Rs. 2.56 billion to Rs. 3.00 billion.
- Chloromethane revenue went down by 9%, from Rs. 2.74 billion to Rs. 2.49 billion.
- Refrigerants revenue went up by 27%, from Rs. 2.04 billion to Rs. 2.59 billion.
- PTFE revenue went down by about 16%, from Rs. 5 billion to Rs. 4.22 billion.
- Other products went up by 31% from Rs 0.83 billion to Rs 1.08 billion.

As a result of which overall sales from the Chemical business which were Rs. 13.20 billion in FY2015 went up marginally by 1% to Rs. 13.38 billion in FY2016.

The volumetric data stood as under:

- Caustic Soda volumes went up by 9% from 1,05,451 tonnes to 1,14,890 tonnes.
- Chloromethane volumes went up by 5% from 62,820 tonnes to 65,837 tonnes.
- Refrigerant Gases volumes went up by 22% from 11,748 tonnes to 14,307 tonnes.
- PTFE volumes went down by 13% from 9,219 tonnes to 8,054 tonnes.
- PTFE volumes (including sales from subsidiaries) PTFE sales were around the same last year which is 8,624 tonnes for the full year.

On the Standalone Balance Sheet side, GFL remained extremely strong, the total Shareholder Funds of FY2016 were Rs. 29 billion, and debt to equity is 0.2 x.

9%
YOY RISE IN CAUSTIC SODA VOLUMES OF GFL

Investment Portfolio

Subsidiary Name	Nature of Business	Stake (%)	Turnover Rs. in Lakhs	Growth (%) Rs. in Lakhs
INOX Wind Limited (IWL)	IWL is engaged in the business of manufacture and sale of wind turbine generators (WTGs) and providing erection, procurement and commission services for WTGs.	63.09%	3,87,976	48,129
Inox Leisure Limited (ILL)	ILL is engaged in the business of operating and managing multiplex cinema theatres.	48.09%	1,33,269	7,749
INOX Renewables Limited (IRL)	IRL is engaged in the business of generation of wind energy and providing erection, procurement, commission, operations and maintenance services for wind farms.	99.98%	11,595	(2,647)
INOX Wind Infrastructure Services Limited	INOX Wind Infrastructure Services Limited is engaged in the business of providing erection and commissioning and operation and maintenance services for WTGs.	Step down Subsidiary	59,167	(2,903)
INOX Renewables (Jaisalmer) Limited	IRJL is engaged in the business of the generation of Wind Energy.	Step down Subsidiary	5,178	222
INOX Infrastructure Limited	IIL is engaged in the business of Real Estate and property development.	100%	-	(27)
Gujarat Fluorochemicals Americas LLC, USA	GFL Americas is in the business of manufacturing and sale of PT-PTFE Compound.	100%	8,209	(319)
Gujarat Fluorochemicals Singapore Pte, Ltd	GFL Singapore has been set up for the purposes of investment activities.	100%	21	6
GFL GM Fluorspar SA	GFL GM Fluorpar SA is in the business of exploration of fluorspar mines.	74%	-	(117)
Gujarat Fluorochemicals GmbH	To carry on the business of trading as well as import and export, processing, distribution, marketing and storage of polymers and organic and inorganic compounds, especially Poly tetra Fluoro Ethylene (PTFE grades) and to provide after sales services as well as technical support to its German and EU customer.	100%	11,795	204
Swarnim Gujarat Fluorspar Private Limited	SGFPL is into the business of fluorspar mines.	25%	-	(2)

MANAGEMENT DISCUSSION & ANALYSIS



RISK MANAGEMENT & INTERNAL CONTROL

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

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

The Company has an elaborate Risk Management process which is formulated based on principles of Business Risk Assessment, Operational Controls and Compliance to various Policies. The Company proactively identifies and systemically resolves all the major risks in Business. During the year, the Company has undertaken an exercise to document all the risks and corresponding controls.

OUR INTERNAL CONTROLS HAVE BEEN DESIGNED TO PROVIDE ASSURANCE WITH REGARD TO RECORDING AND PROVIDING RELIABLE FINANCIAL AND OPERATIONAL INFORMATION, COMPLYING WITH THE APPLICABLE STATUTES, SAFEGUARDING ASSETS, EXECUTING TRANSACTIONS WITH PROPER AUTHORIZATION AND ENSURING COMPLIANCE WITH CORPORATE POLICIES.

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

OPPORTUNITIES, RISKS, THREATS AND CONCERNS

Due to the commodity nature of some of the products produced by GFL, the Company is susceptible to the vagaries, which are symptomatic of the industry. GFL mitigates the intensity of such fluctuations on both their inputs and outputs through a combination of astute strategic business approaches, that include value added customization; fostering customer loyalty to its products through excellent service and support; low-cost integrated manufacturing; long term supply agreement on raw materials and assuring the continuous sourcing of Fluorspar, a key raw material used by the Company.

Currently, GFL is well resourced financially to manage and maintain smooth operations. Its accruals, cash flows, lines of credit and banking arrangements are well balanced to ensure continuity. The Company has the ability to comfortably raise more capital at any time should the need arise. However, any non-payment or delayed collection of receivables from customers could materially and adversely affect liquidity, financial condition and results of operations.

GFL imports raw materials and simultaneously exports its finished goods. Hence, GFL has an exposure of risks relating to the fluctuation of exchange rates in the foreign currencies. GFL, therefore, adopts a natural hedge policy by balancing its payables and working capital loans versus its receivables denominated in foreign currencies to mitigate such foreign currency risks to protect its bottom lines and return ratios.

A key risk includes increased competition and impact on pricing, due to any additional capacities set up by Chinese manufacturers. GFL remains confident of being able to maintain its competitive position due to its cost competitiveness derived from its integrated operations and its strong marketing and customer retention strategies.

The key opportunities in the PTFE business include the vast undeveloped potential in the Indian markets that will be converted into market demand by new products and application development. The market gaps created by established players moving to higher value added polymers also gives GFL the opportunity to absorb new unmet demand.

There also exists the potential to work with reputed global players of PTFE based components to expand the PTFE market in India. GFL also sees major opportunities in US, Latin America and Far East to expand its sales and global market share. The Company has taken appropriate steps to market into and service these markets to achieve this goal.

GFL IS WELL RESOURCED FINANCIALLY TO MANAGE AND MAINTAIN SMOOTH OPERATIONS. ITS ACCRUALS, CASH FLOWS, LINES OF CREDIT AND BANKING ARRANGEMENTS ARE WELL BALANCED TO ENSURE CONTINUITY. THE COMPANY HAS THE ABILITY TO COMFORTABLY RAISE MORE CAPITAL AT ANY TIME SHOULD THE NEED ARISE.

Fluoropolymers and Fluorine based Intermediates

Fluoropolymers is a large global industry including many chemicals such as PTFE, PVDF, FEP, FKM, PFA, Micropowders and ETFE. Over the last 7-8 years, GFL has consolidated its position in the PTFE space and enjoys a top 4 ranking based on 16,000 TPS PTFE capacity, making a wide range of variants including Fine Powders, Aqueous Dispersions, Modified PTFE, and Post Treated PTFE Grades. In particular, the commercial plant for manufacturing FKM is already in production and, for other products samples have been sent to the market for approvals, which are in advanced stages. The Company sees substantial opportunities of growth from this family of products.

Organic Fluorine molecules are increasingly becoming ingredients of newer crop protection and Pharma molecules. Since the use of Fluorine delivers healthier crops and more effective medicines, it is expected that in the next few years, about 40% of all pharma molecules will have F-molecules from 20% now. Similarly, in time one can expect about 50% crop protection chemicals will have F-molecules, from just 28% now. Already, about 28 products are in pipeline, out of which for commercial plants for five products have been set up. The Company also expects this family of products to be a strong growth driver for the future. Going forward, there are twelve products at the pilot stages for commercial production.

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PRODUCTS IN THE PIPELINE

MANAGEMENT DISCUSSION & ANALYSIS

HUMAN RESOURCES

- The Company believes that its employees are its most valuable asset and that our human resources play a pivotal role in realising the Company's strategic goals and ensuring a consistent global quality in the delivery of all its products and services, within the framework of a customer-focused culture. The Company encourages an environment of development and empowerment, enabling each staff member to contribute his/her skills and talents towards sustaining high performance.

- The Company has established a structured process to be in touch with the pulse of the people through annual people surveys. Annual Employee Satisfaction (E-SAT) (for technicians) Survey and Employee Effectiveness Survey (EE2) (engineers and executives up to managerial level) is administered across locations, which highlight the strengths and the major areas of improvement to enhance employee satisfaction and their effectiveness for sustained profitable growth. "Prayas", the employee suggestion scheme, is now a continuous process across sites. To keep employees motivated, Functional Heads and Supervisors are encouraged to spontaneously recognize their team members for a small, but significant, contribution in their day-to-day work.

- We strive to continuously upgrade the skills of our operators and technicians to ensure productivity and enhanced output matching the required quality. A special tool 'Skill – Will' has been introduced to determine and to map the performance of operators and technicians based on the skill and willingness of the employees and arrive at their individual training needs.

- To ensure sustained profitable growth, it is but pertinent to build continuously on our internal human capital through leadership development. The first step taken towards this end saw the introduction of a Leadership Competency Framework. This Competency frame work has now been dovetailed into our Performance Management system and will help us to identify the "High Potential" employees who can be groomed for becoming the leaders of tomorrow. Furthermore, the target setting exercise has now been digitised with the implementation of the "eTMS". Every site now has an Annual HR Plan in line with the business plan.

- We are an 'Equal Opportunity" employer and we believe that to tap into the country's vast resources, it is essential to reach out to various groups of men and women who are not a part of our workplace as they bring in good talent. The gender ratio in our Company has been steadily increasing and we now have place for young lady engineers in our Company. We also celebrated diversity at our workplace on International Women's Day and Mothers' Day by felicitating our women employees across locations.

INFORMATION TECHNOLOGY

GFL deploys nothing but the best-breed IT systems to power every operation it performs and to aid the Management in running its affairs efficiently. At the center of our business is our SAP-based system, which enables full visibility to our Management of our operations, marketing and financial goals and allows it to raise its standards for customer service and reliability. In addition, innovative technology solutions differentiate us in the marketplace in terms of both our offerings and operational efficiency. Technology is also the foundation for process improvements that enhance our productivity, improve efficiency and reduce costs.

THE COMPANY ENCOURAGES AN ENVIRONMENT OF DEVELOPMENT AND EMPOWERMENT, ENABLING EACH STAFF MEMBER TO CONTRIBUTE HIS/HER SKILLS AND TALENTS TOWARDS SUSTAINING HIGH PERFORMANCE.

During the year, we re-implemented SAP for GFL and Inox Wind Limited for integration of the business processes into a central ERP for the following modules:

- PM – Plant Maintenance Module
- SD – Sales & Distribution Module
- MM – Materials Management Module
- QM – Quality Management Module
- PP – Production Planning Module
- FI – CO – Finance & Costing Module
- PS – Project systems

Our key achievement in the IT landscape has been the installation of high-end SAP servers for fast data and information access with high-end data security of business critical information. Our new infrastructure with high end servers are based on the latest processor (power 8) IBM power series p8 servers for SAP application. In addition to this, a new UTM (Unified Threat Management) has been installed for better data security and to have efficient controls on information and data. We also implemented SOP in SAP to enable internal controls on business commercial operations, besides developing and implementing a wind turbines online data access portal for our external customers.

OUTLOOK & STRATEGY

FY2016 was a year of consolidation in the PTFE industry. While the PTFE prices declined due to global slowdown, the benefit of lower raw material prices helped PTFE manufacturers including GFL to maintain operating margins. The domestic and global markets for GFL's products remain resilient and steady, with global recovery



in demand. However, GFL believes that its Chemical Business will be in position to benefit from increase in value addition, market penetration, capacity utilisation and margin expansion.

We expect to see sustained growth in PTFE leading to improved utilisation levels in FY2017. We are adding new clients as well as increasing our percentage with existing clients. We believe that over next two years to three years, we should be able to reach the full optimal utilisation of the PTFE capacity. Furthermore, along with improving capacity utilisation, our focus will also remain on increasing the share of value added PTFE grades. We have already improved the share of value added PTFE grades from 30% in FY2015 to 43% in FY2016. We expect to further improve this ratio to 50% and beyond, going forward.

We shall continue to focus on growing our Fluoro-speciality polymer business over coming years. We have already commenced development of certain Fluoro-specialty polymers like FKM which is Fluoroelastomer, PFA, FEP and PTFE Micro Powders which go into different applications. These new Fluoropolymers are also significantly more value added in comparison to PTFE. In Fluoro-specialty chemicals, we are actively working on about 15 new molecules, out of which facilities for about 7 molecules are expected to get commissioned and commercialised in FY2017. While these businesses unfold during FY2017, the platform has already been set, and with qualification process underway, we expect to witness strong ramp up of commercial production in the coming years. GFL does not expect any substantial Capex for these new Fluoropolymers and Fluorspecialty chemicals and will be mainly sweating the assets already set up. In addition, GFL will be focusing on new generation refrigerant gases such as HFC 32, HFC 125 and HFC 410 for domestic markets as well as the export markets. GFL continues to also stress on cost reduction schemes with a major coal based power plant planned in lieu of expensive natural gas.

CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of Gujarat Fluorochemicals Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Gujarat Fluorochemicals Limited's Annual Report, 2015-16.

NOTICE

GUJARAT FLUOROCHEMICALS LIMITED
(CIN: L24110GJ1987PLC009362)
Registered office: Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
Telephone: 02678-248153, Fax: 02678-248153
Website: www.gfl.co.in, Email id: contact@gfl.co.in

NOTICE is hereby given to the Members of Gujarat Fluorochemicals Limited that the Twenty-Ninth Annual General Meeting of the Company will be held at the Registered Office of the Company at Survey Number 16/3, 26 & 27, Village Ranjitnagar 389 380, Taluka Ghoghamba, District Panchmahal, Gujarat, on the Monday 26th September, 2016, at 12:00 noon, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To consider and adopt

a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2016, 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, 2016 and the report of the Auditors thereon.

2. Re-appointment of Shri Pavan Jain as Director of the Company

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

3. Ratification of the appointment of Independent Auditors and to authorize the Board of Directors to fix Remuneration

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 139, 141, 142, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, the appointment of M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W), as Independent Auditors of the Company be and is hereby ratified, to hold office from the conclusion of 29th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration based on the recommendation of the Audit Committee including reimbursement of out of pocket expenses in connection with the audit of the Accounts for the Financial Year ending on 31st March, 2017."

SPECIAL BUSINESS

4. Re-appointment of Shri Dinesh Kumar Sachdeva as Whole-time Director of the Company and approve payment of Remuneration to him

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

"Resolved that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including statutory modifications or re-enactment thereof, for the time being in force, Shri Dinesh Kumar Sachdeva (DIN: 00050740) be and is hereby re-appointed, as Whole-time Director of the Company for a further period of one year commencing from 29th November, 2016 on such terms and conditions including remuneration as set out below, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri Dinesh Kumar Sachdeva, subject to the same not exceeding limits specified under Schedule V to the Companies Act, 2013 or any statutory modifications (s) thereof:

Remuneration of upto ₹ 30 lakh per annum.

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company.

In addition to remuneration within the above range, Shri Dinesh Kumar Sachdeva would also be entitled to the Company car with driver, telephone facility, and insurance for self. Use of car and telephone for the Company's business will not be considered as perquisites. All the perquisites and benefits are to be evaluated as per the Income Tax Rules, 1961."

"Resolved further that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

NOTICE(Contd.)

5. Re-appointment of Shri Anand Rambhau Bhusari as Whole-time Director of the Company and approve payment of Remuneration to him

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 Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including statutory modifications or re-enactment thereof, for the time being in force, Shri Anand Rambhau Bhusari (DIN: 07167198) be and is hereby re-appointed as Whole-time Director of the Company for a period of one year commencing from 28th April, 2016 on such terms and conditions including remuneration as set out below, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri Anand Rambhau Bhusari, subject to the same not exceeding limits specified under Schedule V to the Companies Act, 2013 or any statutory modifications (s) thereof:

Remuneration of upto ₹ 130 lakh per annum.

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company for the time being in force."

"Resolved further that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

6. Ratification of approval of payment of Remuneration to the Cost Auditor of the Company

To ratify approval of payment of Remuneration to M/s Kailash Sankhlecha & Associates, Vadodara, Cost Auditor of the Company and for this purpose, to pass the following resolution, as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 148 and all other applicable provisions 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), the remuneration of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand Only) plus service tax as applicable and reimbursement of out of pocket expenses, at actual, as approved by Board of Directors of the Company, to be paid to M/s. Kailash Sankhlecha & Associates, Cost Auditors (Membership No. M/12055) of the Company for conducting the audit of the cost records of the Company for the Financial Year ending on 31st March, 2017, be and is hereby ratified and confirmed."

"Resolved further that the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds & things and to take all such steps as they may deem necessary, proper or expedient to give effect to this resolution."

7. Appointment of Shri Chandra Prakash Jain as an Independent Director of the Company

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Chandra Prakash Jain (DIN: 00011964), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and pursuant to Article 144 of the Articles of Association of the Company to fill up causal vacancy caused by resignation of Dr S Rama Iyer (DIN: 00076549), Independent Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 31st March, 2019."

By Order of the Board of Directors

Noida
11th August, 2016

Bhavin Desai
Company Secretary

NOTICE(Contd.)

Notes:

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

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

3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business as per Item No. 4 to 7 hereinabove is annexed hereto.

4. The Register of Members and Share Transfer Books will be closed from Monday, 19th September, 2016 to Monday, 26th September, 2016 (both days inclusive).

5. Those Members who have not received interim dividend and / or final dividend for 2009-10 and / or 2010-11 and / or 2011-12 and / or 2012-13 and / or 2013-14 and /or 2014-15 and / or 2015-16 declared and paid by the Company, are requested to write to our Registrar & Share Transfer Agents of the Company.

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

Name of Director	**Shri Pavan Jain**	**Shri Dinesh Kumar Sachdeva**	**Shri Anand Rambhau Bhusari**	**Shri Chandra Prakash Jain**
Date of Birth and Age	17th May, 1951, 65 years	12th December, 1944, 72 years	13th May, 1958, 58 years	3rd March, 1946, 70 years
Date of first appointment on the Board	4th February, 1987	29th November, 1996	28th April, 2015	11th August, 2016
Directors Identification Number	00030098	00050740	07167198	00011964
Qualification	B.Tech. Chemical Engineer from Indian Institute of Technology, New Delhi	B.Tech. Chemical Engineer from Indian Institute of Technology, Kharagpur	M.Tech. Chemical Engineer from Indian Institute of Technology, Mumbai	Shri Chandra Prakash Jain is a Fellow Chartered Accountant (FCA) and holds Advance Diploma in Management. He holds a bachelor's degree in commerce from Rajasthan University and a bachelor's degree in law from Agra University.

NOTICE(Contd.)

Name of Director	Shri Pavan Jain	Shri Dinesh Kumar Sachdeva	Shri Anand Rambhau Bhusari	Shri Chandra Prakash Jain
Experience / Expertise in Specific Functional Area	Shri Pavan Jain is post graduate in Chemical Engineering from Indian Institute of Technology, New Delhi with over 40 years of experience of handling several diverse businesses, of which the last twenty have been as Managing Director of Inox Air Products Private Limited. Under his stewardship, Inox Air Products Private Limited has grown from a single plant business, to one of the largest players in the Industrial Gas business in the country.	Shri Dinesh Kumar Sachdeva is B. Tech, Chemical Engineer from Indian Institute of Technology, Kharagpur, and has over 47 years of experience in the technical field of various chemical / process plants.	Shri Anand Rambhau Bhusari is a Post Graduate in Chemical Engineering from Indian Institute of Technology, Mumbai and has 34 years of experience essentially in Petrochemicals & Refinery Operations, technology management, project execution, debottlenecking, safety & quality systems. He was associated with Reliance Industries for 18 years with his last assignment as COO. Prior to that he was with NOCIL for nearly 10 years. In his past assignments, he has made significant stride towards achieving Operational Excellence. He was also instrumental in deployment of various Business transformation initiatives.	Shri Chandra Prakash Jain is former Chairman and Managing Director of NTPC Limited. He was also the Chairman of the Standing Conference of Public Enterprises (SCOPE) for the period 2003-05. He has been a past member of the Standing Technical Advisory Committee of the Reserve Bank of India, Audit Advisory Board of the Comptroller & Auditor General of India. He has in the past headed the Confederation of Indian Industries (CII's) National Committee on Energy. Presently he is also an Independent Director on the Boards of IL&FS Energy Development Company Limited, Adani Power Limited and PCI Limited. He is also a Member of Advisory Board of Axis Infrastructure Fund.
Directorship held in other Companies	Inox Leasing and Finance Limited Inox Air Products Private Limited Inox India Private Limited Inox Leisure Limited Inox Infrastructure Limited Inox Renewables Limited Rajni Farms Private Limited Devansh Gases Private Limited	Nil	Nil	Jaiprakash Associates Limited Inox Wind Limited AVU Enterprises Private Limited Prime Meiden Limited IL&FS Energy Development Company Limited IIDC Limited PCI Limited Adani Power Limited

NOTICE(Contd.)

Name of Director	Shri Pavan Jain	Shri Dinesh Kumar Sachdeva	Shri Anand Rambhau Bhusari	Shri Chandra Prakash Jain
Membership / Chairmanship of other Companies	Gujarat Fluorochemicals Limited Stakeholders' Relationship Committee, Member Inox India Private Limited Audit Committee, Member Stakeholders' Relationship Committee, Member CSR Committee, Member NR Committee, Member Inox Leasing and Finance Limited Audit Committee, Chairman Stakeholders' Relationship Committee, Chairman CSR Committee, Member Inox Air Products Private Limited Stakeholders' Relationship Committee, Chairman Audit Committee, Chairman Operations Committee of Board of Directors, Chairman CSR Committee, Chairman Inox Leisure Limited Stakeholders' Relationship Committee, Chairman	Nil	Nil	IIDC Limited Audit Committee, Chairman CSR Committee, Member PCI Limited Audit Committee, Member NR Committee, Member Stakeholder Relationship Committee, Member Adani Power Limited Audit Committee, Member NR Committee, Member Stakeholder Relationship Committee, Member Risk Management Committee, Member IL&FS Energy Development Company Limited Audit Committee, Member CSR Committee, Member Prime Meiden Limited Audit Committee, Member NR Committee, Chairman Jai Prakash Associates Limited Restructuring Committee, Member Mumbai Metro Private Limited Audit Committee, Member
The Number of Meeting of the Board Attended during the year	1	1	2	Not applicable since appointed on 11th August, 2016
Remuneration last drawn	Rs 20,000 (Sitting Fees for Board Meeting)	₹ 24.52 lakh	₹ 115.57 Lakh	Not applicable since appointed on 11th August, 2016

Name of Director	Shri Pavan Jain	Shri Dinesh Kumar Sachdeva	Shri Anand Rambhau Bhusari	Shri Chandra Prakash Jain
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Relative of Shri Devendra Kumar Jain, Chairman and Shri Vivek Kumar Jain, Managing Director of the Company	None	None	None
Shareholding in the Company	20,100 shares	Nil	Nil	Nil

7. In compliance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 as amended read with Regulation 44 of the Listing Regulations, Annual Report for Financial Year 2015-16 of the Company has been sent via Electronic Mode (e-mail) to the Members whose e-mail addresses were made available to us by the Depository Participants. We request the Members to register / update their e-mail address with their Depository Participants, in case they have not already registered / updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Registrar and Share Transfer Agents of the Company.

8. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide e-voting facility to all Members through the e-voting platform of CDSL. In this regard, your demat account/folio number has been enrolled by the Company for your participation in e-voting on the resolutions placed by the Company on the e-voting system. Instructions and manner of e-voting process can be downloaded from the link https://www.evotingindia.com. E-voting is optional. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on Monday, 19th September, 2016.

The instructions for Members voting electronically are as under:

(i) The voting period begins on Friday, 23rd September, 2016 at 09.00 am and ends on Sunday, 25th September, 2016 at 05.00 pm. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 19th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) 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 Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

NOTICE(Contd.)

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field (attached with Annual Report).
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

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

(x) 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.

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

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

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

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

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

NOTICE(Contd.)

Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

a. The voting rights of Members shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of Monday, 19th September, 2016. For all others who are not holding shares as on Monday, 19th September, 2016 and receive the Annual Report of the Company, the same is for their information.

b. A copy of this Notice has been placed on the website of the Company and the website of CDSL.

c. M/s Samdani Shah & Associates, Practicing Company Secretary (Certificate of Practice Number 2863) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the 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. Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

d. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gfl.co.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

e. Member may address their grievances connected with the e-voting to Mr. Bhavin Desai, Company Secretary, 2nd Floor ABS Towers, Old Padra Road, Vadodara - 390007, Email ID – bvdesai@gfl.co.in, Phone number- 0265 6198 111.

9. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., Link Intime India Private Limited, Unit: Gujarat Fluorochemicals Limited, B – 102 & 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta, Akota, Vadodara 390020, 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.

10. Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company Secretary at least seven days in advance at its Registered Office, so as to enable the Company to keep the information ready.

11. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.

12. 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.

13. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.

14. 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 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 Office of the Company situated at 2nd Floor ABS Towers, Old Padra Road, Vadodara - 390007 and also at the Meeting.

15. The Chairman shall, at the Meeting, at the end of discussion 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.

ANNEXURE TO THE NOTICE

The Statement under Section 102 (1) of the Companies Act, 2013

Item No. 4

At the Twenty-Eight Annual General Meeting of the Company, the Members had re-appointed Shri Dinesh Kumar Sachdeva (DIN: 00050740) as a Whole-Time Director of the Company for a period of one year from 29th November, 2015 to 28th November, 2016. It is desirable that the Company should continue to avail the services of Shri Dinesh Kumar Sachdeva as Whole-Time Director of the Company, on the terms as contained in the Resolution.

The matter regarding re-appointment of Shri Dinesh Kumar Sachdeva as Whole-time Director was placed before the Nomination and Remuneration Committee and it has recommended his re-appointment.

In compliance of Section 196, 197,203 read with Schedule V of the Act and Rules framed thereunder, the re-appointment of Shri Dinesh Kumar Sachdeva as Whole-time Director of the Company for a period of one year with effect 28th November, 2016 is being placed before the Members for their approval.

Brief resume of Shri Dinesh Kumar Sachdeva, nature of his experience in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations, are provided at Note No. 6 of the Notice.

Shri Dinesh Kumar Sachdeva is interested in the resolution set out respectively at Item No. 4 of the Notice with regard to his re-appointment. The relatives of Shri Dinesh Kumar Sachdeva may be deemed to be interested in the resolution set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

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

Item No. 5

At the Twenty-Eight Annual General Meeting of the Company, the Members had appointed Shri Anand Rambhau Bhusari (DIN: 07167198) as a Whole-Time Director of the Company for a period of one year from 28th April, 2015 to 27th April, 2016. It is desirable that the Company should continue to avail the services of Shri Anand Rambhau Bhusari as a Whole-Time Director of the Company, on the terms as contained in the Resolution.

The matter regarding re-appointment of Shri Anand Rambhau Bhusari as Whole-time Director was placed before the Nomination and Remuneration Committee and it has recommended his re-appointment.

In compliance of Section 196, 197,203 read with Schedule V of the Act and Rules framed thereunder, the re-appointment of Shri Anand Rambhau Bhusari as Whole-time Director of the Company for a period of one year with effect from 28th April, 2016 is being placed before the Members for their approval.

Brief resume of Shri Anand Rambhau Bhusari, nature of his experience in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations, are provided at Note No. 6 of the Notice.

Shri Anand Rambhau Bhusari is interested in the resolution set out respectively at Item No. 5 of the Notice with regard to his appointment. The relatives of Shri Anand Rambhau Bhusari may be deemed to be interested in the resolution set out respectively at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

The Directors recommend the Resolution as stated at Item No. 5 of the Notice for approval of the Members.

Item No. 6

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2017.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially

or otherwise, in the resolution set out at Item No. 6 of the Notice. The Directors recommend the Resolution as stated at Item No. 6 of the Notice for approval of the Members by way of an Ordinary Resolution.

Item No. 7

Shri Chandra Prakash Jain (DIN: 00011964) is appointed on the Board of the Company as Independent Director to fill up causal vacancy caused by resignation of Dr S Rama Iyer (DIN: 00076549) for a term upto 31st March, 2019.

It is proposed to appoint Shri Chandra Prakash Jain as Independent Director under Section 149 of the Companies Act, 2013 (Act) to hold office for a term up to 31st March, 2019 and he shall not be included in the total number of Directors liable to retire by rotation at the Annual General Meeting.

Shri Chandra Prakash Jain has given a declaration to the Board that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Directors. Further, Shri Chandra Prakash Jain has given declaration to the Board that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

The Company has received notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Shri Chandra Prakash Jain for the office of Director of the Company.

The matter regarding appointment of Shri Chandra Prakash Jain as Independent Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

In the opinion of the Board, Shri Chandra Prakash Jain fulfil the conditions for appointment as Independent Director as specified in the Act. Shri Chandra Prakash Jain is independent of the management.

Brief resume of Shri Chandra Prakash Jain, nature of his experience in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 (Listing Regulations), are provided the Note No. 6 of the Notice.

Copy of the letter for appointment of Shri Chandra Prakash Jain as Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Listing Regulations.

Shri Chandra Prakash Jain is interested in the resolution set out at Item No. 7 of the Notice with regard to his appointment. The relatives of Shri Chandra Prakash Jain may be deemed to be interested in the resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

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

By Order of the Board of Directors

Noida
11th August, 2016

Bhavin Desai
Company Secretary

BOARD'S REPORT

To the Members of
GUJARAT FLUOROCHEMICALS LIMITED

Your Directors take pleasure in presenting to you their Twenty-Ninth Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2016.

1. FINANCIAL RESULTS

Following are the working results for the Financial Year 2015-16:

Particulars	Consolidated (₹ in lakh)		Standalone (₹ in lakh)	
	2015-16	2014-15	2015-16	2014-15
Net Sales / Income from Operations	**712419**	527715	**131908**	130921
Other operating Income	**7448**	6366	**1923**	1176
Total Income from Operations	**719867**	534081	**133831**	132097
Less: Total Expenses	**622362**	459053	**119518**	116670
Profit from operations before other income and finance cost and exceptional items	**97505**	75028	**14313**	15427
Add: Other Income	**8503**	4981	**5236**	5619
	106008	80009	**19549**	21046
Less: Finance Costs	**23228**	21877	**4773**	5198
Profit from ordinary activities after finance costs but before exceptional items	**82780**	58132	**14776**	15848
Exceptional items	**(496)**	24433	**-**	27905
Profit from ordinary activities before taxation	**82284**	82565	**14776**	43753
Provision for taxation	**22413**	15852	**4360**	5517
Profit / (Loss) for the year	**59871**	**66712**	**10416**	**38236**
Less: Share of Minority Interest in Profit / (Loss)	**(20484)**	(8186)	**-**	-
Add: Share in profit of associates	**-**	-	**-**	-
Net Profit / (Loss) for the year	**39387**	**58527**	**10416**	**38236**
Profit brought forward form earlier years	**75848**	59558	**972**	667
On account of change in Minority Interest	**-**	(4306)	**-**	-
On account of Amalgamation	**(198)**	-	**-**	-
Recoupment of loss of earlier year from Minority Interest	**-**	-	**-**	-
Profit available for appropriations	**115037**	**113779**	**11388**	**38903**
Appropriations				
Transferred to General Reserves	**6000**	33303	**6000**	33303
Interim Dividend	**3845**	-	**3845**	-
Final Dividend	**-**	3845	**-**	3845
Tax on Dividend	**783**	783	**783**	783
Balance Carried forward to Balance Sheet	**104410**	75848	**760**	972
TOTAL	**115037**	**113779**	**11388**	**38903**

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

2. CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements prepared in accordance with the requirements of the Companies Act, 2013 (Act), SEBI (Disclosure and Listing Obligations Requirements) Regulations, 2015 (Listing Regulations) and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures for the Financial Year 2015-16 forms part of this Annual Report. The Audited Standalone and Consolidated Financial Statements for the Financial Year 2015-16 shall be laid before the Annual General Meeting for approval of the Members of the Company.

BOARD'S REPORT (Contd.)

3. DIVIDEND

Your Directors have paid an Interim Dividend of ₹ 3.50 per share (350%). The total dividend pay-out (including dividend distribution tax on dividend pay-out) for the Financial Year 2015-16 is ₹ 4627 lakhs. The Board of Directors have not recommended any further Dividend for the Financial Year 2015-16.

4. TRANSFER TO RESERVES

During the year under review, the Company has transferred ₹ 6000 lakhs to General Reserves.

5. DIRECTORS

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

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

Re-appointment of Shri Anand Bhusari (DIN: 07167198) and Shri Dinesh Kumar Sachdeva (DIN: 00050740 as Whole-time Director of the Company for a further period of one year with effect from 28th April, 2016 and 29th November, 2016 respectively.

Appointment of Shri Chandra Prakash Jain (DIN: 00011964) as an Independent Director in place of Dr. S Rama Iyer who has resigned as Independent Director of the Company.

Necessary Resolutions in respect of Directors seeking appointment / re-appointment and their brief resume pursuant to Clause 36 (3) of the Listing Regulations are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

During the year under review, Shri Jitendra Singh Bedi (DIN: 01670022) has resigned as a Whole-time Director of the Company with effect from 25th April, 2015 and Shri Anand Rambhau Bhusari (DIN: 07167198) is appointed in his place as Whole-time Director of the Company. Dr S Rama Iyer, Independent Director of the Company has resigned with effect from 01st April, 2016.

6. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is annexed to this Report as Annexure A.

7. INDEPENDENT DIRECTORS

Pursuant to provisions of Section 149 (7) of the Act, all Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations.

8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

9. BOARD EVALUATION

All Independent Directors at their meeting held on 9th February, 2016 had evaluated performance of Non-Independent Directors, Chairman of the Company and Board as a whole including Committees of Board in accordance with evaluation mechanism approved at the said Meeting. Further, the Board of Directors at its Meeting held on 9th February, 2016 had evaluated performance of Independent Directors in accordance with the evaluation mechanism approved at the said Meeting. These evaluations were done as per the requirements laid down in Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and Regulations 17 (10) and 25 (3) of the Listing Obligations. The performance of Directors was evaluated based on the parameters such as qualifications, experience, personal attributes like honesty and integrity, independence, professional skills, contribution to Board Meetings, etc. while the performance of the Board and the Committee were evaluated based on the parameters such as policies and procedures followed, qualification and experience of Board and Committee Members, composition of Board and Committee, diversity on the Board, Board Meetings and Committee Meetings, Corporate Governance, etc. A structured questionnaire was prepared covering the above areas of competencies and was given to each Director. Feedback received from the Directors reflected highly satisfactory performance.

10. MEETINGS OF THE BOARD

During the year under review, the Board met 6 (six) times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

11. DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SUB-SECTION (5) OF SECTION 134 OF THE COMPANIES ACT, 2013

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

i. in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and there are no departures from the requirement of the Accounting Standards;

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

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

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

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

BOARD'S REPORT (Contd.)

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

12. KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Companies Act, 2013, the Company at its Meeting of the Board of Directors held on 29th May, 2014 had designated Shri Vivek Jain, Managing Director, Shri Manoj Agrawal, Chief Financial Officer and Shri Bhavin Desai, Company Secretary as Key Managerial Personnel of the Company.

13. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the Recipient are provided in the Standalone Financial Statement of the Company. Please refer to Notes no 15, 16, 18, 22, 36(h), 53(a) and 53(b) to the Standalone Financial Statements of the Company.

14. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

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

All transactions entered with Related Parties for the year under review were on arm's length basis and hence, disclosure in form no AOC -2 is not required to be annexed to this Report.

15. DEPOSITS

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

16. SUBSIDIARY COMPANIES INCLUDING JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has following Subsidiaries / Joint Ventures / Associate Companies:

Gujarat Fluorochemicals Americas LLC

Gujarat Fluorochemicals Americas LLC is an Unlisted wholly-owned Foreign Subsidiary of the Company engaged in the business of manufacture, trading and sale of Post Treated Polytetrafluoroethylene (PT-PTFE) Compounds along with providing sales service and technical support to US customers.

Gujarat Fluorochemicals GMBH

Gujarat Fluorochemicals GmbH is an Unlisted wholly-owned Foreign Subsidiary of the Company engaged in the business of trading of polymer compounds especially, Post-Treated Polytetrafluoroethylene (PT-PTFE) along with providing sales service and technical support to German and EU customers.

Gujarat Fluorochemicals Singapore PTE Limited

Gujarat Fluorochemicals Singapore Pte Limited is an Unlisted wholly-owned Foreign Subsidiary of the Company engaged in investment activities and holds investments in the joint venture in Morocco for mining of Fluorspar.

GFL GM Fluorspar (SA)

GFL GM Fluorspar (SA) is step-down Foreign Subsidiary of the Company engaged into the business of mining of fluorspar.

Xuancheng HengYuan Chemical Technology Company Limited

Xuancheng HengYuan Chemical Technology Company Limited (XHCT) is a Joint Venture of the Company engaged in the business of manufacture of Anhydrous Hydrogen Fluoride and allied activities.

The Company has entered into an Agreement for sale of its stake in its Joint Venture Company XHCT, China. In view of the same, XHCT, China will cease to be a Joint Venture Company of Gujarat Fluorochemicals Limited on receipt of approval from the relevant regulatory authorities and transfer of Gujarat Fluorochemicals Limited's Shareholding in the Joint Venture Company. The Company has submitted its disclosure to the Stock Exchanges under Regulation 30 of the Listing Regulations in this regard.

Swarnim Gujarat Fluorspar Private Limited

Swarnim Gujarat Fluorspar Private Limited is a Joint Venture of the Company and is proposed to be engaged in the business of manufacture of Acid grade Fluorspar and allied activities.

Inox Infrastructure Limited

Inox Infrastructure Limited is an Unlisted wholly-owned Subsidiary of the Company engaged in the business of real estate and property development.

Inox Leisure Limited

Inox Leisure Limited is a Listed Subsidiary of the Company engaged in the business of setting up, operating and managing a national chain of multiplexes under the brand name 'INOX'. The Company holds 48.09 % of the Paid-up Equity Share Capital of Inox Leisure Limited.

Shouri Properties Private Limited

Shouri Properties Private Limited is an unlisted step-down Subsidiary of the Company which holds a license to operate a multiplex cinema theatre which is operated by Inox Leisure Limited.

Inox Wind Limited
Inox Wind Limited is a listed subsidiary of the Company engaged in the business of manufacture of wind turbine generators (WTGs). It also provides Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M) and Common Infrastructure Facilities services for WTGs. The Company holds 63.09% of the Paid-up Equity Share Capital of Inox Wind Limited.

Inox Wind Infrastructure Services Limited
Inox Wind Infrastructure Services Limited is an Unlisted step-down Subsidiary of the Company engaged the business of providing Erection, Procurement & Commissioning (EPC), Operation & Maintenance (O&M) services and Common Infrastructure facilities services for Wind Turbine Generators.

Marut-Shakti Energy India Limited
Marut-Shakti Energy India Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of development of Wind Farms.

Vinirrmaa Energy Generation Private Limited
Vinirrmaa Energy Generation Private Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of development of Wind Farms.

Sarayu Wind Power (Tallimadugula) Private Limited
Sarayu Wind Power (Tallimadugula) Private Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of development of Wind Farms.

Sarayu Wind Power (Kondapuram) Private Limited
Sarayu Wind Power (Kondapuram) Private Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of development of Wind Farms.

Satviki Energy Private Limited
Satviki Energy Private Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of development of Wind Farms.

Inox Renewables Limited
Inox Renewables Limited is an Unlisted Subsidiary of the Company engaged in the business of operating Wind Farms. The Company holds 99.98% of the Paid-up Equity Share Capital of Inox Renewables Limited.

Inox Renewables (Jaisalmer) Limited
Inox Renewables (Jaisalmer) Limited is an Unlisted step-down Subsidiary of the Company engaged in the business of generation of wind energy.

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 along with the contribution of the Subsidiaries, Associates and Joint Venture Companies to overall performance of the Company during the year in terms of Rule 8 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.

17. 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.

18. INDEPENDENT AUDITORS' REPORT

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

The Notes forming part of the Financial Statements of the Company for the year ended 31st March, 2016 are self-explanatory and do not call for any further clarifications under Section 134 (3) (f) of the Companies Act, 2013.

19. INDEPENDENT AUDITORS

Members at their 28th Annual General Meeting held on 29th September, 2015 had appointed M/s Patankar & Associates, Chartered Accountants, Pune as Independent Auditors of the Company from the conclusion of 28th Annual General Meeting until conclusion of 30th Annual General Meeting. The Board of Directors at their Meeting held on 16th May, 2016 recommended to the Members to ratify appointment of M/s Patankar & Associates, Chartered Accountants, Pune (Firm Registration No 107628W) as Independent Auditors of the Company. Members are now requested to ratify appointment of M/s Patankar & Associates, Chartered Accountants, Pune (Firm Registration No 107628W) as Independent Auditors of the Company from the conclusion of the 29th Annual General Meeting until the conclusion of 30th Annual General Meeting and to fix, or authorise the Board to fix their remuneration based on the recommendation of the Audit Committee. The Independent Auditors, M/s. Patankar & Associates, Chartered Accountants, Pune 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 satisfies criteria laid down in Section 141 of the Companies Act, 2013.

BOARD'S REPORT (Contd.)

20. COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company are required to be audited by a Cost Accountant in practice who shall be appointed by the Board. In view of the above, the Company has appointed M/s Kailash Sankhlecha and Associates, Vadodara to audit the cost audit records maintained by the Company for Financial Year 2016-17 on a remuneration of ₹ 2,40,000. As required under the referred Section of the Companies Act, 2013 and relevant Rules, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s Kailash Sankhlecha & Associates, Cost Auditors is included at Item No. 7 of the Notice convening the Annual General Meeting.

Particulars of Cost Audit Report Submitted by M/s Kailash Sankhlecha & Associates in respect of Financial Year 2014-15 is as follows.

Financial Year	2014-15
Due Date of Filing Cost Audit Report	8th October, 2015
Date of Filing Cost Audit Report	1st October, 2015

21. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2013, the Company has appointed M/s Samdani Shah & Associates, a firm of Practising Company Secretaries to conduct Secretarial Audit of the Company. The Secretarial Audit Report given by M/s Samdani Shah & Associates in Form no. MR-3 which has no qualifications is annexed to this Report as Annexure C.

22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) of the Listing Regulations read with para B of Schedule V is presented in a separate Section forming part of this Annual Report.

23. CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 (3) read with Para C of Schedule V of Listing Regulations, the Corporate Governance Report of the Company for the year under review and the Auditors' Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

In compliance with the requirements of Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate from the Managing Director and Chief Financial Officer of the Company, who are responsible for the finance function, was placed before the Board.

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

24. EXTRACT OF ANNUAL RETURN

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

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in respect of conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, in the manner prescribed is annexed to this Report as Annexure E.

26. PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said rule forms part of this report. However disclosure pertaining to remuneration and other details as required under Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as Annexure F.

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

27. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Shri Shanti Prashad Jain, Independent Director, Shri Vivek Jain and Shri Deepak Asher, Non-Independent Directors of the Company. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at http://www.gfl.co.in/pdf/CSR_Policy_Final_05112014.

pdf The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as Annexure G.

28. SAFETY, HEALTH AND ENVIRONMENT

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

29. INSURANCE

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

30. RISK MANAGEMENT

The Company has in place a mechanism to inform the Board about the risk assessment and minimization 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. For further details, please refer to the Management Discussion and Analysis Report forming part of this Annual Report.

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

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

The following is the summary of sexual harassment complaints received and disposed of during the year 2015-16.

Number of complaints received	Nil
Number of complaints disposed of	Not Applicable

32. 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.

33. 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 the Company's operations in future.

34. 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

Date : 11th August, 2016
Place : Noida

Devendra Kumar Jain
Chairman

ANNEXURE A NOMINATION AND REMUNERATION POLICY

1. PREFACE

a. The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company.

b. This Nomination and Remuneration Policy (NR Policy) has been formulated, inter alia, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of Gujarat Fluorochemicals Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

2. OBJECTIVES OF THIS NR POLICY:

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

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

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

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

3. DEFINITIONS

a. **Board means** the Board of Directors of the Company.

b. **Directors means** the Directors of the Company.

c. **Committee means** the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.

d. **Company means** Gujarat Fluorochemicals Limited.

e. **Key Managerial Personnel (KMP) means**

- Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole- time Director;
- Company Secretary;
- Chief Financial Officer

f. **Senior Management Personnel means,** the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs, comprising of all members of management on level below the Executive Directors including the functional heads.

g. **Other employees means,** all the employees other than the Directors, KMPs and the Senior Management Personnel.

4. NR POLICY

NR Policy is divided into three parts as follows:

I. QUALIFICATIONS

Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:

a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors

For appointing any person as an Independent Director he/ she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

c. Senior Management Personnel and KMP and Other Employees

The Company has an Organogram displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the Organogram of the Company.

II. REMUNERATION

a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The Managing Director is also eligible for payment of Commission on net profits as

permissible under Section 197 of the Companies Act, 2013 and approved by the Shareholders from time to time to be payable to the Managing Director of the Company . The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

b. Structure of Remuneration for Non-executive Director

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non -executive Director.

iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

c. Structure of Remuneration for Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

III. EVALUATION

a. Criteria for evaluating Non-executive Board members:

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel

Criteria for evaluating performance of KMP and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

c. Criteria for evaluating performance of Other Employees

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

5. COMMUNICATION OF THIS POLICY

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the web-site of the Company and in the Annual Report of the Company.

6. AMENDMENT

Any change in the Policy shall, on recommendation of NR Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

ANNEXURE B AOC 1

Statement containing salient features of the financial statement of Subsidiaries / Associate companies/ Joint venture

PART A – SUBSIDIARIES

(₹ in Lakh)

	NAME OF SUBSIDIARIES															
	Inox Leisure Limited	Inox Wind Limited	Inox Renewables Limited	Inox Renewables (Jaisalmer) Limited	Inox Wind Infrastructure Services Limited	Marut-Shakti Energy India Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Sarayu Wind Power (Kondapuram) Private Limited	Satviki Energy Private Limited	Vinirrmaa Energy Generation Private Limited	Inox Infrastructure Limited	Gujarat Fluorochemicals Americas LLC	Gujarat Fluorochemicals Singapore Pte Limited	GFL GM Fluorspar (SA)	Gujarat Fluorochemicals GmbH	Shouri Properties Private Limited
Date on which the Associate or Joint Venture was associated or acquired	09/11/1999	09/04/2009	11/11/2010	24/07/2012	11/05/2012	13/09/2013	09/12/2015	25/03/2016	19/11/2015	23/01/2016	27/02/2007	02/09/2009	25/07/2011	15/08/2011	19/08/2013	24/11/2014
Reporting period, if different from the holding Company																
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries												USD @₹66.25	USD @₹ 66.25	MAD @₹.6.8563	EURO @₹.75.39	
Share Capital	9616.28	22191.82	337.50	10605.00	5.00	61.11	1.00	1.00	83.50	5.00	5000.00	1012.28	1469.64	1349.96	21.82	141.00
Reserves and Surplus	49494.05	169633.79	49291.11	2459.04	(7436.93)	(350.70)	(57.05)	(10.55)	(3.23)	(14.00)	401.45	(57.98)	303.04	(1143.72)	245.90	(71.45)
Total Assets	102688.99	443356.97	154576.81	37077.67	90870.13	2085.11	228.38	98.71	81.56	86.20	5410.83	5198.33	1776.72	5140.32	6245.53	200.40
Total Liabilities	43578.67	251531.36	104948.20	24013.62	98302.06	2374.70	284.42	108.26	1.29	95.21	9.38	4244.03	4.03	4934.08	5977.81	130.84
Investments	1759.03	56,226.67	10605.00	-	1756.13	-	-	-	-	-	5398.17	-	991.54	-	-	-
Turnover	133268.58	387976.31	11595.26	5177.93	59166.81	1784.11	-	-	-	-	-	8209.25	20.83	-	11794.93	354.69
Profit/(Loss) before taxation	8472.48	66919.18	(3097.68)	354.58	(4138.27)	(345.68)	(58.58)	(9.50)	(3.07)	(9.85)	(26.97)	(319.12)	10.67	(116.77)	308.45	(14.51)
Provision for taxation	708.04	18790.08	(450.33)	132.87	(1235.61)	(0.55)	0.06	0.07	0.16	0.50	(0.04)	-	4.22	-	104.13	-
Profit/(Loss) after taxation	7764.46	48129.10	(2647.35)	221.71	(2902.66)	(345.13)	(58.64)	(9.57)	(3.23)	(10.35)	(26.93)	(319.12)	6.46	(116.77)	204.32	(14.51)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	48.09	63.09	99.98	100.00 by Inox Renewables Limited	100.00 by Inox Wind Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00	100.00	100.00	74.00 held by GFL Singapore Pte. Limited	100.00	99.29 by Inox Leisure Limited

Name of subsidiaries which are yet to commence operations:

1) GFL GM Fluorspar (SA) 2) Names of subsidiaries which have been liquidated or sold during the year: Nil

PART B – ASSOCIATES AND JOINT VENTURES

Statement related to Associate Companies and Joint Ventures

(₹ in Lakh)

Sr. No.	Particulars	Xuancheng HengYuan Chemical Technology Company Limited	Swarnim Gujarat Fluorspar Private Limited
1	Latest Audited Balance Sheet date	31st December, 2015	31st March, 2016
2	Date on which the associate or joint Venture was associated or acquired	31st December, 2008	19th June, 2012
3	Shares of Associates/Joint Ventures held by the Company on the year end		
	Number	-	10,82,500
	Amount of investment in Associates/ Joint Venture	1263.89	108.25
	Extended holding %	33.77	49.93*
4	Description of how there is significant influence		
5	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable
6	Net worth attributable to Shareholding as per latest balance sheet	365.56	95.54
7	Profit/Loss for the year		
	considered in consolidation	(455.38)	(2.20)
	Not considered in consolidation		

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

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

Swarnim Gujarat Fluorspar Private Limited

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

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 11th August, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated : 11th August, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

ANNEXURE B AOC 1

CONTRIBUTION OF EACH OF THE SUBSIDIARIES TO THE OVERALL PERFORMANCE OF THE COMPANY

	Inox Leisure Limited	Inox Wind Limited	Inox Renewables Limited	Inox Renewables (Jaisalmer) Limited	Inox Wind Infrastructure Services Limited	Marut-Shakti Energy India Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Sarayu Wind Power (Kondapuram) Private Limited	Satviki Energy Private Limited	Vinirrmaa Energy Generation Private Limited	Inox Infrastructure Limited	Gujarat Fluorochemicals Americas LLC	Gujarat Fluorochemicals Singapore Pte Limited	GFL GM Fluorspar (SA)	Gujarat Fluorochemicals GmbH	Shouri Properties Private Limited
Date on which the Associate or Joint Venture was associated or acquired	09/11/1999	09/04/2009	11/11/2010	24/07/2012	11/05/2012	13/09/2013	09/12/2015	25/03/2016	19/11/2015	23/01/2016	27/02/2007	02/09/2009	25/07/2011	15/08/2011	19/08/2013	24/11/2014
Total Revenue contribution (%)	18.36	52.09	1.67	0.71	7.06	0.15	0.00	0.00	0.00	0.00	0.00	1.13	0.00	0.00	1.59	0.00
EBIDTA contribution (%)	13.81	47.32	7.92	4.06	0.86	(0.06)	0.01	0.00	(0.01)	0.00	(0.03)	(0.27)	0.04	(0.04)	0.30	(0.01)
Net Profit Contribution (%)	9.98	77.63	(7.38)	0.56	(4.68)	(0.56)	(0.01)	0.00	0.00	0.00	(0.07)	(1.11)	0.09	(0.30)	0.59	(0.04)
Gross Block contribution (%)	17.88	5.88	23.67	6.10	2.88	0.02	0.00	0.00	0.00	0.00	0.00	0.29	0.00	0.21	0.00	0.00
Net Worth contribution (%)	10.81	35.07	9.07	2.39	(1.36)	(0.05)	(0.01)	0.00	0.01	0.00	0.99	0.17	0.32	0.04	0.05	0.01

Contribution of the Joint Ventures & Associates to the overall performance of the Company

	Xuancheng HengYuan Chemical Technology Company Limited	Swarnim Gujarat Fluorspar Private Limited
Date on which the Associate or Joint Venture was associated or acquired	31st December, 2008	19th June, 2012
Total Revenue contribution (%)	0.63	0.00
EBIDTA contribution (%)	(0.01)	0.00
Net Profit Contribution (%)	(1.14)	(0.01)
Gross Block contribution (%)	0.18	0.00
Net Worth contribution (%)	0.07	0.02

ANNEXURE C MR-3 SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GUJARAT FLUOROCHEMICALS LIMITED
Survey No 16/3, 26-27 Ranjitnagar,
Ghoghamba Tal Panchmahal-389380.
Gujarat.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2016 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2016, according to the provisions of:

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

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ 2015;

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

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

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

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

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

(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

vi. Other sector specific laws as follows:-

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

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

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and / or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ANNEXURE C MR-3 SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We further report that the Board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

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

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific instances in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

S. Samdani
Partner

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

May 20, 2016,
Vadodara.

ANNEXURE D MGT 9

Extract of Annual Return as on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACITIVITES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product / Service	% to total turnover of the company
1	Refrigerant Gases	24111	20%
2	Caustic Soda (Caustic Soda Lye & Flakes)	24111	23%
3	Chloromethanes (Methylene Chloride and Carbon Tetrachloride)	24111	19%
4	Poly Tetrafluoroethylene (PTFE)	24111	32%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
1	U65910MH1995PLC085703 Inox Leasing and Finance Limited, 69, Jolly Maker Chambers II, Nariman Point, Mumbai - 400021	Holding	52.54	2 (46)
2	L92199GJ1999PLC044045 Inox Leisure Limited ABS Towers, Old Padra Road, Vadodara 390 007	Subsidiary	48.09	2 (87)

ANNEXURE D MGT 9 (Contd.)

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
3	U45201MH2002PTC134393 Shouri Properties Private Limited Unit No. F1, 1st Floor, Shanti Nagar Co-operative Industrial Estate Limited, Vakola, Santacruz (E) Mumbai - 400055	Subsidiary	99.29	2 (87)
4	L31901HP2009PLC031083 Inox Wind Limited Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal- 174303, District Una, Himachal Pradesh	Subsidiary	63.09	2 (87)
5	U45200DL2007PLC159796 Inox Infrastructure Limited 612-618, 6th Floor, Narayan Manzil, 23, Barakhamba Road, New Delhi 110 001	Subsidiary	100.00	2 (87)
6	U40100GJ2010PLC062869 Inox Renewables Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Subsidiary	99.98	2 (87)
7	U45201GJ2012PLC071264 Inox Renewables (Jaisalmer) Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Renewables Limited	2 (87)
8	U45207GJ2012PLC070279 Inox Wind Infrastructure Services Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Limited	2 (87)
9	U04010GJ2000PLC083233 Marut - Shakti Energy India Limited Plot No 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
10	U40100AP2013PTC089795 Satviki Energy Private Limited Jai Shakti Enclave, Plot No. 50/A, Kalyan Nagar – II, Kurnool, Hyderabad - 500038	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
11	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
12	U40109TG2007PTC056146 Vinirrmaa Energy Generation Private Limited Plot No. 34, Rao and Raju Colony, Banjara Hills, Kurnool, Hyderabad - 500034	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

ANNEXURE D MGT 9 (Contd.)

Sr. No.	CIN/GIN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
13	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited House No. 8-3-960/6/2, Flat No. 301 "Wings", Srinagar Colony, Hyderabad - 500073	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
14	201117579Z Gujarat Fluorochemicals Singapore Pte Limited 158 Cecil Street, #11-01, Singapore - 069545	Foreign Subsidiary	100.00	2 (87)
15	801165985 Gujarat Fluorochemicals LLC, USA 4200 North Highway 77, Rockdale, Texas 76567, USA	Foreign Subsidiary	100.00	2 (87)
16	HRB 128868 Gujarat Fluorochemicals, GmbH Chilehaus A, Fischertwiete 2, D-20095, Hamburg, Germany	Foreign Subsidiary	100.00	2 (87)
17	404026907 GFL GM Fluorspar SA 219, Boulevard, Zerktouni, Residence E 1, Bardai 20100, Casablanca, Morocco	Step-down Foreign Subsidiary	74.00 held by GFL Singapore Pte Limited	2 (87)
18	342500400000656 Xuancheng HengYuan Chemical Technology Company Limited Qilin Avenue, New District of Xuanzhou Industrial Park, Xuanzhou District, Anhui Province	Joint Venture Company	33.77	2 (6)
19	U24119GJ2012PTC070801 Swarnim Gujarat Fluorspar Private Limited 9th Floor, Khanij Bhavan, Near Gujarat University Ground, 132 ft Ring Road Vastrapur, Ahmedabad – 380052	Joint Venture Company	49.93	2(6)

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 (01st April, 2015)				No. of shares held at the end of the year (31st March, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter	136300	0	136300	0.12	136300	0	136300	0.12	0.00
Indian									
Individual /HUF									
Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corp.	74928600	0	74928600	68.21	74928600	0	74928600	68.21	0.00
Banks / FI	0	0	0	0	0	0	0	0	0.00
Any Other	0	0	0	0	0	0	0	0	0.00
Sub Total (A) 1	75064900	0	75064900	68.33	75064900	0	75064900	68.33	0.00
Foreign									
NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) 2	0	0	0	0.00	0	0	0	0.00	0.00
									0.00
Total Shareholding of Promoter (A)=A1+A2	75064900	0	75064900	68.33	75064900	0	75064900	68.33	0.00
Public Share Holding									
Institutions									
Mutual Funds	4167251	7000	4174251	3.80	4218346	7000	4225346	3.85	0.05
Banks / FI	45044	2000	47044	0.04	30788	2000	32788	0.03	-0.01
Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investors	3297452	0	3297452	3.00	4413954	0	4413954	4.02	1.02
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Central Government / State Government	500	0	500	0.00	250	0	250	0.00	0.00

Category of Shareholders	No. of shares held at the beginning of the year (01st April, 2015)				No. of shares held at the end of the year (31st March, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub Total B 1	7510247	9000	7520247	6.84	8663305	9000	8672338	7.89	1.06
Non Institutions									
Bodies Corporate	11806889	45000	11851889	10.79	10826542	45000	10871542	9.90	-0.89
Individuals									
Individual shareholders holding nominal share capital upto ₹ 1 Lakh	6528817	1444752	7973569	7.26	6450124	1359352	7809476	7.11	-0.15
ii)Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	6009262	0	6009262	5.47	4176742	0	4176742	3.80	-1.67
Other									
Clearing Members	557706	0	557706	0.51	128410	0	128410	0.12	-0.39
Non Resident Indian (REPAT)	235162	2000	237162	0.22	207999	2000	209999	0.19	-0.02
Non Resident Indian (NON REPAT)	368031	187000	555031	0.51	132166	183000	315166	0.29	-0.22
Hindu Undivided Family	0	0	0	0	2568864	0	2568864	2.34	2.34
Foreign Companies	0	2000	2000	0.00	0	2000	2000	0.00	0.00
Foreign Nationals	334	0	334	0.00	334	0	334	0.00	0.00
Trusts	78900	0	78900	0.07	30229	0	30229	0.03	-0.04
Sub Total B2	25585101	1680752	27265853	24.83	24521410	1591352	26112762	23.78	-1.04
Total Public Shareholding B=B1 + B2	33095348	1689752	34785100	31.67	33184748	1600352	34785100	31.67	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Total C	108160248	189752	109850000	100.00	108249648	1600352	109850000	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01st April, 2015)			Shareholding at the end of the year (31st March, 2016)			% change in shareholding 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	Inox Leasing and Finance Limited	57715310	52.54	0.00	57715310	52.54	0.00	0.00
2	Devansh Trademart LLP	6662360	6.07	0.00	6662360	6.07	0.00	0.00
3	Siddhapavan Trading LLP	5576440	5.08	0.00	5576440	5.08	0.00	0.00
4	Inox Chemicals LLP	2955230	2.69	0.00	2955230	2.69	0.00	0.00
5	Siddhomal Trading LLP	2019260	1.84	0.00	2019260	1.84	0.00	0.00
7	Smt Sita Devi Jain	6000	0.01	0.00	6000	0.01	0.00	0.00
8	Shri Devendra Kumar Jain	20100	0.02	0.00	20100	0.02	0.00	0.00
9	Shri Pavan Kumar Jain	20100	0.02	0.00	20100	0.02	0.00	0.00
10	Shri Vivek Kumar Jain	20100	0.02	0.00	20100	0.02	0.00	0.00
11	Shri Siddharth Jain	20000	0.02	0.00	20000	0.02	0.00	0.00
12	Shri Devansh Jain	10000	0.01	0.00	10000	0.01	0.00	0.00
13	Smt Hem Kumari	10000	0.01	0.00	10000	0.01	0.00	0.00
14	Shri Kapoor Chand Jain	10000	0.01	0.00	10000	0.01	0.00	0.00
15	Smt Nandita Jain	10000	0.01	0.00	10000	0.01	0.00	0.00
16	Smt Nayantara Jain	10000	0.01	0.00	10000	0.01	0.00	0.00
	TOTAL	75064900	68.33	0.00	75064900	68.33	0.00	0.00

SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS A PERCENTAGE OF TOTAL EQUITY)

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

There is no change in holding of shares of the Category of Promoters and Promoter Group.

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

Sr. No.		Shareholding at the beginning of the year (01st April, 2015)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2016)	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Reliance Capital Trustee Co. Ltd A/C Reliance Equity Opportunities Fund	2729307	2.4846	17.04.2015	-77000	2652307	2.4145
				24.04.2015	15000	2672307	2.4281
				01.05.2015	73900	2741207	2.4954
				08.05.2015	80541	2821748	2.5687
				29.05.2015	-1207	2820541	2.5676
				19.06.2015	-5962	2814579	2.5622
				26.06.2015	-29938	2784641	2.5349
				03.07.2015	9150	2793791	2.5433
				04.09.2015	-468511	2325280	2.1168
				11.09.2015	-100000	2225280	2.0257
				18.09.2015	-170000	2055280	1.8710
				09.10.2016	-117000	1938280	1.7645
				30.10.2015	-57000	1881280	1.7126
				20.11.2015	23300	1904580	1.7338
				22.01.2016	19998	1924578	1.7520
				12.02.2016	31349	1955927	1.7805
				19.02.2016	31900	1987827	1.8096
				26.02.2016	41970	2029797	1.8478
				04.03.2016	57058	2086855	1.8997
				18.03.2016	-35500	2051355	1.8674
				25.03.2016	-100000	1951355	1.7764
				31.03.2016	-54655	1896700	1.7266

ANNEXURE D MGT 9 (Contd.)

Sr. No.		Shareholding at the beginning of the year (01st April, 2015)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2016)	
2.	Reliance Life Insurance Company Limited	1298886	1.1824	10.04.2015	-5834	1293052	1.1771
				17.04.2015	-7760	1285292	1.1700
				24.04.2015	-2155	1283137	1.1681
				01.05.2015	-13	1283124	1.1681
				08.05.2015	59	1283183	1.1681
				15.05.2015	-260	1282923	1.1679
				22.05.2015	8	1282931	1.1679
				29.05.2015	-5	1282926	1.1679
				12.06.2015	-65	1282861	1.1678
				19.06.2015	-1696	1281165	1.1663
				26.06.2015	-2235	1278930	1.1643
				30.06.2015	6807	1285737	1.1704
				03.07.2015	-275	1285462	1.1702
				10.07.2015	-16924	1268538	1.1548
				17.07.2015	2626	1271164	1.1572
				24.07.2015	-1421	1269743	1.1559
				31.07.2015	-8562	1261181	1.1481
				07.08.2015	-1509	1259672	1.1467
				14.08.2015	686	1260358	1.1473
				21.08.2015	3694	1264052	1.1507
				28.08.2015	10799	1274851	1.1605
				04.09.2015	-220	1274631	1.1603
				11.09.2015	-1887	1272744	1.1586
				18.09.2015	-7671	1265073	1.1516
				25.09.2015	-37	1265036	1.1516
				09.10.2015	-1427	1263609	1.1503
				16.10.2015	-1202	1262407	1.1492
				23.10.2015	-307	1262100	1.1489
				30.10.2015	-27	1262073	1.1489
				06.11.2015	1841	1263914	1.1506
				20.11.2015	1109	1265023	1.1516

Sr. No.		Shareholding at the beginning of the year (01st April, 2015)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2016)	
				27.11.2015	-1532	1263491	1.1502
				04.12.2015	27000	1290491	1.1748
				11.12.2015	44030	1334521	1.2149
				18.12.2015	-9	1334512	1.2148
				25.12.2015	5	1334517	1.2149
				31.12.2015	25290	1359807	1.2379
				01.01.2016	1099	1360906	1.2389
				08.01.2016	85214	1446120	1.3164
				15.01.2016	18916	1465036	1.3337
				22.01.2016	-579	1464457	1.3331
				29.01.2016	-47	1464410	1.3331
				05.02.2016	-767	1463643	1.3324
				12.02.2016	21336	1484979	1.3518
				19.02.2016	747	1485726	1.3525
				26.02.2016	254	1485980	1.3527
				04.03.2016	4695	1490675	1.3570
				01.03.2016	-320	1490355	1.3567
				18.03.2016	-9656	1480699	1.3479
				25.03.2016	-631	1480068	1.3474
				31.03.2016	-8652	1471416	1.3395
3.	Hotz Industries Limited	1421560	1.2941	NIL Movement	NIL Movement	1421560	1.2941
4.	Akash Bhansali	1004943	0.9148	29.01.2016	350000	1354943	1.2334
5.	FIL Investments (Mauritius) Limited	965375	0.8788	17.04.2015	265964	1231339	1.1209
				24.04.2015	12266	1243605	1.1321
6.	UTI – Midcap Fund	936753	0.8528	17.04.2015	4691	941444	0.8570
				08.05.2015	35000	976444	0.8889
				03.07.2015	3340	979784	0.8919
				18.09.2016	1186	980970	0.8930

ANNEXURE D MGT 9 (Contd.)

Sr. No.		Shareholding at the beginning of the year (01st April, 2015)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2016)	
				09.10.2015	6848	987818	0.8992
				30.10.2015	1083	988901	0.9002
				15.01.2016	7528	996429	0.9071
				22.01.2016	1434	997863	0.9084
				18.03.2016	35352	1033215	0.9406
7.	Dotex Merchandise Private Limited	1000000	0.9103	NIL Movement	NIL Movement	1000000	0.9103
8.	Vallabh Bhansali	872200	0.7940	NIL Movement	NIL Movement	872200	0.794
9.	Lata Bhansali	863912	0.7864	25.09.2015	863912	1727824	1.5729
				30.09.2015	-863912	863912	0.7864
10.	Birla Sunlife Trustee Company Private Limited A/c Birla Sunlife Midcap Fund	320974	0.2922	17.04.2015	-3000	317974	0.2895
				01.05.2015	190000	507974	0.4624
				26.06.2015	19500	527474	0.4802
				10.07.2015	200000	727474	0.6622
				28.08.2015	6700	734174	0.6683
				11.09.2015	100000	834174	0.7594
				20.11.2015	-18000	816174	0.7430
				04.12.2015	50000	866174	0.7885
				22.01.2016	-19100	847074	0.7711
11.	Jai-Vijay Resources Private Limited	795933	0.7246	NIL Movement	NIL Movement	795933	0.7246

ANNEXURE D MGT 9 (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year (01st April, 2015)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31st March, 2016)	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
	Directors						
1	Shri Devendra Kumar Jain	20100	0.02	NIL Movement	NIL Movement	20100	0.02
2	Shri Pavan Kumar Jain	20100	0.02	NIL Movement	NIL Movement	20100	0.02
3	Shri Shailendra Swarup	10000	0.01	NIL Movement	NIL Movement	10000	0.01
4	Shri Vivek Kumar Jain, Managing Director	20100	0.02	NIL Movement	NIL Movement	20100	0.02
5	Shri Shanti Prashad Jain	1000	0.00	NIL Movement	NIL Movement	1000	0.00
	KMP						
6	Shri Manoj Agrawal, Chief Financial Officer	0	0.00	NIL Movement	NIL Movement	0	0.00
7	Shri Bhavin Desai, Company Secretary	0	0.00	NIL Movement	NIL Movement	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the Financial Year			
i. Principal Amount	35,821.06	35,869.17	71,690.23
ii. Interest due but not paid	-	-	-
iii. Interest accrued but not due	151.05	32.53	183.58
Total (i+ii+iii)	35,972.11	35,901.70	72,873.81
Change in Indebtedness during the Financial Year			
i. Addition	23,643.51	54,511.05	78,154.56
ii. Reduction	(32,349.65)	(69651.08)	(1,02,000.73)
iii. Interest accrued but not due	(71.87)	14.54	(57.33)
Net Change	(8,778.01)	(15,125.49)	(23,903.50)
Indebtedness at the end of the Financial Year			
i. Principal Amount	27,114.92	20,729.15	47,844.07
ii. Interest due but not paid	-	-	-
iii. Interest accrued but not due	79.18	47.07	126.25
Total (i+ii+iii)	27,194.10	20,776.22	47,970.32

ANNEXURE D MGT 9 (Contd.)

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (₹ in Lakh)
		Shri Vivek Jain, Managing Director and CEO	Shri Dinesh Kumar Sachdeva, Whole-Time Director	Shri Anand Bhusari, Whole-Time Director	Shri Jitendra Singh Bedi, Whole-Time Director	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49.50	21.40	110.47	16.49	197.86
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	56.69	1.20	0.00	0.00	57.89
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission - as % of profit - others, specify…	500.00	0	0	0	500.00
5.	Others, please specify-Company contribution to PF	5.94	1.92	5.10	0.18	13.14
	Total (A)	612.13	24.52	115.57	16.67	768.89
	Ceiling as per the Act					1572.49

B Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹in lakh)
		Shri Shailendra Swarup	Shri Shanti Prashad Jain	Dr S R Iyer	Shri Rajagopalan Doraiswami	Ms Vanita Bhargava	
1	Independent Directors Fee for attending Board/Committee Meetings	2.20	2.40	0.40	0.40	0.80	6.20
	Commission	0	0	0	0	0	0
	Others	0	0	0	0	0	0
	Total (1)	2.20	2.40	0.40	0.40	0.80	6.20

ANNEXURE D MGT 9 (Contd.)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹in lakh)
		Shri Shailendra Swarup	Shri Shanti Prashad Jain	Dr S R Iyer	Shri Rajagopalan Doraiswami	Ms Vanita Bhargava	
2	Other Non-Executive Directors	**Shri Devendra Kumar Jain**	**Shri Pavan Jain**	**Shri Deepak Asher**			
	Fee for attending Board/Committee Meetings	2.00	0.20	1.20			3.40
	Commission	157.25	0	0			157.25
	Others	0	0	0			0
	Total (2)	159.25	0.20	1.20			160.65
	Total of B = (1+2)	161.45	2.60	1.60	0.40	0.80	166.85
	Total (A+B)						935.74
	Overall Ceiling as per the Act						1729.74

C Remuneration to Key Managerial Personnel other than MD/ Manager/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			₹ in Lakh
		CEO Shri Vivek Jain, Managing Director	Company Secretary Mr Bhavin Desai	CFO Mr Manoj Agrawal	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Please refer to VIA	12.18	44.40	56.58
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0.00	0.00	0.00
2.	Stock Option		0	0	0
3.	Sweat Equity		0	0	0
4.	Commission - as % of profit - others, specify		0.00	0.00	0.00
5.	Others, please specify (employer's contribution to Provident Fund)		0.89	2.45	3.34
	Total		13.07	46.85	59.92

ANNEXURE D MGT 9 (Contd.)

VII. PENALTIES /PUNISHMENTS / COMPOUNDING OF OFFENCES

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

ANNEXURE E

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

(A) CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy

Ranjitnagar unit

- R22 Crude Gas Compressor motor size reduced from 132 Kw to 75 Kw resulting in saving of 14 Kw per hour.
- In Coal Based Boiler both FD and ID fans are installed with VFDs to achieve saving of 300 kw/day (15% of total fan power)
- Condensate recovery increased to maximum possible extent. A total 5% condensate recovery increased.

Dahej unit

- TFE-2 Utilites: To meet ETFEE plant's (-15)/ (-35) ^{0}C system demand by operations of 1 no (-35) ^{0}C & 1 no (-15) ^{0}C chillers. Further to same, to serve the purpose of (-15)/ (-35) ^{0}C through operations of only one Compressor pertains to (-15) ^{0}C. (Power Savings - HT - 6600 Volts).
- Integration of TFE-1 Utilities main header of (-15) ^{0}C brine supply with Vent Recovery Plant with desired piping modification & permanent stoppage of separate brine supply pump to VR to serve the purpose of (-15) ^{0}C brine application.
- HVAC - Integration work of S&A, PT-PTFE and FKM. Area: FKM/PT-PTFE Utilities.
- Operation of 5th reactor pertains to D-PTFE on existing chilling system by integration of chilling circuit at D-PTFE utilities. Area: D-PTFE Utilities.
- Reduction in AMC Charges of HVAC system. Area: D-PTFE Utilities.
- In AHF/HCFC Utilities AHF/HCFC refrigeration systems discontinued the AMC with M/s Frick India Ltd.
- Optimization of lighting circuit in TFE-2 Utilities as per illumination study conducted by third party & to implement the same through execution of desired modifications.
- TFE-1: Install improved set of Burners # Savings = 2 MMBTU/MT, NG (Furnace-1) Area: TFE-1 Plant.
- STG-1 Condensing Turbine # Steam Consumption Optimization. Previous = 4.28 Tonnes/MW, New = 4.10 Tonnes/MW (Steam Cost = ₹ 750 per Tonne). Norm's reduction by 0.18 Tonnes/MW. Area: CPP.
- Optimization of Coal consumption for Boiler # 1, through chemical de-scaling of Boiler's pressure parts thoroughly. Area: CPP.
- Reduction in % Steam Losses: Steam supply from CPP Vs Consumption End (From previous 7% to new 3%). Area: Complex Utilities.
- CPP: Reduction in O&M Charges of M/s Fugitech. Area: CPP.
- RW Savings: Use of treated effluent in place of raw water for dust suppression at coal yard (Estimated Savings = 100 KLD, on account of Raw Water). Area: CPP Utilities.
- RW Saving : To increase the DI-3 water treatment plant's operation from current level of 5-10% to more than 50% of the total DI water requirement at Polymer Complex. (Estimated Savings = 300 KLD, on account of Raw Water). Area: DI Plants Utilities.
- Reduction in consumption of DI water filters of various sizes. Viz: 5µ 20" long, 5µ 30" long, 1.25µ, 0.25µ due to consistency in DI water quality at generation end & increase in o/p of DI-3 water treatment plant. Area: Polymer Complex.
- CU: Optimization of pumping energy for gaseous N2 generation plant. Area: Common Utilities.
- Stoppage of drinking water supply from outside agency & utilization of in-house infrastructure to serve the purpose, satisfactorily. Area: Complex.
- ETP: Reduction in O&M Charges of ETP/STP (Conversion of O&M contract to Manpower Supply. Area: ETP Ops.
- Integration of A&H, New CaCl2 & CO2 Process water supply with main plant process water Header with desired piping modification, thereof. Area: Common Utilities.
- (-35) ^{0}C Primary Brine P-805 A/B/C # VFD installation & commissioning. Area: TFE-1 Utilities.
- (-15) ^{0}C Secondary Brine P-804 A/B/C # VFD installation & commissioning. Area: TFE-1 Utilities.
- Chilled water circulation pump P-5106 A/B # VFD installation & commissioning. Area: TFE-1 Utilities.
- DI Water pumps P-911 A/B/C # VFD installation & commissioning. Area: DI Plants Utilities.
- Lighting energy optimization. Area: DI Plants Utilities.
- Optimization of water consumption at S&A Cooling Tower. Area: FKM Utilities.
- Optimization of water consumption at D-PTFE Cooling Tower. Area: D-PTFE Utilities.
- Reduction of daily LIN consumption by @ 500 Nm3/day. Area: Polymer Utilities.

ANNEXURE E (Contd.)

- STG-4 Vacuum improvement by condenser's tubes de-scaling (Loss Prevention project). Area: CPP, Savings Achieved = TBE
- CST Pump's head reduction from 80 m to 60 m. Area: CPP.
- Use of vacuum pump's outlet water for CT make up - CA Flaker plant. Area: CA – Utilities.

ii. The steps taken by the Company for utilising alternate sources of energy:
Ranjitnagar unit: Not Applicable
Dahej unit: Not Applicable

iii. Capital Investment on energy conservation equipment's:
Ranjitnagar Unit: Nil
Dahej Unit: Nil

(B) TECHNOLOGY ABSORPTION

Efforts, in brief, made towards technology absorption, adaptation and innovation.

Ranjitnagar Unit:
The Company has dedicated professionals working on ongoing development for improvement in process efficiency, product quality, Energy and Emission control and enhancing process of safety.

Dahej Unit:
CHEMICAL

- Granulator Plant was commissioned with Technology from China. The plant design capacity is 120 TPD. CaCl2 granules of 94-97% purity can be produced for Domestic and Export Market. This plant is forward integration of 32% CaCl2 slurry plant & in which 32 % concentrated slurry is getting converted in Granules.
- In CA plant conversion of existing finite gap membrane electrolyzers C & D to Zero Gap was done with technology from M/s Bluestar China. This had resulted into a power saving of about 440 KWH/MT in both electrolyzers. Conversion of electrolyzer A & B is planned in 2016-17.
- In CA plant Hydrogen compressor of 1000 NM3/hr capacity having pressure rating of 50 Kg/cm2 commissioned for supplying hydrogen through pipe line to M/s Deepak Nitrite.

POLYMER

- GFL has fully absorbed the technology of FKM in the business of fluoro elastomers. This is one excellent fluorocarbon based synthetic rubber. This has wide application in automotive sector and for chemical industries. FKM has high chemical & fuel resistance property. GFL has got global market approval for both CO-Polymer & Ter-polymer grades FKM. GFL has made in-house production facility of raw gum & precompounds.
- GFL has also successfully absorbed the technology of ETFEE. This is in-house developed TFE based Fluorochemicals intermediate and converted to EDFA a value added Fluorochemicals for end use in Agro Chemicals & Pharmaceuticals Industries.
- GFL has successfully commissioned TFE vent recovery plant. This plant has dual purpose. It has improved the environment condition by not venting any of the off gases to atmosphere and also earning money by converting the vent gases to value added product.
- GFL has improved in the %yield of fluoro surfactant recovery from 60% to more than 75%. Operation team is still taking efforts to obtain the yield to more than 85%.
- Almost 16 cost saving projects have been successfully implemented in the tune of cost saving of ₹ 50 lacs per month from different ideas generated by the employees.
- GFL has jointly working with NCL Pune, Ingenaro, Mumbai, Raschig, Mumbai, GE process, Mumbai on account of process consultancy for capacity improvement, recovery efficiency and product quality consistency.

Future scope:

- GFL is almost on the verge of development in other Fluoropolymer like, PFA, FEP, Micro Powder & Bimodal PTFE dispersion & various Tetramers in the field of coating on metals & fabrics, impregnation, Cable Insulation, Wires & Cables etc.

(i) The benefits derived like product improvement, cost reduction, product development, import substitution
(a) Improvement in operation efficiency
(b) Cost reduction in all operations
(c) Product quality improvement and sustenance
(d) People development by training awareness and interactions
(e) Clean environment

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) - In the Financial Year 2011-12 the Company had imported technology for its D-PTFE, TFE- 2 and CMS- 2 plants and the same have been commissioned.

(iv) The expenditure incurred on Research and Development

ANNEXURE E (Contd.)

Ranjitnagar Unit:
Research and Development

(1) Specific Area in which R &D carried out:
Process Development work was carried out by R&D for various fluorospecialty molecules, such as, ETFEE, EDFAA, Pyrazole, PFP etc. during the year.

(2) Benefits derived as a result of the above R & D:
The processes developed in the R&D was scaled up to commercial plant and several Tonne quantities of ETFEE, EDFA and EDFAA were dispatched to prospective customers for validation of our product. Our products have been approved by the parties and we expect to get continuing orders from forthcoming financial year from these parties.

(3) Future Plan of Action:
The Company has identified Fluorospecialty business as a key driver for Company's growth. Consequently, plans are underway to augment the R&D capability in the coming months.

Product pipeline comprising of about 24 molecules has been identified for Process development in the R&D. Many of these molecules have been taken up for development in view of interest evinced by Multinational Innovator Companies, with a commitment for long term purchase of these molecules in commercial scale quantities.

Dahej Unit
Research and Development

(1) Specific areas in which R&D carried out:
1. Development of dispersion PTFE grade for cost effective thin tubing application and thin wire application.
2. Development of direct polymerized low molecular weight PTFE for plastic and coating additive application.
3. Development of high molecular weight dispersion PTFE grade for yarn and membrane application.
4. Development of peroxide cure terpolymer based grades of fluoroelastomer FKM for high temperature and high chemical resistance application.
5. Development of aqueous PTFE grades with Bi-modal particle distribution of high demanding coating and impregnation application.
6. Development of melt processable perfluoroalkoxy alkane polymer (PFA) dispersion grade for coating and impregnation application.

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

1. Product approval and business development at various global OEMs like chemical, coating and automotive industries to cater their requirement.
2. Business development in new application area.
3. Customer satisfaction through better product and services as a part of the Company's policy to grow along with the company's valued customers.
4. Enhancement of product portfolio to offer basket of products to customers.

(3) Future plan of action:

1 Development Fluorinated ethylene propylene (FEP) dispersion for coating application.
2 Development of PFA moulding grades for lining and cable insulation application.
3 Development of Polyvinylidene fluoride polymer for cable & wire insulation and chemical resistance coating application.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange used - ₹32014.27 lakh
Foreign Exchange earned - ₹49101.94 lakh

ANNEXURE F

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP for FY 2015-16 (₹in Lakh)	Remuneration of Director /KMP for FY 2015-16 (₹ in Lakh)	% increase in remuneration in the 2015-16	Ratio of Remuneration of each of Director to median remuneration of employees
1	Shri Devendra Kumar Jain, Non-executive Director	157.25	21	1 : 52.27
2	Shri Pavan Jain*	*	*	*
3	Shri Vivek Jain	612.13	8	1 : 201.48
4	Shri Shailendra Swarup*	*	*	*
5	Shri Dinesh Kumar Sachdeva, Whole-time Director	24.52	0	1 : 7.46
6	Shri Anand Bhusari, Whole-Time Director	115.57	0	1 : 38.41
7	Shri Jitendra Singh Bedi, Whole-time Director	16.67	0	1 : 5.54
8	Shri Om Prakash Lohia, Independent Director**	*	*	*
10	Dr S Rama Iyer, Independent Director*	*	*	*
11	Shri Deepak Asher, Director and Group Head (Corporate Finance)*	*	*	*
12	Shri Shanti Prashad Jain, Independent Director*	*	*	*
13	Shri Rajagopalan Doraiswami	*	*	*
14	Ms Vanita Bhargava	*	*	*
15	Shri Manoj Agrawal, CFO	46.85	9	1 : 14.76
16	Shri Bhavin Desai, Company Secretary	13.07	0	1 : 4.05

Notes

*For this purpose sitting fees paid to Directors have not been considered as Remuneration.

** No sitting fees paid.

ii. The Percentage of increase in the median remuneration of employees in the Financial Year:
Percentage of increase in the median remuneration of employees is 7%

iii. The Number of Permanent Employees on the rolls of the Company:
The number of permanent Employees on the rolls of the Company as on 31st March, 2016 was 1496.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year:
Average percentile of increase in salaries of employees is 9%

v. Affirmation that the remuneration is as per the Remuneration Policy of the Company:
It is confirmed that the remuneration is as per the Remuneration Policy of the Company.

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

ANNEXURE G

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

Sr. No.	Particulars	Compliance
1	A brief outline of Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and project or programmes	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 http://www.gfl.co.in/pdf/CSR_Policy_Final_05112014.pdf
2	The Composition of CSR Committee	Shri Shanti Prashad Jain, Chairman and Independent Director Shri Vivek Jain, Non-Independent Director Shri Deepak Asher, Non-Independent Director
3	Average net profit of the Company for last three Financial Years	₹ 26682.23 Lakh
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	₹ 533.64 Lakh
5	Details of CSR spent during the Financial Year	₹ 117.00 Lakh
	Total amount to be spent for the Financial Year	₹ 533.64 Lakh
	Amount unspent, if any	₹ 416.64 Lakh
	Manner in which the amount spent during 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 programs (2) Overheads (₹ in lacs)**	**Cumulative expenditure upto the reporting period**	**Amount spent Direct or through implementing agency**
1	Health Care	(i)	Sponsoring upgradation programme of Lok Kalayan Samiti, New Delhi for up gradation of equipment's for eye care and cataract surgeries to Sucheta Bhawan Hospital, New Delhi	61.76	61.76	61.76	Contribution to Inox Group CSR Trust

ANNEXURE G (Contd.)

(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 programs (2) Overheads (₹ in lacs)**	**Cumulative expenditure upto the reporting period**	**Amount spent Direct or through implementing agency**
2	Health Care	(i)	Shrutakevali Education Trust – Project for construction of General Hospital at Shravanabelagola, Karnataka	50.00	50.00	50.00	Contribution to Inox Group CSR Trust
3	Contribution		Expenditure on CSR build capacity through implementing agency	5.24	5.24	5.24	Contribution to Inox Group CSR Trust
				117.00	117.00	117.00	

Sr. No.	Particulars	
3	In case the Company has failed to spend the two percent of the average net profit of last three financial years or any party thereof, the company shall provide reasons for not spending the amount in its Board Report.	The Company has unspent amount of ₹416.64 Lakh. The Company is obtaining advisory services for identification of CSR Projects for its CSR activities and will spent the amount on identification of CSR Projects.
4	A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.	CSR Policy implementation is in compliance with the CSR objectives and Policy of the Company.

Vivek Jain
Managing Director
Noida
11th August, 2016

Shanti Prashad Jain
Chairman, CSR Committee
Noida
11th August, 2016

CERTIFICATE

To the Members of Gujarat Fluorochemicals Limited

We have examined the compliance of conditions of Corporate Governance by Gujarat Fluorochemicals Limited, for the Financial Year ended on 31st March 2016, as stipulated in Clause E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

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

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

For and on behalf of

Patankar & Associates
Chartered Accountants
Firm Registration No. 107628W

M.Y. Kulkarni
Membership No. 35524
Partner

Date: 11th August, 2016
Place: Pune

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations), Gujarat Fluorochemicals Limited ("the Company") is pleased to submit this Report on the matters listed in Para C of Schedule V of the Listing Regulations and the practices followed by the Company in this regard.

1. A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system by which companies are directed and controlled by the Management in the best interest of the Shareholders and others; ensuring greater transparency and better and timely financial reporting. Corporate Governance, therefore, generates long term economic value for its Stakeholders.

Gujarat Fluorochemicals Limited believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, the Company has initiated significant measures for compliance with Corporate Governance.

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors

As at the end of the Financial Year on 31st March, 2016, the Board of Directors consisted of 12 Directors of which 3 were Executive Directors and 9 were Non-Executive Directors, including one Woman Director. Hence, the composition of the Board of Directors consisted of optimum combination of Executive and Non-Executive Directors. The Board of Directors consisted of 6 Independent Directors and 6 Non-Independent Directors during the Financial Year 2015-16. Further, Dr. S Rama Iyer, Independent Director of the Company had resigned with effect from 1st April, 2016.

(b) Number of Meetings of the Board of Directors held with the dates, attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting, disclosure of relationships between Directors inter-se and Number of Shares and Convertible Instrument held by Non- Executive Directors

During the Financial Year 2015-16, the Board met 6 (six) times on following dates, namely, 28th April, 2015, 28th May, 2015, 30th July, 2015, 7th November, 2015, 9th February, 2016 and 9th March, 2016.

The following tables gives details of Directors, details of attendance of Directors at Board Meetings, at the Annual General Meeting, Number of Memberships held by the Directors in the Board / Committees of various Companies, Disclosure of Relationship between Directors inter-se and Number of Shares held by Non-Executive Directors as on 31st March, 2016:

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last Annual General Meeting	Relationship between Directors inter-se	Number of Shares held by Non-Executive Director
Shri Devendra Kumar Jain	Promoter and Non-Independent Director	6	No	Father of Shri Pavan Jain and Shri Vivek Jain	20,100
Shri Shailendra Swarup	Independent Director	5	No	No inter-se relationship between Directors	10,000
Shri Vivek Jain	Promoter and Managing Director	6	No	Son of Shri Devendra Kumar Jain and brother of Shri Pavan Jain	Not Applicable
Shri Dinesh Kumar Sachdeva	Whole-time Director	1	Yes	No inter-se relationship between Directors	Not applicable
Shri Pavan Jain	Promoter and Non-Independent Director	1	No	Son of Shri Devendra Kumar Jain and brother of Shri Vivek Jain	20,100

CORPORATE GOVERNANCE REPORT (Contd.)

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last Annual General Meeting	Relationship between Directors inter-se	Number of Shares held by Non-Executive Director
Shri Om Prakash Lohia	Independent Director	4	No	No inter-se relationship between Directors	0
Dr S Rama Iyer Resigned with effect from 01st April, 2016	Independent Director	1	No	No inter-se relationship between Directors	0
Shri Deepak Asher	Non-Independent Director	5	Yes	No inter-se relationship between Directors	0
Shri Shanti Prashad Jain	Independent Director	6	No	No inter-se relationship between Directors	1,000
Shri Rajagopalan Doraiswami	Independent Director	2	No	No inter-se relationship between Directors	0
Shri Anand Bhusari	Whole-time Director	2	No	No inter-se relationship between Directors	Not applicable
Ms Vanita Bhargava	Independent Director	4	No	No inter-se relationship between Directors	0

The Company has not issued any Convertible Instruments and hence, the details in respect of such Convertible Instruments held by Non-Executive Directors are not provided.

(c) Number of Directorships and Committees Membership / Chairmanship

Name of the Director	Category of Director	Number of other Directorships / Committee Memberships / Chairmanships		
		Other Directorship(**)	Committee(*)	
			Membership of Public Limited Companies	Chairpersonship of Listed Companies
Shri Devendra Kumar Jain	Promoter and Non-Independent Director	4	1	1
Shri Shailendra Swarup	Independent Director	10	2	-
Shri Vivek Jain	Promoter and Managing Director	10	2	-
Shri Dinesh Kumar Sachdeva	Whole-time Director	-	-	-
Shri Pavan Jain	Promoter and Non-Independent Director	8	4	1

CORPORATE GOVERNANCE REPORT (Contd.)

Name of the Director	Category of Director	Number of other Directorships / Committee Memberships / Chairmanships		
		Other Directorship(**)	Committee(*)	
			Membership of Public Limited Companies	Chairpersonship of Listed Companies
Shri Om Prakash Lohia	Independent Director	3	1	-
Dr S Rama Iyer Resigned with effect from 01st April, 2016	Independent Director	4	4	-
Shri Deepak Asher	Non-Independent Director	7	9	-
Shri Shanti Prashad Jain	Independent Director	6	7	2
Shri Rajagopalan Doraiswami	Independent Director	1	-	-
Shri Anand Bhusari	Whole-time Director	-	-	-
Ms Vanita Bhargava	Independent Director	-	-	-

(*) Committee means Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the Listing Regulations.
(**) Other Directorship excludes directorship of Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956 now Section 8 of the Companies Act, 2013.

None of the Directors are Directors in more than 10 Public Limited Companies or act as an Independent Director in more than 7 Listed Companies. Further, none of the Directors act as a Member of more than 10 Committees or act as a Chairman of more than 5 Committees across all Public Limited Listed Companies.

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

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

(e) Independent Directors

Separate Meeting of Independent Directors
As stipulated under Section 149 of the Companies Act, 2013 read with Schedule IV pertaining to the Code of Independent Directors and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 09th February, 2016 with the following agenda:

- to review performance of Non-Independent Directors and the Board as a whole,
- to review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors of the Company and
- to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. AUDIT COMMITTEE

(a) Brief description of Terms of Reference

The Role and the Terms of Reference of Audit Committee were redefined at the Meeting of the Board of Directors held on 29th May, 2014 which are in accordance with the requirements of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations read with part C of Schedule II of the Listing Regulations.

The brief description of Terms of Reference is given below

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

The Audit Committee comprises of Three Directors with Shri Shanti Prasad Jain as the Chairman of the Committee. The composition of Audit Committee is in compliance with Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations.

During the Financial Year 2015-16, the Audit Committee met 5 (five) times on following dates, namely, 28th April, 2015, 28th May, 2015, 30th July, 2015, 7th November, 2015 and 9th February, 2016.

The details of composition of Audit Committee and the Meetings attended by the Directors are given below:

CORPORATE GOVERNANCE REPORT (Contd.)

Name of the Director	Position	No of Meetings Attended during the Financial Year 2015-16
Shri Shanti Prashad Jain, Independent Director	Chairman	5
Shri Devendra Kumar Jain, Non-Independent Director Resigned on 07th November, 2015	Member	4
Shri Shailendra Swarup, Independent Director	Member	5
Shri Deepak Asher, Non-Independent Director Appointed on 07th November, 2015	Member	1

Shri Shanti Prashad Jain, Chairman of the Audit Committee was unable to attend last Annual General Meeting held on 29th September, 2015 due to prior professional engagements.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference

The Terms of Reference of Nomination and Remuneration Committee (NR Committee) were defined at the Meeting of the Board of Directors held on 29th May, 2014 which are in accordance with the requirements of Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations read with part D of Schedule II of the Listing Regulations.

The brief description of Terms of Reference is given below

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

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

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

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

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

The composition of Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations. During the Financial Year 2015-16, the Nomination and Remuneration Committee met 3 (three) times on following dates, namely, 28th April, 2015, 30th July, 2015 and 9th February, 2016.

The details of composition of Nomination and Remuneration Committee and the Meetings attended by the Directors are given below

Name of Director	Position	No of Meetings Attended during the Financial Year 2015-16
Shri Shanti Prashad Jain, Independent Director	Chairman	3
Shri Om Prakash Lohia, Independent Director	Member	1
Shri Deepak Asher, Non-Independent Director	Member	3

(c) Performance Evaluation Criteria for Independent Directors

The Board of Directors had at its Meeting held on 9th February, 2016 evaluated performance of Independent Directors. A structured questionnaire in form of Performance Evaluation Form that covered the criteria for evaluation of Independent Directors as laid down by the Company which include Qualifications, Experience, Personal attributes like Honesty & Integrity, Independence, Professional Skills, Contribution to Board Meetings, etc. was given to each Director to provide their feedback. Duly filled up Performance Evaluation Form were returned to the Company. Performance of Independent Directors was evaluated by the entire Board, excluding the Independent Director being evaluated. The feedback given by the Directors reflected highly satisfactory performance of Independent Directors.

CORPORATE GOVERNANCE REPORT (Contd.)

The Chairman of Nomination and Remuneration Committee had authorised Shri Deepak Asher, Director and Group Head (Corporate Finance) to answer to the queries of the Shareholders at the Annual General Meeting of the Company held on 29th September, 2015.

5. REMUNERATION OF DIRECTORS

During the Financial Year 2015-16, the Company has paid remuneration to all its Directors as per the details given below

Name of Director	Business Relationship with the Company, if any	All elements of Remuneration package i.e. salary, benefits, bonuses, pension, etc.	Service Contracts, Notice Period, Severance Fee
Shri Vivek Jain	Managing Director	Particulars : ₹ in Lakh Salary & Allowances : 49.50 Perquisites : 56.69 Contribution To PF : 5.94 Commission : 500.00 Total : 612.13	Service Contract 01.01.2013 to 31.12.2017
Shri Dinesh Kumar Sachdeva	Whole-Time Director	Particulars : ₹ in Lakh Salary : 16.02 Allowances : 5.38 Perquisites : 1.20 Contribution To PF : 1.92 Total : 24.52	Service Contract 29.11.2014 to 28.11.2015 29.11.2015 to 28.11.2016
Shri Jitendra Singh Bedi	Whole-Time Director	Particulars : ₹ in Lakh Salary : 1.51 Allowances : 14.98 Perquisites : 0.00 Contribution To PF : 0.18 Total : 16.67	(Resigned on 25th April, 2015 as Whole Time Director)
Shri Anand Rambhau Bhusari	Whole-Time Director	Particulars : ₹ in Lakh Salary : 42.55 Allowances : 67.91 Perquisites : 0.00 Contribution To PF : 5.11 Total : 115.57*	Service Contract 28.04.2015 to 27.04.2016
Shri Devendra Kumar Jain	Director	Particulars : ₹ in Lakh Commission: : 157.25	Five years from Financial Year 2014-15

*Includes allowances paid prior to appointment of Shri Anand Bhusari as Whole –Time Director.

The following are the details of Sitting Fees paid to the Directors for attending the Board / Committee Meetings

CORPORATE GOVERNANCE REPORT (Contd.)

Name of the Director	Total Rupees
Shri Devendra Kumar Jain	200000
Shri Pavan Jain	20000
Shri Shailendra Swarup	220000
Dr S Rama Iyer	40000
Shri Deepak Asher	120000
Shri Shanti Prashad Jain	240000
Shri Rajagopalan Doraiswami	40000
Ms Vanita Bhargava	80000

During the Financial Year 2015-16, the Company has not issued stock options at discount.

Criteria for making payment to Non-Executive Directors is disclosed on the Company's website. The same can be viewed at http://gfl.co.in/Criteria_for_making_payments_to_Non_executive_Directors.pdf

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a)	Name of Non-Executive Director heading the Committee	Shri Devendra Kumar Jain
(b)	Name and designation of Compliance Officer	Mr Bhavin Desai, Company Secretary
(c)	Number of Shareholders complaints received during the Financial Year 2015-16	17
(d)	Number of complaints not resolved to the satisfaction of Shareholders	Nil
(e)	Number of pending complaints	Nil

The Chairman of Stakeholders' Relationship Committee had authorised Shri Deepak Asher, Director and Group Head (Corporate Finance) to answer to the queries of the Shareholders at the Annual General Meeting of the Company held on 29th September, 2015.

7. GENERAL BODY MEETINGS

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

Financial Year	Location, Date and Time	Details of Special Resolution passed
2012-13	23rd August, 2013 at 03.30 pm Registered Office Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	Nil
2013-14	10th September, 2014 at 03.30 pm Registered Office Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	1. Re-appointment of Shri Dinesh Kumar Sachdeva as a Whole-time Director for a period of one year from 29th November, 2014. 2. Payment of remuneration by way of Commission to Shri Devendra Kumar Jain, Director of the Company under Section 197 of the Companies Act, 2013. 3. Authority to the Board of Directors to borrow in excess of paid-up capital and free reserves of the Company. 4. Authority to the Board of Directors of the Company to create charge or mortgage in favour of lending institutions or to sell, lease or dispose of undertaking of the Company. 5. Approval of Related Party transactions under Section 188 of the Companies Act, 2013.
2014-15	29th September, 2015 at 3:30 pm Registered Office Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	1. Re-appointment of Shri Dinesh Kumar Sachdeva as a Whole-time Director for a period of one year from 29th November, 2015.

CORPORATE GOVERNANCE REPORT (Contd.)

During the Financial Year ended 31st March, 2016, no Special Resolution was passed by the Company's Members through Postal Ballot.

No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting of the Company.

8. MEANS OF COMMUNICATION

The Quarterly / Annual Financial Results of the Company during the Financial Year ended 31st March, 2016 were submitted to the Stock Exchanges immediately after they were approved by / taken on record by the Board and published in well-circulated Gujarati (Vadodara Samachar) and English (Business Standard) dailies as well. The said results along with official news releases and presentations made to the institutional investors / analysts have been submitted to the Stock Exchanges and also posted on the Company's website viz www.gfl.co.in

9. GENERAL SHAREHOLDER INFORMATION

9.1	Annual General Meeting	
	Date	Monday, 26th September, 2016
	Time	12.00 noon
	Venue	Survey No 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
9.2	Financial Year	April 2015 to March 2016
9.3	Book Closure Date	19th September, 2016 to 26th September, 2016
9.4	Dividend Payment Date	28th March, 2016
9.5	Listing of Equity Shares	National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051 BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Calcutta Stock Exchange Association Limited. 7, Lyons Range, Kolkata 700 001 (The Company's application for voluntarily delisting of its equity shares with The Calcutta Stock Exchange Association Limited is pending with the stock exchange since 2004). Listing Fees The Company has paid the Annual Listing Fees for the Financial Year 2015-16 to the NSE and BSE on which the securities are listed.
9.6	Stock Code	
	BSE Limited	500173
	National Stock Exchange of India Limited (symbol)	GUJFLUORO
	Demat ISIN Number in NSDL and CDSL	INE538A01037

CORPORATE GOVERNANCE REPORT (Contd.)

9.7 Market Price Data: High, Low during each month in the Financial Year 2015-16

Month	BSE Monthly Low Price (in ₹)	BSE Monthly High Price (in ₹)	NSE Monthly Low Price (in ₹)	NSE Monthly High Price (in ₹)
April, 2015	600.00	777.00	600.40	775.00
May, 2015	605.05	645.00	604.80	645.00
June, 2015	581.00	704.00	605.00	703.85
July, 2015	633.00	771.95	633.00	771.40
August, 2015	602.10	780.05	610.10	738.00
September, 2015	629.00	699.70	625.40	699.90
October, 2015	645.00	704.70	642.35	710.00
November, 2015	582.95	675.00	578.00	674.00
December, 2015	533.50	601.95	532.55	603.00
January, 2016	430.00	553.00	430.00	554.95
February, 2016	401.05	518.00	400.00	521.00
March, 2016	441.00	557.75	444.50	557.70

9.8 Performance in comparison to broad-based indices viz. Nifty 500 and BSE Sensex:

Date	Nifty 500	Company's Share Price on NSE
1st April, 2015	6975.80	710.00
31st March, 2016	6452.15	516.55
Change	(7.51)%	(27.25)%

Date	BSE Sensex	Company's Share Price on BSE
1st April, 2015	27,954.86	713.00
31st March, 2016	25,341.86	517.80
Change	(9.35)%	(27.38)%

9.9 The Equity Shares of the Company were not suspended from Trading during the Financial Year 2015-16.

9.10 Registrar and Transfer Agents

For lodgment of transfer deeds and other documents or any grievances / complaints, Investors may contact the Company's Registrar and Share Transfer Agents at the following address

Link Intime India Private Limited, B – 102 & 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta, Akota, Vadodara 390 020.

9.11 Share Transfer System

Trading in the Company's shares on the Stock Exchange takes place in electronic form. However, the share transfers which are received in physical form are processed and the Share Certificates returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

CORPORATE GOVERNANCE REPORT (Contd.)

9.12 Distribution of Shareholding as on 31st March, 2016

Shareholding of Nominal Value of Rs	Number of Shareholders	% to Total	Number of Shares	Amount in Rs	% to Total
1- 500	9195	71.25	902119	902119	0.82
501 to 1000	2431	18.84	2278822	2278822	2.08
1001 to 2000	475	3.68	827672	827672	0.75
2001 to 3000	170	1.32	461562	461562	0.42
3001 to 4000	96	0.74	354320	354320	0.32
4001 to 5000	109	0.85	529784	529784	0.48
5001 to 10000	167	1.29	1251493	1251493	1.14
10001 and above	262	2.03	103244228	103244228	93.99
Total	12905	100.00	109850000	109850000	100.00

Shareholding Pattern of the Company as on 31st March, 2016

Sr. No.	Category	Number of Shares held	% of Total Share holding
A	**Shareholding of Promoters and Promoters' Group**		
1	Indian Promoters	7,50,64,900	68.33
	Sub-Total of A	7,50,64,900	68.33
B	**Non-Promoters Holding**		
1	Institutions		
a	Mutual Funds and UTI	42,25,346	3.85
b	Banks, Financial Institutions, Insurance Companies	32,788	0.03
c	Central / State Government	250	0.00
d	Foreign Institutional Investors	11,17,946	1.02
e	Foreign Portfolio Investment Corporation	32,96,008	3.00
f	Foreign Company	2,000	0.00
	Sub-Total of B (1)	86,74,338	7.90
2	Non-Institutions		
a	Bodies Corporate	1,08,71,542	9.90
b	Individual	1,45,55,082	13.24
c	Non-Resident	5,25,165	0.48
d	Clearing Member	1,28,410	0.12
e	Others	30,563	0.03
	Sub-Total B (2)	2,61,10,762	23.77
	Sub-Total of B (1) + B (2)	3,47,85,100	31.67
	Grand Total (A+B)	**10,98,50,000**	**100.00**

9.13 Dematerialization of shares:

The Company's Equity Shares are traded compulsorily in dematerialized form. Approximately 98.55% of the Equity Shares issued by the Company have been dematerialized upto 31st March, 2016.

9.14 Outstanding GDRs/ADRs/Warrants:

The Company has not issued GDRs/ADRs/Warrants or any Convertible Instruments.

9.15 Commodity price risk or foreign exchange risk and hedging activities:

CORPORATE GOVERNANCE REPORT (Contd.)

The Company has approved "Risk Assessment and Minimisation Procedure" pursuant to which the Company enters into Forward Contracts on foreign currencies depending on its assessment of the market situation, to counter the risk of foreign exchange fluctuations.

9.16 Plant locations:

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

Dahej Plant
Plot No 12-A, GIDC, Dahej Industrial Estate, Taluka Vagra, District Bharuch, Gujarat State

9.17 (i) Address for Investor Correspondence:

Link Intime India Private Limited, B – 102 & 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta, Akota, Vadodara 390 020

(ii) Any query on Annual Report:

Company Secretary, Gujarat Fluorochemicals Limited, ABS Towers, 2nd Floor, Old Padra Road, Vadodara 390 007

10. OTHER DISCLOSURES

a) Materially significant Related Party Transactions
There were no transactions with Related Parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure of Related Party Transactions as required by the Accounting Standards (AS18) has been made in the Note No. 52 to the Standalone Financial Statement of the Company and in the Board's Report of the Company as required under Section 134 of the Companies Act, 2013.

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

b) Details of Non-Compliance
During the last three years, there were no instances of non-compliance, penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets.

c) Whistle Blower Policy
The Company has adopted Whistle Blower Policy at its Board Meeting held on 29th May 2014 to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Adequate safeguards have been provided in the Policy to prevent victimization of Directors/Employees. No personnel has been denied access to the Audit Committee. A copy of Company's Whistle Blower Policy has been put up on Company's Website. The same can be viewed at http://www.gfl.co.in/pdf/Whistleblower-Policy-FINAL-29052014-Website.pdf

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

Adoption of Non-Mandatory requirement

Modified opinion(s) in Audit Report: For the Financial Year ended 31st March, 2016, Independent Auditors have given unmodified opinion on the Company's Financial Statement. The Company continues to adopt best practices to ensure the regime of unqualified Financial Statements.

e) The Company has formulated a Policy for determining 'material' subsidiaries and such policy has been disclosed on the Company's Website. The same can be viewed at http://www.gfl.co.in/pdf/GFL%20-%20Material%20Subsidiary%20Company%20Policy.pdf

f) The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of the Listing Regulations except as mentioned in para 3 b above.

g) Disclosure of commodity price risks and commodity hedging activities: Not applicable

h) Disclosure about Directors being appointed / re-appointed:

The brief Resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

i) Management Discussion and Analysis Report
Management Discussion and Analysis Report is set out in the Annual Report in compliance with Clause B of Schedule V to the Listing Regulations.

CORPORATE GOVERNANCE REPORT (Contd.)

j) CEO/CFO Certification
The Company has obtained a Certificate from the Managing Director and Chief Financial Officer in respect of matters stated in Regulation 17 (8) of Listing Regulations.

11. CODE OF CONDUCT

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

12. DECLARATION BY CHIEF EXECUTIVE OFFICER

Declaration signed by Shri Vivek Jain, Managing Director of the Company, stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and senior management is annexed to this Report at Annexure – A.

13. COMPLIANCE CERTIFICATE FROM THE AUDITORS CERTIFICATE

Compliance certificate from the Independent Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed with the Board's Report.

By Order of the Board of Directors

Devendra Kumar Jain
Chairman

Date: 11th August, 2016
Place: Noida

ANNEXURE A

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

I, Vivek Jain, Managing Director of Gujarat Fluorochemicals Limited, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel for the Financial Year ended 31st March, 2016.

Date: 11th August, 2016
Place: Noida

Vivek Jain
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Gujarat Fluorochemicals Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Gujarat Fluorochemicals Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2016, 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 Standalone 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 standalone 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

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(d) In our opinion, the aforesaid standalone financial statements comply with the 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 our separate Report in Annexure II.

(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 our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – see note no. 36 to the standalone financial statements;

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

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

For **Patankar & Associates,**
Chartered Accountants
Firm's Registration No. 107628W

M. Y. Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May, 2016

Annexure I to Independent Auditor's Report

to the Members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2016 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

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

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

3. The Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Companies Act, 2013. The terms and conditions of the said loans are not, prima facie, prejudicial to the interest of the Company. The said party is regular in repayment of principal and payment of interest, as stipulated, and there are no overdue amounts.

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

5. The Company has not accepted any deposits within the meaning of 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. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 for activities of the Company to which the said Rules are made applicable, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.

7. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and no amounts in respect of such statutory dues were in arrears, as at the end of the year, for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of dues and the period to which the amount relates	Amount (₹ in Lakh)	Forum where dispute is pending
Service-tax (Finance Act, 1994)	Penalty on delay payment of Service tax on Banking & Financial services in respect of External Commercial Borrowings - 10.09.2004 to 30.06.2007	6.85	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act, 1944	Excise Duty on freight recovered from customers - April 2007 to November 2007	363.34	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act, 1944	Cenvat Credit availed on Capital goods - April 2006 to August 2011	51.59	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act, 1944	Excise Duty on freight recovered from customers - April 2012 to December 2012	154.88	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act, 1944	Excise Duty on freight recovered from customers - January 2013 to August 2013	57.72	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Customs Act, 1962	Differential duty on Import of Coal on high seas - April 2012 to May 2012	113.04	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Customs Act, 1962	Differential duty on Import of Coal on high seas - 17th March, 2012 to 28th March, 2013	860.53	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad

Name of the Statute	Nature of dues and the period to which the amount relates	Amount (₹ in Lakh)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty on freight recovered from customers – September 2013 to May 2014	124.38	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act, 1944	Cenvat Credit availed on Services for setting up of plant – November 2013 to October 2014	15.89	Commissioner (Appeals), Central Excise, Customs and Service Tax, Vadodara
Central Excise Act, 1944	Cenvat Credit availed on Gardening and Travel agent service - January 2013 to May 2015	8.72	Commissioner (Appeals-II), Central Excise, Customs and Service Tax, Surat
Central Excise Act, 1944	Excise Duty on freight recovered from customers – June 2014 to March 2015	70.42	Commissioner (Appeals-II), Central Excise, Customs and Service Tax, Surat
Central Excise Act, 1944	Cenvat Credit availed on Equipment and Components in respect of Plant installed by Third party	33.01	Commissioner (Appeals-II), Central Excise, Customs and Service Tax, Surat
Central Excise Act, 1944	Interest on Reversal of Cenvat Credit on capital goods 2007-08 & 2008-09	2.20	Commissioner (Appeals-II), Central Excise, Customs and Service Tax, Surat
Commercial tax Gujarat, VAT	Proportionate ITC reduced on Capital goods at the rate of 2%. In respect of Ratio of OGS sales to Gross turnover of sales	18.00	Joint Commissioner of Commercial Tax (Appeal)
Commercial tax Gujarat, CST	Proportionate ITC reduced on Capital goods at the rate of 2%. In respect of Ratio of OGS sales to Gross turnover of sales and Sales to SEZ (Gujarat) at Zero rated tax assessed at full rate of tax at 5%.	49.33	Joint Commissioner of Commercial Tax (Appeal)

There are no dues of income tax which have not been deposited on account of disputes.

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

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

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

11. The Company has complied with the provisions of Section 197 of the Companies Act, 2013 regarding payment of managerial remuneration.

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.

Annexure I to Independent Auditor's Report

to the Members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2016 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

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

For **Patankar & Associates,**
Chartered Accountants
Firm's Registration No. 107628W

M. Y. Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May, 2016

Annexure II to Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited on the standalone financial statements for the year ended 31st March, 2016 – referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")
We have audited the internal financial controls with reference to financial statements over financial reporting of **Gujarat Fluorochemicals Limited** ("the Company") as of 31st March, 2016 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
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our 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 we 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.

Our 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.

Our 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.

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

Opinion
In our 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 **Patankar & Associates,**
Chartered Accountants
Firm's Registration No. 107628W

M. Y. Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May, 2016

STANDALONE BALANCE SHEET
AS AT 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I.	**EQUITY AND LIABILITIES**			
(1)	**SHAREHOLDERS' FUNDS**			
(a)	Share capital	4	**1098.50**	1098.50
(b)	Reserves & surplus	5	**290162.41**	284460.39
			291260.91	**285558.89**
(2)	**NON-CURRENT LIABILITIES**			
(a)	Long-term borrowings	6	**22128.39**	23799.89
(b)	Deferred tax liabilities (net)	46	**29615.88**	26550.72
(c)	Other long-term liabilities	7	**-**	188.78
(d)	Long-term provisions	8	**1144.37**	**914.30**
			52888.64	**51453.69**
(3)	**CURRENT LIABILITIES**			
(a)	Short-term borrowings	9	**20729.15**	41832.63
(b)	Trade payables			
	Dues to Micro & Small Enterprises	10	**17.93**	2.38
	Dues to others	10	**7934.67**	7051.07
(c)	Other current liabilities	11	**13157.37**	15913.11
(d)	Short-term provisions	12	**620.94**	5168.84
			42460.06	**69968.03**
	Total		**386609.61**	**406980.61**
II.	**ASSETS**			
(1)	**NON-CURRENT ASSETS**			
(a)	Fixed assets			
	(i) Tangible assets	13	**198129.72**	193477.88
	(ii) Intangible assets	14	**5048.76**	5936.64
	(iii) Capital work-in-progress		**4203.09**	10895.45
(b)	Non-current investments	15	**57059.69**	42047.33
(c)	Long-term loans and advances	16	**40245.87**	37764.72
(d)	Other non current assets	17	**2.41**	2.24
			304689.54	**290124.26**
(2)	**CURRENT ASSETS**			
(a)	Current investments	18	**1136.33**	1266.38
(b)	Inventories	19	**32102.93**	36712.82
(c)	Trade receivables	20	**37571.21**	38541.62
(d)	Cash and bank balances	21	**2202.58**	34636.61
(e)	Short-term loans and advances	22	**8334.27**	5378.04
(f)	Other current assets	23	**572.75**	320.88
			81920.07	**116856.35**
	Total		**386609.61**	**406980.61**

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	Notes No.	2015-2016	2014-2015
I.	Revenue from Operations	24	**143912.91**	141166.48
	Less: Excise Duty		**10082.03**	9069.40
			133830.88	132097.08
II.	Other income	25	**5235.87**	5619.27
III.	**TOTAL REVENUE (I + II)**		**139066.75**	**137716.35**
IV.	**EXPENSES**			
	Cost of materials consumed	26	**33553.78**	41009.09
	Purchases of stock-in-trade	27	**223.94**	171.18
	Changes in inventories of finished goods, work-in-progress, stock-in-trade & by products	28	**5063.09**	(4705.11)
	Employee benefits expense	29	**10304.31**	9615.66
	Finance costs	30	**4772.80**	5197.80
	Depreciation and amortization expense	31	**14414.71**	12385.32
	Other expenses	32	**55958.51**	58193.59
	Total Expenses		**124291.14**	**121867.53**
V.	**Profit before exceptional items and tax (III-IV)**		**14775.61**	15848.82
VI.	Exceptional items	38	**-**	27905.05
VII.	**Profit before tax (V+VI)**		**14775.61**	**43753.87**
VIII.	(A) Tax expense:			
	(1) Current tax		**3120.00**	8654.00
	(2) MAT credit entitlement		**(1494.00)**	(8654.00)
	(3) Deferred tax		**3065.16**	5797.01
			4691.16	5797.01
	(B) Taxation pertaining to earlier years		**(331.00)**	(279.36)
			4360.16	5517.65
IX.	**Profit for the year (VII-VIII)**		**10415.45**	**38236.22**
X.	Basic & Diluted Earnings Per Share of Re 1 each (in ₹)	47	**9.48**	34.81

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head (Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**14775.61**	43753.87
	Adjustments for :		
	Depreciation and amortization expense	**14414.71**	12385.32
	(Profit)/Loss on retirement /disposal of fixed assets (net)	**(5.15)**	1797.40
	Provision for doubtful advances	**12.24**	-
	Provision for doubtful Trade receivables (net)	**351.44**	-
	Bad debts and remissions	**55.06**	5.57
	Liabilities and provisions no longer required, written back	**(382.11)**	(244.14)
	Amounts written-off	**7.79**	452.12
	Unrealised Foreign exchange loss (net)	**56.02**	292.28
	Income in respect of investing activities (net)	**(2792.66)**	(34301.06)
	Finance costs	**4772.80**	5197.80
		16490.14	(14414.71)
	Operating profit before working capital changes	**31265.75**	29339.16
	Adjustments for :		
	Other long term liabilities	**(188.78)**	(47.20)
	Long-term provisions	**230.07**	172.37
	Trade payables	**881.22**	(1364.88)
	Other current liabilities	**(129.35)**	1326.25
	Short-term provisions	**79.55**	24.07
	Long-term loans and advances	**16.11**	(33.31)
	Inventories	**4609.89**	(5017.42)
	Trade receivables	**722.50**	(7749.34)
	Short-term loans and advances	**(2968.47)**	(616.49)
	Other current assets	**(176.98)**	(161.06)
		3075.76	(13467.01)
	Cash generated from operations	**34341.51**	15872.15
	Income-tax paid (net)	**(3983.70)**	(7727.15)
	Net cash generated from operating activities	**30357.81**	**8145.00**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including change in capital work in progress and capital advances)	**(11970.23)**	(17944.76)
	Sale of fixed assets	**12.49**	863.91
	Investment in shares of subsidiary companies	**(12.79)**	(12705.98)
	Purchase of other investments	**(74568.77)**	(61782.05)
	Sale of investments	**60051.22**	110644.13
	Inter-corporate deposits given	**(300.00)**	(500.00)
	Inter-corporate deposits received back	**300.00**	10950.00
	Interest and dividend received (net of expenses)	**2365.80**	4260.99
	Movement in bank fixed deposits with original maturity of more than 12 months and margin money deposits (net)	**(0.17)**	79.70
	Net cash generated from / (used in) investing activities	**(24122.45)**	**33865.94**

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term loans	**19476.91**	-
	Repayment of long term loans	**(22836.13)**	(5981.92)
	Proceeds from/(repayment of) short term loans (net)	**(19493.95)**	7597.86
	Proceeds from/(repayment of) cash credit/overdraft (net)	**(1798.08)**	(309.20)
	Finance costs	**(4830.13)**	(4945.08)
	Dividend paid (including tax on dividend)	**(9254.90)**	(4498.17)
	Net cash used in financing activities	**(38736.28)**	**(8136.51)**
	Net increase/(decrease) in cash and cash equivalents	**(32500.92)**	**33874.43**
	Cash and cash equivalents as at the beginning of the year	***34429.77**	555.34
	Cash and cash equivalents as at the end of the year	**1928.85**	*34429.77

Notes :

(a) (*) Cash and cash equivalents include bank balance of ₹ 31,988.45 lakh in Public Issue Accounts, being the Company's share in the IPO proceeds of Inox Wind Limited (subsidiary of the Company) - see note no. 21.

(b) Components of cash and cash equivalents are as per note no. 21.

(c) Cash flow statement is prepared and presented under 'Indirect method'.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

1. CORPORATE INFORMATION

Gujarat Fluorochemicals Limited (the "Company") is a public limited company engaged in the business of manufacturing and trading of Refrigeration Gases, Anhydrous Hydrochloric Acid, Caustic Soda, Chlorine, Chloromethanes, Poly Tetrafluoroethylene (PTFE) and Post Treated Poly Tetrafluoroethylene (PTPTFE). 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. The Company is a subsidiary of Inox Leasing and Finance 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 with the classification for the current year.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Fixed assets:

Freehold land is carried at cost. Leasehold land is carried at cost, comprising of lease premium and expenses on acquisition thereof, as reduced by accumulated amortization. Other fixed assets are carried at cost less accumulated depreciation/amortization. Cost comprises of purchase price / cost of construction, including non-refundable taxes and levies, and any expenses attributable to bring the asset to its working condition for its intended use. Borrowing costs directly attributable to acquisition or construction of qualifying fixed assets are capitalised. In respect of accounting periods commencing on or after 1st April, 2011, consequent to the insertion of Para 46A of Accounting Standard (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.

b) Depreciation & 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 determined as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

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 equally over a period of three years.

c) Impairment of assets:

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

d) Investments:

Long term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary, in the values of these investments. Current investments are carried at lower of cost and fair value.

e) Inventories:

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

f) Revenue recognition:

The Company recognises sales 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. Interest income is recognised on a time proportion basis, except in cases where interest is doubtful of recovery. Dividend income is recognised when the unconditional right to receive the dividend is established. Insurance claims are recognised to the extent there is reasonable certainty of the realisability of the claim amount.

g) 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.

h) Employee benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered. Company's contributions towards provident and pension funds viz. Defined Contribution Plan paid/payable during the year are charged to the Statement of Profit and Loss. Defined Benefit 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.

i) 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.

j) 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 originate 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 Company's gross total income is subject to the deduction during the tax holiday period. Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income-tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period prescribed for utilization of such credit.

k) 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.

(ii) The Central Government has vide its Notification no. G.S.R. 914(E) dated 29th December, 2011, amended Accounting Standard (AS) 11: The Effects of Changes in Foreign Exchange Rates, 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 Company 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

l) Accounting for hedges and derivatives:

The Company 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 Company 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 Company has adopted the rules for hedge accounting specified in Accounting Standard (AS) 30. Accordingly, derivatives such as option contracts and interest rate swaps to hedge highly probable forecasted transactions which are outside the scope of Accounting Standard (AS) 11: The Effects of Changes in Foreign Exchange Rates are designated as a hedging instrument in a permitted hedging relationship if the conditions for hedge accounting are met including high hedge effectiveness at the inception and throughout the period of the hedge.

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

m) 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.

n) Provisions and contingent liabilities:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

o) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities, at the end of the accounting year and reported amounts of revenue and expenses during the year. Although these estimates are based on

the management's knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4. SHARE CAPITAL (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
4.1 Equity		
Authorized		
20,00,00,000 equity shares of Re 1 each	**2000.00**	2000.00
Issued, subscribed and fully paid up		
10,98,50,000 equity shares of Re 1 each	**1098.50**	1098.50
Total	**1098.50**	1098.50

4.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Re 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any.

During the year, the Company has paid to the equity shareholders an Interim Dividend of ₹ 3.50 per equity share (previous year final dividend of ₹ 3.50 per equity share).

	Nos.	(₹ in Lakh)
4.3 Shares held by holding company		
Inox Leasing and Finance Limited	5,77,15,310	577.15
	(5,77,15,310)	(577.15)

	Nos.	holding %
4.4 Details of shareholders holding more than 5% shares in the company		
Inox Leasing and Finance Limited	5,77,15,310	52.54%
	(5,77,15,310)	(52.54%)
Devansh Trademart LLP (Formerly Devansh Trading and Finance Private Limited)	66,62,360	6.06%
	(66,62,360)	(6.06%)
Siddhapavan Trading LLP (Formerly Siddhapavan Trading and Finance Private Limited)	55,76,440	5.08%
	(55,76,440)	(5.08%)

Note: Figures in brackets pertain to previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

5. RESERVES AND SURPLUS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Capital Reserves		
As per last Balance Sheet	**12644.93**	12644.93
Capital Redemption Reserve		
As per last Balance Sheet	**59.30**	59.30
Hedging Reserve		
As per last Balance Sheet	**(216.00)**	-
Add: Movements during the year	**(85.98)**	(216.00)
	(301.98)	(216.00)
General Reserve		
As per last Balance Sheet	**271000.00**	238000.00
Less : Adjustment on account of carrying amount of fixed assets	**-**	303.16
as at 1st April, 2014, net of deferred tax (see note no. 34)		
Add: Transfer from Surplus in the Statement of Profit and Loss	**6000.00**	33303.16
	277000.00	271000.00
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	**972.16**	666.55
Add: Profit for the year	**10415.45**	38236.22
Less : Appropriations		
General Reserve	**6000.00**	33303.16
Interim Dividend	**3844.75**	-
Proposed Dividend	**-**	3844.75
Tax on Dividend	**782.70**	782.70
	760.16	972.16
Total	**290162.41**	**284460.39**

6. LONG-TERM BORROWINGS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
6.1 Term Loans		
Secured Loans		
From Banks		
- Foreign Currency Loans	**27114.92**	29857.61
Less: Current maturities of Long-term debts	**4986.53**	6057.72
(Disclosed under Note no. 11: Other current liabilities)		
Total	**22128.39**	**23799.89**

6.2 For nature of securities and terms of repayment (see note no. 35).

7. OTHER LONG-TERM LIABILITIES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Security Deposits	-	188.78
Total	**-**	**188.78**

8. LONG-TERM PROVISIONS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits (see note no. 55)		
- for Gratuity	**793.43**	660.66
- for Leave benefits	**350.94**	253.64
Total	**1144.37**	**914.30**

9. SHORT-TERM BORROWINGS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
9.1 Secured Loans		
From Banks		
Cash Credit/Overdraft	-	1798.08
Packing credit /Buyers credit/Others		
- Foreign Currency Loans	-	4165.37
Sub Total	-	5963.45
9.2 Unsecured Loans		
From Banks		
Packing credit /Buyers credit/Others		
- Rupee Loan	-	4900.00
- Foreign Currency Loans	**18239.14**	20075.69
	18239.14	24975.69
From Others		
- Commercial papers	**2490.01**	10893.49
	20729.15	35869.18
Total	**20729.15**	**41832.63**

9.3 For nature of securities and terms of repayment (see note no. 35).

10. TRADE PAYABLES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Trade payables		
- dues to Micro and Small Enterprises (see note no. 48)	**17.93**	2.38
- dues to others	**7934.67**	7051.07
Total	**7952.60**	**7053.45**

11. OTHER CURRENT LIABILITIES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long-term debt (from note no. 6)	**4986.53**	6057.72
Interest accrued but not due on borrowings	**126.25**	183.58
Creditors for capital expenditure	**1032.13**	2316.68
Derivative financial liabilities	**446.04**	216.00
Security deposits	**511.71**	348.31
Advances from customers	**609.72**	452.09
Unclaimed dividends (see note below)	**273.72**	206.84

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Statutory dues and taxes payable	**1151.84**	1081.05
Employees dues payable	**1922.68**	1732.79
Expenses payables	**2096.75**	1867.74
Share in IPO expenses payable to subsidiary company (see note no. 33)	**-**	1450.31
Total	**13157.37**	**15913.11**

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.

12. SHORT-TERM PROVISIONS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for employee benefits (see note no. 55)		
- for Gratuity	**229.51**	223.06
- for Leave benefits	**391.43**	318.33
	620.94	541.39
(b) Other provisions		
- for Proposed Dividend	**-**	3844.75
- for Tax on Proposed Dividend	**-**	782.70
	-	4627.45
Total	**620.94**	**5168.84**

13. TANGIBLE ASSETS

(₹ in Lakh)

Particulars	Gross Block					Depreciation/Amortization					Net Block	
	As at 01-Apr-15	Additions	Deductions	Exchange differences	As at 31-Mar-16	As at 01-Apr-15	Retained Earning	For the year	Deductions	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Land												
- Freehold Land	21.86				**21.86**						**21.86**	21.86
- Leasehold Land	4741.41				**4741.41**	307.36		48.32		**355.68**	**4385.73**	4434.05
Buildings	25120.25	2118.05			**27238.30**	4249.02		950.56		**5199.58**	**22038.72**	20871.23
Plant and Equipments	215558.29	14382.66	7.37	1379.59	**231313.17**	48787.62		12052.71	4.05	**60836.28**	**170476.89**	166770.67
Furniture and Fixtures	1293.67	37.50			**1331.17**	612.52		151.87		**764.39**	**566.78**	681.15
Vehicles	514.46				**514.46**	356.68		53.71		**410.39**	**104.07**	157.78
Office Equipment	1680.04	210.50	14.95		**1875.59**	1138.90		211.96	10.94	**1339.92**	**535.67**	541.14
Total Tangible Assets	**248929.98**	**16748.71**	**22.32**	**1379.59**	**267035.96**	**55452.10**		**13469.13**	**14.99**	**68906.24**	**198129.72**	**193477.88**
Previous year	204672.14	48185.81	4528.20	600.23	**248929.98**	45213.44	448.25	11657.29	1866.88	**55452.10**		

Note: Buildings includes offices given on operating lease:

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Gross Block	914.52	914.52
Depreciation charge for the Year	15.44	15.44
Accumulated Depreciation	151.70	136.26
Net Block Value	762.82	778.26

14. INTANGIBLE ASSETS

(₹in Lakh)

Particulars	Gross Block					Depreciation/Amortization					Net Block	
	As at 01-Apr-15	Additions	Deduct_ ions	Exchange differences	As at 31-Mar-16	As at 01-Apr-15	Retained Earning	For the year	Deduct- ions	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Product Development	734.19				**734.19**	38.39		173.95		**212.34**	**521.85**	695.80
Technical Know How	7076.37				**7076.37**	1870.57		740.16		**2610.73**	**4465.64**	5205.80
Software	337.98	57.70			**395.68**	302.94		31.47		**334.41**	**61.27**	35.04
Total Intangible Assets	**8148.54**	**57.70**	**-**	**-**	8206.24	**2211.90**	**-**	**945.58**	**-**	3157.48	**5048.76**	**5936.64**
Previous year	4826.25	3322.29	-	-	**8148.54**	1472.85	11.02	728.03	-	**2211.90**		

15. NON-CURRENT INVESTMENTS

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

(₹ in Lakh)

Particulars		Face Value ₹	Nos. as at 31st March, 2016	Nos. as at 31st March, 2015	As at 31st March, 2016		As at 31st March, 2015	
A]	**UNQUOTED**							
i)	**Investment in Equity instruments**							
	a) In subsidiary companies							
	Inox Infrastructure Limited	10	50000000	50000000	5000.00		5000.00	
	Inox Wind Limited (see note no. 1 & 2 below)	10	-	140000000	-		2800.00	
	Inox Renewables Limited (see note no. 1 below)	10	3374400	3374400	12882.44		12882.44	
	Gujarat Fluorochemcials Singapore Pte. Limited (see note no. 1 below)	USD 1	2791000	2771000	1469.64		1456.85	
	Gujarat Fluorochemicals GmbH (Trade)				21.82		21.82	
	Gujarat Fluorochemicals Americas LLC (Trade)				1012.28		1012.28	
						20386.18		**23173.39**
	b) In Other companies							
	Xuancheng Hengyuan Chemical Technology Co. Ltd (a Joint Venture) (Trade)				1263.89		1263.89	
	Swarnim Gujarat Fluorspar Private Limited (a Joint Venture) (Trade)	10	1082500	1082500	108.25		108.25	
	Kaleidoscope Entertainment Private Limited	1	562500	562500	60.75		60.75	
						1432.89		1432.89
	Less: Provision for diminution in value of investment					60.75		60.75
						1372.14		**1372.14**
ii)	**Investment in Mutual Funds**							
	Religare Invesco FMP Series 23-Plan L (370 Days)-Regular Plan Growth	10	10000000	10000000	1000.00		1000.00	
	Reliance Yearly Interval Fund - Series 8 Direct Plan-Growth	10	9211751	9211751	1000.00		1000.00	
	HDFC FMP 370 Days June 2014(2) Series 31 Regular - Growth	10	10000000	10000000	1000.00		1000.00	
	SBI Debt Fund Series A35-369Days -Direct - Growth	10	10000000	10000000	1000.00		1000.00	
	DHFL Pramerica Interval Annual Plan Series 1-Direct Plan Growth	10	9205730	9205730	1000.00		1000.00	
	Reliance Fixed Horizon Fund-XXVI Series 33 - Direct Plan -Growth Plan	10	10000000	10000000	1000.00		1000.00	
	ICICI Prudential FMP Series 76-1134 Days-Plan Y-Growth	10	10000000	-	1000.00		-	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

Particulars			Face Value ₹	Nos. as at 31st March, 2016	Nos. as at 31st March, 2015	As at 31st March, 2016		As at 31st March, 2015	
	ICICI Prudential FMP Series 76-1135 Days-Plan Z-Regular Plan-Growth		10	10000000	-	1000.00		-	
	ICICI Prudential FMP Series 77-1132 Days-Plan A-Regular Plan-Growth		10	10000000	-	1000.00		-	
	IDFC Fixed Term Plan Series 108 -1144 Days Regular Plan-Growth		10	10000000	-	1000.00		-	
	SBI Debt Fund Series B-16(1100 Days)-Regular Plan-Growth		10	10000000	-	1000.00		-	
	ICICI Prudential Equity Arbitrage Fund-Regular -Dividend		10	7237596	-	999.57		-	
	Kotak Equity Arbitrage-Monthly Dividend (Regular)		10	18504811	-	2000.00		-	
	Reliance Arbitrage Advantage Fund-Monthly Dividend Plan Dividend Payout		10	19070140	-	2000.00		-	
	HDFC Short Term Plan-Growth		10	3677863	-	1000.00		-	
	Birla Sun Life Short Term Opportunities Fund-Regular Plan-Growth		10	4355989	-	1000.00		-	
	DSP Black Rock Short Term Fund-Regular Plan-Growth		10	4174494	-	1000.00		-	
	Franklin India Short Term Income Plan-Retail-Growth		10	34670	-	1000.00		-	
	DHFL Pramerica Short Maturity Fund-Growth		10	3958860	-	1000.00		-	
							20999.57		**6000.00**
iii)	**Investment in Venture Capital Funds**								
	Indiareit Fund Scheme III		100000	293	423	292.58		422.63	
	Kshitij Venture Capital Fund		338	250000	250000	843.75		843.75	
						1136.33		1266.38	
	Less : Current portion of Long Term Investments					1136.33		1266.38	
	(disclosed under note no. 18 : Current Investments)						0.00		0.00
	Total Unquoted Investments						**42757.89**		**30545.53**
B]	**QUOTED**								
	Investment in Equity instruments								
	a)	**In subsidiary companies**							
		Inox Leisure Limited	10	46386467	46386467	9012.47		9012.47	
		Inox Wind Limited (see note no. 1 & 2 below)	10	140000000	-	2800.00		-	
							11812.47		9012.47
	b)	**In Other companies**							
		Tata Global Beverages Limited (pursuant to merger of Mount							
		Everest Mineral Water Ltd)	10	1630944	-	2489.33		-	
		Mount Everest Mineral Water Ltd.	10	-	2174592	-		2489.33	
							2489.33		2489.33
		Total quoted investments					**14301.80**		**11501.80**
	Total Investments						**57059.69**		**42047.33**
	Aggregate amount of quoted investments						14301.80		11501.80
	Market value of quoted investments						455386.30		81109.89
	Aggregate amount of unquoted investments						43954.97		31872.66
	Aggregate provision for diminution in value of investments						60.75		60.75

1. The Company has provided undertakings to various lenders of its subsidiaries, Inox Wind Limited, Inox Renewables Limited and Gujarat Fluorochemicals Singapore Pte. Limited, not to dilute its stake in these companies to below 51%.

2. Equity shares of Inox Wind Limited were listed on stock exchanges on 9th April, 2015. Further out of the total equity shares of IWL held by the Company, 4,43,83,646 shares are locked-in upto 30th March, 2018.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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16. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Capital advances	**1307.48**	1498.90
Security deposits	**674.48**	566.56
Loans and advances to related parties (see note no. 52 and 53)		
- Inter-corporate deposits to subsidiary company	**16249.00**	16249.00
Prepaid expenses	**5.34**	11.14
Advances recoverable in cash or in kind	**164.31**	106.83
MAT credit entitlement	**11579.00**	9754.00
Income tax paid (net of provisions)	**10266.26**	9578.29
Total	**40245.87**	**37764.72**

17. OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Non current bank balances (from note no. 21)	**2.01**	2.01
Interest accrued on above	**0.40**	0.23
Total	**2.41**	**2.24**

18. CURRENT INVESTMENTS

(Non-trade, unquoted and at lower of cost and fair value) (₹ in Lakh)

Particulars		Face Value ₹	Nos. as at 31-Mar-16	Nos. as at 31-Mar-15	As at 31st March, 2016		As at 31st March, 2015	
A]	**CURRENT PORTION OF LONG TERM INVESTMENTS**							
i)	**Investment in Venture Capital Funds**							
	Indiareit Fund Scheme III	100000	293	423	292.58		422.63	
	Kshitij Venture Capital Fund	338	250000	250000	843.75		843.75	
						1136.33		1266.38
	Total current investments					**1136.33**		**1266.38**

19. INVENTORIES

(for basis of valuation please refer note no. 3(e)) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Raw materials	**7116.74**	7687.43
Work-in-progress	**3535.29**	5780.32
Finished goods	**13505.08**	16367.51
Stock in trade	**128.90**	107.04
Stores and spares	**5406.08**	4845.48
Others		
- Fuel	**1649.49**	1220.89
- Packing materials	**381.65**	329.03
- By products	**379.70**	375.12
	2410.84	1925.04
Total	**32102.93**	**36712.82**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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20. TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	**2407.65**	3262.80
Others	**35163.56**	35278.82
	37571.21	38541.62
Considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	**366.14**	14.70
	366.14	14.70
	37937.35	38556.32
Less: Provision for doubtful Trade receivables	**(366.14)**	(14.70)
Total	**37571.21**	**38541.62**

21. CASH AND BANK BALANCES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
21.1 Cash & cash equivalents		
- Balances with banks in current accounts	**1918.09**	2437.43
- Public Issue accounts (see note below)	**-**	31988.45
- Cash on hand	**10.77**	3.89
	1928.86	34429.77
21.2 Other Bank Balances		
- In unpaid dividend account	**273.72**	206.84
- Bank deposits with original maturity of more than 12 months	**2.01**	2.01
	275.73	208.85
Less: Amount disclosed under note no. 17 - Other non-current assets	**2.01**	2.01
	273.72	206.84
Total	**2202.58**	**34636.61**

Note: The bank balance in Public Issue Accounts represents money raised by Inox Wind Limited (Subsidiary of the Company) in IPO (see note no. 33) which was held in escrow as at 31st March, 2015. The money was released on 8th April, 2015 on receiving listing approval from the stock exchanges.

22. SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Loans and advances to related parties (see note no. 52)		
- Other dues	**10.50**	159.47
Prepaid expenses	**168.91**	193.28
Inter-corporate deposits to other parties (see note no. 53)	**1436.95**	1436.95
Advances recoverable in cash or in kind	**188.76**	115.81
Other receivables	**56.41**	89.04
Advances to suppliers		
Considered good	**2196.71**	2249.67
Considered doubtful	**12.24**	-
	2208.95	2249.67

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Less: Provision for Doubtful advances	**(12.24)**	-
	2196.71	2249.67
Electricity duty and Custom duty refund claimed	**3191.07**	-
Balances in Excise, Service Tax and VAT accounts	**1084.96**	1133.82
Total	**8334.27**	**5378.04**

23. OTHER CURRENT ASSETS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Insurance claims lodged	**338.04**	37.37
Un amortised premium on forward contract	**-**	123.69
Interest accrued on		
- Inter-corporate deposits	**223.61**	149.33
- Others	**11.10**	10.49
	234.71	159.82
Total	**572.75**	**320.88**

24. REVENUE FROM OPERATIONS

(₹ in Lakh)

	2015-2016	2014-2015
Sale of products	**141990.00**	139990.02
Less: Excise duty	**10082.03**	9069.40
	131907.97	130920.62
Other operating revenues	**1922.91**	1176.46
Total	**133830.88**	**132097.08**
Details of sale of products		
Refrigerant Gases	**26233.30**	20430.96
Caustic Soda (Caustic Soda Lye & Flakes)	**30004.02**	25676.64
Chloromethanes (Methylene Chloride, Chloroform and Carbon Tetrachloride)	**24881.75**	27456.77
Poly Tetrafluoroethylene (PTFE)	**41889.79**	50275.28
Other products	**8899.11**	7080.97
Total	**131907.97**	**130920.62**

25. OTHER INCOME

(₹ in Lakh)

	2015-2016	2014-2015
Interest income		
- on bank deposits	**0.18**	0.75
- on Inter-corporate deposits		
(i) from subsidiary companies	**1624.90**	1976.30
(ii) from other companies	**154.61**	147.80
- other interest	**29.44**	105.51
	1809.13	2230.36
Dividend income		
- on long term investments	**632.18**	-
Profit on sale of investments (net)		
- on long term investments (net of reversal of provision for	**(35.49)**	1292.52

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25. OTHER INCOME

(₹ in Lakh)

	2015-2016	2014-2015
diminution of ₹ Nil (previous year ₹ 2545.97))		
- on current investments	**387.51**	578.02
	352.02	1870.54
Provision for doubtful debts written back	**-**	0.07
Liabilities and provisions no longer required, written back	**382.11**	244.07
Net gain on foreign currency transactions and translation	**806.36**	420.53
Gain on settlement/mark to market on derivative contracts (net)	**387.14**	-
Profit on retirement /disposal of fixed assets (net)	**5.15**	-
Rental income from operating leases	**728.54**	724.41
Miscellaneous income	**133.24**	129.29
Total	**5235.87**	**5619.27**

26. COST OF MATERIALS CONSUMED

(₹ in Lakh)

	2015-2016	2014-2015
Raw materials consumed	**28275.79**	34822.79
Packing materials consumed	**5277.99**	6186.30
	33553.78	**41009.09**
Details of raw material consumed		
Fluorspar	**7147.60**	9991.11
Chloromethanes	**1498.91**	2585.05
Methanol	**7232.01**	8648.89
Others	**12397.27**	13597.74
Total	**28275.79**	**34822.79**

27. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakh)

	2015-2016	2014-2015
Purchases of stock-in-trade	**223.94**	171.18
Total	**223.94**	171.18
Details of purchases of stock-in-trade		
Refrigerant Gases	**223.94**	159.70
Speciality Chemicals	**-**	10.53
PTFE Powder	**-**	0.95
Total	**223.94**	**171.18**

28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE & BY PRODUCTS

(₹ in Lakh)

	2015-2016	2014-2015
Opening Stock		
Finished goods	**16367.51**	14456.15
Stock-in-trade	**107.04**	148.83
Work-in-progress	**5780.32**	2945.35
By-products	**375.12**	367.37
	22629.99	17917.70
Less : Closing Stock		
Finished goods	**13505.08**	16367.51
Stock-in-trade	**128.90**	107.04

	2015-2016	2014-2015
Work-in-progress	**3535.29**	5780.32
By-products	**379.70**	375.12
	17548.97	22629.99
Excise duty on stock of finished goods (net)	**(17.93)**	7.18
(Increase) / Decrease in Stock	**5063.09**	**(4705.11)**

Details of opening and closing stock	Closing Stock/ (Opening Stock)	Closing Stock/ (Opening Stock)
Finished Goods, Stock-in-trade & By-Products		
Refrigerant Gases	**2473.08**	3064.04
	(3064.04)	(1960.87)
Chloromethanes (Methylene Chloride, Chloroform and Carbon Tetrachloride)	**886.39**	345.16
	(345.16)	(628.15)
Poly Tetrafluoroethylene (PTFE)	**9899.67**	12829.86
	(12829.86)	(11712.05)
Others	**754.54**	610.61
	(610.61)	(671.28)
Total	**14013.68**	**16849.67**
	(16849.67)	**(14972.35)**
Work-in-progress		
Refrigerant Gases	**202.35**	151.16
	(151.16)	(42.85)
Chloromethanes (Methylene Chloride, Chloroform and Carbon Tetrachloride)		
	64.58	203.61
	(203.61)	(145.60)
Poly Tetrafluoroethylene (PTFE)	**2542.17**	5089.50
	(5089.50)	(2752.42)
Others	**726.19**	336.05
	(336.05)	(4.48)
Total	**3535.29**	**5780.32**
	(5780.32)	**(2945.35)**

29. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

	2015-2016	2014-2015
Salaries and wages	**9278.79**	8567.15
Contribution to provident and other funds	**419.09**	387.08
Gratuity	**211.68**	265.70
Staff welfare expenses	**394.75**	395.73
Total	**10304.31**	**9615.66**

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30. FINANCE COSTS

(₹ in Lakh)

	2015-2016	2014-2015
Interest expenses	**3102.75**	4786.17
Other borrowing costs	**264.99**	49.66
Net loss on foreign currency transactions and translation	**1405.06**	361.97
Total	**4772.80**	**5197.80**

31. DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakh)

	2015-2016	2014-2015
Depreciation and amortization of tangible assets	**13469.13**	11657.29
Amortization of intangible assets	**945.58**	728.03
Total	**14414.71**	**12385.32**

32. OTHER EXPENSES

(₹ in Lakh)

	2015-2016	2014-2015
Stores and spares consumed	**4983.72**	5260.24
Power and fuel	**32249.24**	34414.92
Freight and octroi	**3592.02**	3960.69
Insurance	**326.50**	353.51
Excise duty, custom duty and sales tax	**415.30**	977.52
Production labour charges	**1809.49**	1635.54
Processing charges	**106.13**	98.75
Factory expenses	**559.42**	737.76
Repairs to		
- Buildings	**351.16**	267.68
- Plant and equipments	**3379.17**	2665.11
- Others	**308.01**	390.68
	4038.34	3323.47
Directors' sitting fees	**9.60**	8.60
Commission to director	**157.25**	130.39
Rent	**282.77**	330.27
Rates and taxes	**409.85**	414.34
Travelling and conveyance	**1300.77**	1386.18
Communication expenses	**166.45**	164.92
Legal and professional fees and expenses	**1864.08**	1650.98
Lease rentals and hire charges	**555.30**	492.09
Loss on retirement /disposal of fixed assets (net)	**-**	10.30
Provision for doubtful Trade receivables	**353.33**	-
Provision of doubtful advances	**12.24**	-
Bad debts and remissions	**55.06**	5.57
Corporate Social Responsibility expenses (see note no. 57)	**117.00**	-
Commission	**534.34**	506.89
Royalty	**345.52**	242.23
Miscellaneous expenses	**1714.79**	2088.43
Total	**55958.51**	**58193.59**

33. INITIAL PUBLIC OFFER BY SUBSIDIARY COMPANY

During the previous year, Inox Wind Limited (IWL), a subsidiary of the Company, had made an Initial Public Offer (IPO) for 3,19,18,226 equity shares of ₹ 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 ₹ 325 per share (including premium of ₹ 315 per share) subject to discount of ₹ 15 per share to the eligible employees of IWL and retail investors. Out of the total proceeds from the IPO of ₹ 1,02,053.45 Lakh, the share of the Company is ₹ 32,053.45 Lakh from the offer for sale of 1,00,00,000 equity shares. The total expenses in connection with the IPO were shared between the Company and IWL. Accordingly amount of ₹ 1581.82 Lakh, being the Company's share in the IPO expenses, was adjusted against the gain on sale of said shares, and the net gain of ₹ 30,271.63 Lakh is included in exceptional items (see note no. 38).

34. CHANGE IN THE ESTIMATE OF USEFUL LIFE OF FIXED ASSETS

The Company has adopted the useful lives of various fixed assets as specified in Schedule II of the Companies Act, 2013, with effect from 1st April, 2014, as against the useful lives adopted earlier as specified in Schedule XIV to the Companies Act, 1956. The carrying amount of fixed assets, where the remaining useful life as at 1st April, 2014 as per Schedule II was ₹ Nil, aggregating to ₹ 303.16 Lakh (net of deferred tax credit of ₹ 156.10 Lakh), was recognized in the opening balance of retained earnings.

35. SECURITIES AND TERMS OF LOANS TAKEN:

a) Secured loans:

Foreign currency term loan in form of ECB of ₹ Nil (previous year ₹ 19574.81 Lakh) 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 had 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. The term loan was repayable in 40 equal quarterly instalments starting from 15th June, 2012 and carried interest @ 3 months LIBOR plus 4.25% p.a. Out of total sanctioned ECB of USD 49 million, ECB installments of USD 25 million was hedged at the rate of 11.26% p.a.

Foreign currency term loan in form of ECB of ₹ 9738.46 Lakh (previous year ₹ Nil) from Mizuho Bank Limited is secured by way of first charge on all movable and immovable assets of 36 MW Wind Power Project at Mahidad, Gujarat and first charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka - Vagra, District - Bharuch, Gujarat Pari-passu with Hong Kong and Shanghai Banking Corporation Limited. Further, the Lender also has assignment of rights under the project agreements relating to 36 MW Wind Power Project at Mahidad by way of Pari-passu with Hong Kong and Shanghai Banking Corporation Limited. The term loan is repayable in 20 equal quarterly instalments starting from 15th June, 2016 and carries interest @ 3 months LIBOR plus 1.13% p.a. The entire ECB loan of USD 14.70 million is hedged at the rate of 8.24% p.a. w.e.f. 18th March, 2016. The Company is in the process of creation of charge.

Foreign currency term loan in form of ECB of ₹ 9738.46 Lakh (previous year ₹ Nil) from Hong Kong and Shanghai Banking Corporation Limited is secured by way of first charge on all movable and immovable assets of 36 MW Wind Power Project at Mahidad, Gujarat and first charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat Pari-passu with Mizuho Bank Limited. Further, the Lender also has assignment of rights under the project agreements relating to 36 MW Wind Power Project at Mahidad by way of Pari-passu with Mizuho Bank Limited. The term loan is repayable in 20 equal quarterly instalments starting from 15th June, 2016 and carries interest @ 3 months LIBOR plus 1.13% p.a. The entire ECB loan of USD 14.70 million is hedged at the rate of 8.24% p.a. w.e.f. 18th March, 2016. The Company is in the process of creation of charge.

Foreign Currency Term Loan in form of ECB of ₹ 7638.00 Lakh (previous year ₹ 8024.54 Lakh) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/mortgage/hypothecation on movable and immovable fixed assets including cash flow receivables and escrow account of 14 MW Wind Power Project at Mahidad. Further the Lender has first & 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. The term loan is repayable in 20 equal half yearly instalments starting from 20th September, 2013 and carries interest @ 6 months LIBOR plus 4.14% p.a. Out of ECB of USD 16.47 million, ECB of USD 10 million was hedged at the rate of 10.55% p.a.

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Foreign Currency Term Loan in form of ECB of ₹ Nil (previous year ₹ 2258.25 Lakh) from DBS Bank Limited was secured by first Pari-passu charge over moveable fixed assets of the Company at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka Vagra, District - Bharuch except assets pertaining to 18 MW coal based captive power plant, DPTFE & PTPTFE plant. The term loan was repayable in 16 equal quarterly instalments starting from 14th April, 2012 and carried interest @ 8.65% p.a. on fully hedged basis.

Over draft facility of ₹ Nil (previous year ₹ 1798.08 Lakh) from HDFC Bank Limited carried interest @ 10.75% p.a. and was secured by first Pari-passu charge in favour of the bank by way of hypothecation over the stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat.

Working Capital Loan in the form of buyers credit of ₹ Nil (previous year ₹ 4165.37 Lakh) from The Royal Bank of Scotland was repayable in 240 days to 330 days and carried interest ranging @ 8 month LIBOR plus 0.95% p.a. to 12 month LIBOR plus 0.95% p.a. and was secured by way of first Pari-passu charge in favour of the bank by way of hypothecation over the stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat.

b) Unsecured loans:

Unsecured Working Capital Loans from Kotak Mahindra Bank Limited, in the form of buyer's credit of ₹ 2572.16 Lakh (previous year ₹ 7618.17 Lakh with ING Vysya Bank Limited, now merged with Kotak Mahindra Bank Limited) carries interest ranging from 12 month LIBOR plus 0.50% p.a. to 12 month LIBOR plus 1.00% p.a. and is repayable in 270 days to 330 days.

Unsecured Working Capital Loan from BNP Paribas in form of working capital demand loan of ₹ Nil (previous year ₹ 4900.00 Lakh) carried interest @ 9.35% p.a. was repayable in 29 days.

Foreign Currency Working Capital loan from BNP Paribas in form of PCFC of ₹ 8889.37 Lakh (previous year ₹ 4694.97 Lakh) carries interest @ 6 month EURIBOR plus 0.14% p.a. to 6 month EURIBOR plus 0.45% p.a. and 6 month LIBOR plus 0.20% p.a. and is repayable in 180 days.

Unsecured foreign currency working capital loan from Citibank N.A. in form of FCNR of ₹ Nil (previous year ₹ 2525.86 Lakh) carried interest @ 12 month LIBOR plus 2.00% p.a. and was repayable in 365 days.

Unsecured foreign currency working capital loan from IDBI Bank Limited, in form of PCFC of ₹ 975.40 Lakh (previous year ₹ 1901.49 Lakh) carries interest @ 6 month LIBOR plus 0.75% p.a. and is repayable in 180 days.

Unsecured foreign currency working capital loan from Yes Bank Limited, in form of Buyer's credit of ₹ 5802.19 Lakh (previous year ₹ 3335.19 Lakh) carries interest from 12 month LIBOR plus 0.58% p.a. to 12 month LIBOR plus 0.95% p.a. and is repayable in 269 days to 330 days.

Commercial paper of ₹ 2490.01 Lakh (previous year ₹ 10893.49 Lakh), net of unamortised interest of ₹ 9.99 Lakh (previous year ₹ 106.51 Lakh) is repayable in 60 days. Discount on commercial paper is @ 8.70% p.a. Maximum balance during the year is ₹ 11000.00 Lakh (previous year ₹13500.00 Lakh).

36. CONTINGENT LIABILITIES:

a. Claims against the Company not acknowledged as debt – in respect of claim by a service provider - ₹ 7.22 Lakh (previous year ₹ 7.22 Lakh).

b. In respect of Income tax matters – ₹ 8093.33 Lakh (previous year ₹ 8093.33 Lakh). This represents:

The Company has received CIT(A) orders for Assessment Year 2008-09 to Assessment Year 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.

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 ₹ 8093.33 Lakh (previous year ₹ 8093.33 Lakh) has been paid in respect of above income tax demands and not charged to the Statement of Profit and Loss.

c. In respect of Service tax matters – ₹ 580.54 Lakh (previous year ₹ 417.67 Lakh). This includes:

Amount of ₹ 573.68 Lakh (previous year ₹ 410.83 Lakh) 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.

d. In respect of Excise duty matters – ₹ 3361.39 Lakh (previous year ₹ 2816.65 Lakh). This includes:

1. Amount of ₹ 2357.02 Lakh (previous year ₹ 2189.12 Lakh) 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.

2. Amount of ₹155.19 Lakh (previous year ₹ Nil) in 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 on equipment and components supplied by third party. The Company has filed appeal before Commissioner of Central Excise and Service tax.

   Amount of ₹ 10.05 Lakh (previous year ₹ Nil) has been paid in respect of above Excise duty demand and not charged to the Statement of Profit and Loss.

3. Amount of ₹ 849.18 Lakh (previous year ₹ 627.53 Lakh) 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.

e. In respect of Custom duty matter – ₹ 1087.53 Lakh (previous year ₹ 973.57 Lakh). This represents:

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 ₹ 87.60 Lakh (previous year ₹ 40.17 Lakh) has been paid in respect of above Custom duty demand and not charged to the Statement of Profit and Loss.

f. In respect of Sales Tax matters - VAT ₹ 18.00 Lakh (previous year ₹ Nil) & CST ₹ 49.33 Lakh (previous year ₹ Nil). This represents:

Company has received VAT & CST assessment order of VAT demand of ₹ 18.00 Lakh & CST demand of ₹ 49.33 Lakh for the F.Y. 2011-12. Company has not accepted the order and is in process of filing appeal with Joint Commissioner of Commercial tax.

g. Claims in respect of labour matters – amount is not ascertainable.

h. Corporate guarantee given to bank in respect of loan taken by a step-down-subsidiary – ₹ 3787.62 Lakh (previous year ₹ 1062.50 Lakh) – equivalent to USD 5.72 million (previous year USD 1.70 million).

In respect of above matters, no provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Company to estimate the timing of further cash outflows, if any, in respect of above matters.

37. COMMITMENTS:

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 8488.73 Lakh (previous year ₹ 9829.64 Lakh).

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(ii) Other commitments –

a) The Company has provided an undertaking to one of the lenders of its subsidiary, Inox Renewables Limited (IRL), to provide additional funds to IRL, in case of any short fall in the resources of IRL for completing its project and /or for working capital.

b) The Company has provided an undertaking to one of the lenders of its step-down subsidiary Inox Renewables (Jaisalmer) Limited (IRJL) to provide funds to IRJL equal to the amount of deficiency to meet the project financial completion date (PFCD) or to meet all its financial obligation due and payable prior to PFCD.

38. EXCEPTIONAL ITEMS:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Income		
Profit from sale of Inox Wind Limited Shares-see note no. 33	-	30271.63
Total	-	**30271.63**
Expenses		
Donation to Electoral Trust	-	150.00
Project Abandonment expenses	-	429.48
Loss on Sale of Captive Gas based Power Plants	-	1787.10
Total	-	**2366.58**
Net Exceptional items	-	**27905.05**

39. PRIOR PERIOD ITEMS:

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
A)	**Debits**		
	Legal and professional fees and expenses	**0.08**	-
	Freight	-	0.66
	Repairs-Others	-	11.65
	Recruitment expenses	-	13.63
	Others	**8.56**	5.28
	Total (A)	**8.64**	31.22
B)	**Credits**		
	Others	**1.56**	31.24
	Total (B)	**1.56**	31.24
	Net Prior period items (A – B)	**7.08**	**(0.02)**

40. PAYMENTS TO AUDITORS:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Statutory Audit (including consolidated accounts)	**19.00**	18.00
Limited review and corporate governance certificate	**6.25**	6.25
Audit of Subsidiary Companies	**7.00**	5.50
Tax Audit and other audits under Income-tax Act, 1961	**12.50**	12.50
For taxation matters	**8.00**	3.25
Certification	**2.00**	2.00
For reimbursement of expenses	**0.04**	0.08
Total	**54.79**	**47.58**

Note: The above amounts are exclusive of service tax

41. CIF VALUE OF IMPORTS:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Raw materials	**18589.32**	23006.63
Fuel	**7871.51**	8176.56
Traded goods	**208.16**	41.72
Components and spare parts	**566.19**	730.23
Capital goods (Including capital work in progress)	**1144.89**	288.49
Total	**28380.07**	**32243.63**

42. IMPORTED AND INDIGENOUS RAW MATERIALS CONSUMED:

(₹ in Lakh)

Particulars	Percentage		Amount	
	2015-2016	2014-2015	2015-2016	2014-2015
Imported	73.20	79.11	**20699.17**	27547.86
Indigenous	26.80	20.89	**7576.62**	7274.93
Total	**100.00**	**100.00**	**28275.79**	**34822.79**

43. IMPORTED AND INDIGENOUS STORES AND SPARES CONSUMED:

(₹ in Lakh)

Particulars	Percentage		Amount	
	2015-2016	2014-2015	2015-2016	2014-2015
Imported	11.56	13.89	**576.22**	730.66
Indigenous	88.44	86.11	**4407.50**	4529.58
Total	**100.00**	**100.00**	**4983.72**	**5260.24**

44. EXPENDITURE IN FOREIGN CURRENCY (INCLUDING AMOUNTS CAPITALIZED):

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Royalty	**324.19**	242.23
Professional and Consultation fees	**1586.75**	651.52
Technical know how	**-**	15.62
Interest	**1047.43**	1006.25
Others	**675.83**	1564.26
Total	**3634.20**	**3479.88**

45. EARNING IN FOREIGN EXCHANGE:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Exports of goods calculated on FOB basis	**47193.25**	50838.04
Other recoveries on Exports	**1019.01**	1564.46
Other Operating Income	**889.68**	**6.90**

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46. MAJOR COMPONENTS OF DEFERRED TAX LIABILITIES (NET): (₹ in Lakh)

	Particulars	2015-2016	2014-2015
(A)	**Deferred Tax Liabilities**		
	(i) On account of difference between tax depreciation and depreciation /amortisation charged in the books	**30353.53**	27059.32
	Total	**30353.53**	27059.32
(B)	**Deferred Tax Assets**		
	(i) Retirement benefits	**610.94**	503.79
	(ii) Others	**126.71**	4.81
	Total	**737.65**	508.60
	Deferred Tax Liabilities (net)	**29615.88**	**26550.72**

47. CALCULATION OF EARNINGS PER SHARE (EPS): (₹ in Lakh)

	Particulars	2015-2016	2014-2015
a)	Profit after tax as per Statement of Profit and Loss -numerator for calculating basic EPS (₹ in Lakh)	**10415.45**	38236.22
b)	Equity shares outstanding at the beginning & at the end of the year – (Nos. in Lakh)	**1098.50**	1098.50
c)	Nominal value of each share – (Re)	**1**	1
d)	Basic and Diluted Earnings per share (₹)	**9.48**	34.81

48. THE PARTICULARS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006: (₹ in Lakh)

Particulars	2015-2016	2014-2015
Principal amount due to suppliers under MSMED Act, 2006 at the year end.	**17.93**	2.38
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end.	**0.03**	0.00
Payment made to suppliers (other than interest) beyond the appointed date during the year	**17.76**	7.07
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	**0.02**	0.00
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made.	**0.10**	0.09
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	**0.13**	0.09

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

49. SEGMENT INFORMATION

(A) Information about Primary (Business) Segment

The Company operates in single business segment of "Chemicals" - Comprising of Refrigerant Gases, Anhydrous Hydrochloric Acid, Caustic-Chlorine, Chloromethane, PTFE and PT-PTFE. Electricity generated by Captive power plants is consumed in Chemical Business and not sold outside. Accordingly, the same is a part of the Chemical Business. Hence, there is only one reportable business segment as envisaged in Accounting Standard (AS) 17 "Segment Reporting".

(B) Information about Secondary (Geographical) Segment:

The Company derives revenue from both domestic and overseas markets, which are considered as different geographical segments. Segment-wise revenues are as under:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Domestic	**84728.94**	79687.68
Overseas	**49101.94**	52409.40
Total	**133830.88**	**132097.08**

As the Company has integrated manufacturing facilities, it is not possible to directly attribute or allocate on a reasonable basis, the expenses, assets and liabilities to these geographical segments.

50. The Company has a Joint Venture interest of 33.77% in Xuancheng Hengyuan Chemical Technology Company Ltd., a company incorporated in the People's Republic of China. As at 31st March, 2016, the Company has invested a sum of ₹1263.89 Lakh in the share capital of this Joint Venture.

The Joint Venture Company ("JVC") is engaged in the business of manufacture of anhydrous hydrogen fluoride and allied activities.

a) The financial year of the JVC is January to December. The Company's share of each of the assets, liabilities, income and expenses etc. (each, without elimination of the effect of the transactions between the Company and the JVC) related to its interest in this JVC, based on the audited accounts for the year ended 31st December, 2015 are as under:

(₹ in Lakh)

Sr. No.	Particulars	2015-2016	2014-2015
i)	Assets	**4431.39**	4809.99
ii)	Liabilities	**4065.83**	4000.43
iii)	Income	**4565.75**	5955.62
iv)	Expenses	**5021.13**	6647.62

b) The Company's share of capital commitments in the JVC as at 31st December, 2015 is ₹ Nil (previous year ₹ Nil).
c) The Company's share of contingent liability of the JVC as at 31st December, 2015 is ₹ Nil (previous year ₹ Nil).
d) The Company's transactions with JVC, being a related party, are disclosed in note no. 52.

51. The Company has a Joint Venture interest of 25% in Swarnim Gujarat Fluorspar Private Limited, a Company incorporated in India. As at 31st March, 2016, the Company has invested a sum of ₹ 108.25 Lakh in the share capital of this Joint Venture.

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

a) The Company's share of each of the assets, liabilities, income and expenses etc. (each, without elimination of the effect of the transactions between the Company and the JVC) related to its interest in this JVC, based on the audited accounts for the year ended 31st March, 2016 are as under :

(₹ in Lakh)

Sr. No.	Particulars	2015-2016	2014-2015
i)	Assets	**98.08**	99.73
ii)	Liabilities	**2.54**	1.99
iii)	Income	**0.37**	0.32
iv)	Expenses	**2.57**	2.68

b) The Company's share of capital commitments in the JVC as at 31st March, 2016 is ₹ Nil (previous year ₹ Nil)
c) The Company's share of contingent liability of the JVC as at 31st March, 2016 is ₹ Nil (previous year ₹ Nil)
d) The Company's transactions with JVC, being a related party, are disclosed in note no 52.

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52. RELATED PARTY DISCLOSURES:

(i) Names of Related Parties

(A) Where control exists:

Holding Company –
Inox Leasing and Finance Limited

Subsidiary Companies –
Inox Leisure Limited (ILL)
Inox Wind Limited (IWL)
Inox Renewables Limited (IRL)
Inox Infrastructure Limited
Gujarat Fluorochemicals Americas LLC, U.S.A. (GFL Americas LLC)
Gujarat Fluorochemicals Singapore Pte. Limited
GFL GM Fluorspar SA - Subsidiary of GFL Singapore Pte. Limited
Gujarat Fluorochemicals GmbH, Germany
Satyam Cineplexes Limited - Subsidiary of ILL (amalgamated w.e.f. 8th August, 2014)
Shouri Properties Private Limited - Subsidiary of ILL w.e.f. 24th November, 2014
Inox Wind Infrastructure Services Limited (IWISL) - Subsidiary of IWL
Inox Renewables (Jaisalmer) Limited - Subsidiary of IRL
Marut Shakti Energy Limited - Subsidiary of IWISL
Satviki Energy Private Limited - Subsidiary of IWISL w.e.f. 19th November 2015
Sarayu Wind Power (Tallimadugula) Pvt. Ltd - Subsidiary of IWISL w.e.f. 09th December, 2015
Vinirrmaa Energy Generation Pvt. Ltd - Subsidiary of IWISL w.e.f. 23rd January, 2016.
Sarayu Wind Power (Kondapuram) Private Limited - Subsidiary of IWISL w.e.f. 25th March, 2016.

(B) Other related parties with whom there are transactions during the year:
Joint Ventures –
Xuancheng Hengyuan Chemical Technology Co. Ltd (XHCT Co. Ltd)
Swarnim Gujarat Fluorspar Private Limited

Key Management Personnel –
Mr. V K Jain (Managing Director)
Mr. D K Sachdeva (Whole Time Director)
Mr. J S Bedi (Whole Time Director) upto 28th April, 2015
Mr. Paresh Trivedi (Whole Time Director) - upto 27th June, 2014
Mr. Anand Bhusari (Whole Time Director) w.e.f. 28th April, 2015

Relatives of Key Management Personnel –
Mr. D K Jain (Father of Shri V K Jain)
Mr. P K Jain (Brother of Shri V K Jain)

Enterprises over which a 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)

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(ii) Particulars of transactions (₹ in Lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which a KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
A) Transactions during the year														
Sale of goods														
Inox Air Products Private Limited											**1.12**	2.22	**1.12**	2.22
GFL Americas LLC			**6092.25**	7570.34									**6092.25**	7570.34
GFL GmbH, Germany			**9361.54**	9143.25									**9361.54**	9143.25
Inox Wind Limited			**-**	2.74									**-**	2.74
Others											**0.03**	0.03	**0.03**	0.03
Total			**15453.79**	**16716.33**							**1.15**	**2.25**	15454.94	**16718.58**
Sale of asset														
Inox Wind Infrastructure Services Ltd.			**4.44**	-									**4.44**	-
Total			**4.44**	**-**									**4.44**	**-**
Sales return														
GFL Americas LLC			**-**	199.38									**-**	199.38
GFL GmbH, Germany			**6.86**	60.65									**6.86**	60.65
Total			**6.86**	**260.03**									**6.86**	**260.03**
Purchase of power														
Inox Wind Limited			**188.45**	156.75									**188.45**	156.75
Total			**188.45**	**156.75**									**188.45**	**156.75**
Purchase of assets														
Inox India Private Limited											**30.00**	-	**30.00**	-
Total											**30.00**	**-**	**30.00**	**-**
Purchase of goods														
Inox Air Products Private Limited											**448.82**	488.29	**448.82**	488.29
GFL GmbH, Germany			**163.37**	-									**163.37**	-
Inox India Private Limited											**2465.17**	2445.48	**2465.17**	2445.48
XHCT Co. Ltd					**-**	210.05							**-**	210.05
Total			**163.37**	**-**	**-**	**210.05**					**2913.99**	**2933.77**	**3077.36**	**3143.82**
Purchase of Tickets														
Inox Leisure Limited			**4.58**	4.86									**4.58**	4.86
Total			**4.58**	**4.86**									**4.58**	**4.86**
Inter-corporate Deposits received back														
Inox Renewables Limited			**-**	10600.00									**-**	10600.00
Total			**-**	**10600.00**									**-**	**10600.00**

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(₹ in Lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which a KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Equity shares Subscribed														
GFL Singapore Pte. Limited			**12.79**	21.48									**12.79**	21.48
Inox Renewables Limited			**-**	12577.50									**-**	12577.50
Swarnim Gujarat Fluorspar Pvt. Ltd					**-**	107.00							**-**	107.00
Total			**12.79**	**12598.98**	**-**	**107.00**							**12.79**	**12705.98**
Interest received														
Inox Leisure Limited			**1624.90**	1624.90									**1624.90**	1624.90
Inox Renewables Limited			**-**	351.40									**-**	351.40
Total			**1624.90**	**1976.30**									**1624.90**	**1976.30**
Expenses (Repairs)														
Refron Valves Limited											**-**	9.81	**-**	9.81
Inox India Private Limited											**5.00**	-	**5.00**	-
Total								**-**			**5.00**	**9.81**	**5.00**	**9.81**
Reimbursement of expenses (paid)														
Inox Air Products Private Limited											**-**	0.76	**-**	0.76
Inox India Private Limited											**-**	6.46	**-**	6.46
Inox Leasing & Finance Limited	**-**	0.37											**-**	0.37
Inox Wind Limited			**-**	1450.31									**-**	1450.31
GFL Americas LLC			**40.31**	41.66									**40.31**	41.66
GFL GmbH, Germany			**2.00**	9.80									**2.00**	9.80
Devansh Gases Private Limited											**7.32**	7.32	**7.32**	7.32
Total	**-**	**0.37**	**42.31**	**1501.77**							**7.32**	**14.54**	**49.63**	**1516.68**
Reimbursement of expenses (received)														
Inox Wind Limited			**-**	0.45									**-**	0.45
Inox Leasing & Finance Limited	**-**	0.05											**-**	0.05
Inox Renewables Limited			**-**	3.31									**-**	3.31
Swarnim Gujarat Fluorspar Pvt. Ltd					**-**	4.21							**-**	4.21
Satyam Cineplexes Limited			**10.72**	4.12									**10.72**	4.12
Inox Leisure Limited			**12.70**	-									**12.70**	-
Total	**-**	**0.05**	**23.42**	**7.88**	**-**	**4.21**							**23.42**	**12.14**

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(₹ in Lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which a KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Rent Received														
Inox Air Products Private Limited											**144.90**	144.90	**144.90**	144.90
Inox Wind Limited			**79.28**	36.00									**79.28**	36.00
Satyam Cineplexes Limited			**51.29**	26.36									**51.29**	26.36
Inox Leisure Limited			**30.79**	-									**30.79**	-
Others											**0.72**	0.72	**0.72**	0.72
Total			**161.36**	**62.36**							**145.62**	**145.62**	**306.98**	**207.98**
Rent paid														
Inox Air Products Private Limited											**2.40**	2.40	**2.40**	2.40
Devansh Gases Private Limited											**24.00**	24.00	**24.00**	24.00
Inox Leasing & Finance Limited	**69.00**	64.50											**69.00**	64.50
Others							**1.20**	1.20					**1.20**	1.20
Total	**69.00**	**64.50**					**1.20**	**1.20**			**26.40**	**26.40**	**96.60**	**92.10**
O&M Charges & Lease Rents paid														
Inox Air Products Private Limited											**213.83**	212.82	**213.83**	212.82
Inox Wind Infrastructure Services Ltd			**403.68**	382.60									**403.68**	382.60
Total			**403.68**	**382.60**							**213.83**	**212.82**	**617.51**	**595.42**
Remuneration paid														
Mr.V K Jain							**612.13**	600.66					**612.13**	600.66
Others							**156.77**	133.51					**156.77**	133.51
Total							**768.90**	**734.17**					**768.90**	**734.17**
Commission to Director														
Mr.D K Jain									**157.25**	130.39			**157.25**	130.39
Total									**157.25**	**130.39**			**157.25**	**130.39**
Sitting Fees paid														
Mr.D K Jain									**2.00**	1.80			**2.00**	1.80
Mr.P K Jain									**0.20**	0.40			**0.20**	0.40
Total									**2.20**	**2.20**			**2.20**	**2.20**

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(₹ in Lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which a KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
B) Amounts outstanding														
Amounts payable														
Mr.V K Jain							**334.00**	334.53					**334.00**	334.53
Mr.D K Jain									**102.83**	86.07			**102.83**	86.07
Inox Wind Limited			**35.57**	145.01									**35.57**	145.01
Inox India Private Limited											**177.72**	265.98	**177.72**	265.98
Others			**8.63**	49.39	-	11.43	**11.66**	9.02			**69.47**	79.71	**89.76**	149.55
Total			**44.20**	**194.40**	-	**11.43**	**345.66**	**343.55**	**102.83**	**86.07**	**247.19**	**345.69**	**739.88**	**981.14**
Other current liabilities														
IPO Expense Share Payable of IWL			-	1450.31									-	1450.31
Total			-	**1450.31**									-	**1450.31**
Amounts receivable														
a) Inter corporate deposit														
Inox Leisure Limited			**16249.00**	16249.00									**16249.00**	16249.00
Total			**16249.00**	**16249.00**									**16249.00**	**16249.00**
b) Trade receivables														
GFL Americas LLC			**4131.83**	4811.57									**4131.83**	4811.57
GFL GmbH, Germany			**5602.63**	5531.47									**5602.63**	5531.47
Others			**2.84**	5.79									**2.84**	5.79
Total			**9737.30**	**10348.83**									**9737.30**	**10348.83**
c) Loans & advances														
Inox Renewables Limited			-	147.66									-	147.66
Others			**10.50**	11.81									**10.50**	11.81
Total			**10.50**	**159.47**									**10.50**	**159.47**

The Company has also given corporate guarantee to Exim Bank in respect of loan taken by GFL GM Fluorspar SA, Morocco. The outstanding amount is ₹ 3787.62 Lakh (previous year ₹ 1062.50 Lakh) – equivalent to USD 5.72 million (previous year USD 1.70 million).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

53. (a) ADDITIONAL DISCLOSURE AS REQUIRED BY LISTING AGREEMENT IN RESPECT OF LOANS GIVEN: (₹ in Lakh)

Name of the Loanee	Inox Leisure Limited (ILL)
Amount of inter-corporate deposits at the year end	16249.00
	(16249.00)
Maximum balance during the year	16249.00
	(16249.00)
Investment by the loanee in the shares of the Company	Nil
	(Nil)

(Figures in brackets pertain to previous year)

(b) Disclosure required under section 186(4) of the Companies Act, 2013

In respect of related parties:

(i) The inter-corporate deposits of ₹ 16249.00 Lakh (previous year ₹ 16249.00 Lakh) to ILL are unsecured and given for business purpose. The inter-corporate deposits are repayable in 6 to 8 years from the date of respective inter-corporate deposits and carry interest @ 10% p.a.

(ii) Corporate guarantee is given by the Company to Exim Bank in respect of loan taken by GFL GM Fluorspar SA, Morocco for the purpose of acquisition of fixed assets. The outstanding amount is ₹ 3787.62 Lakh (previous year ₹ 1062.50 Lakh) – equivalent to USD 5.72 million (previous year USD 1.70 million).

Inter-corporate deposit to other parties:

(₹ in Lakh)

Name of the party	Rate of Interest	Amount outstanding	
		31st March, 2016	31st March, 2015
Maxtech Oil and Gas Services Private Limited	12%	700.00	700.00
Wearit Global Limited	10%	-	300.00
Castle Suppliers Private Limited	10%	336.95	336.95
Ritspin Synthetics Limited	10%	400.00	100.00

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

54. OUTSTANDING DERIVATIVES AND UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE:

(a) Outstanding derivatives as at Balance Sheet date:

(Foreign currencies in Lakh)

Sr. No.	Nature of Contract	Foreign Currency	Buy/Sell	2015-16	2014-15	Purpose
a)	Forward Contracts	USD	Buy	-	55.56	Hedging of loan
b)	Currency and Interest Rate Swap	USD	Buy	371.78	323.10	Hedging of loan and interest rate of loan

(b) Unhedged foreign Currency exposure as at Balance Sheet date:

(Foreign currencies in Lakh)

Particulars	2015-2016						2014-2015					
	USD	EURO	GBP	CHF	YUAN	SGD	USD	EURO	GBP	CHF	YUAN	SGD
Receivables	169.76	114.24	-	-	-	-	194.56	131.41	-	-	-	-
Payables	29.34	0.90	0.01	0.11	-	0.20	25.37	0.59	0.02	0.09	-	0.20
ECB/FCNRB	37.52	-	-	-	-	-	201.67	37.62	-	-	-	-
PCFC	20.00	113.27	-	-	-	-	-	98.23	-	-	-	-
Buyers credit	126.41	-	-	-	-	-	182.77	1.43	-	-	-	-
Interest payable	0.81	-	-	-	-	-	1.13	0.09	-	-	-	-

55. EMPLOYEE BENEFITS:

a) Defined Contribution Plans: Contribution to provident fund of ₹ 412.26 Lakh (previous year ₹ 381.53 Lakh) is recognized as an expense and included in 'Contribution to provident and other funds' in the Statement of Profit and Loss.

b) Defined Benefit Plans: The amounts recognized in respect of gratuity and leave benefits – as per actuarial valuation as on 31st March, 2016.

(₹ in Lakh)

Particulars	Gratuity		Leave Benefits	
	2015-2016	2014-2015	2015-2016	2014-2015
1. Change in Benefit Obligation				
Liability at the beginning of the year	883.72	707.35	335.98	296.29
Interest Cost	65.85	60.91	23.25	23.72
Current Service Cost	157.19	188.44	192.41	151.84
Benefits paid	(72.46)	(89.23)	(73.56)	(76.46)
Actuarial (Gain)/Loss	(11.36)	16.25	(39.55)	(59.41)
Sub total	1022.94	883.72	438.53	335.98
Add: Short term leave liability	-	-	303.84	235.99
Liability at the end of the year	1022.94	883.72	742.37	571.97
2. Expenses recognized in the Statement of Profit and Loss				
Current Service Cost	157.19	188.44	192.41	151.84
Interest Cost	65.85	60.91	23.25	23.72
Actuarial (Gain)/Loss	(11.36)	16.25	(39.55)	(59.41)
Expenses recognized in the Statement of Profit and Loss	211.68	265.60	176.11	116.15
3. Actuarial Assumptions				
Discount Rate	7.46%	7.77%	7.46%	7.77%
Salary Escalation Rate	8.00%	8.00%	8.00%	8.00%
Retirement Age	60 years			
Withdrawal Rates	5%			
Mortality	IALM (2006-08) Ultimate Mortality table			

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

4. Other disclosures : Experience Adjustment	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
(i) Gratuity					
Present value of defined benefit obligations	1022.94	883.72	707.35	645.96	548.23
Experience (Gain)/Loss on obligation	35.77	69.54	(23.30)	(90.19)	(8.44)
(ii) Leave Encashment					
Present value of defined benefit obligations	438.53	335.98	296.29	268.07	233.70
Experience (Gain)/Loss on obligation	50.98	94.00	(21.48)	(77.75)	(19.53)

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

56. DISCLOSURE AS REQUIRED BY AS 19 ON "LEASES" –

(A) In respect of assets given on operating lease :

(₹ in Lakh)

Sr.	Particulars	2015-2016	2014-2015
(i)	Gross carrying amount of asset given on operating lease included in Buildings block of fixed assets	914.52	914.52
(ii)	Accumulated depreciation as at the end of the year	151.70	136.26
(iii)	Depreciation for the year	15.44	15.44
(iv)	Future minimum lease payments -		
	(a) Not later than one year	412.54	579.14
	(b) Later than one year and not later than five years	69.43	481.97
	(c) Later than five years	-	-
(v)	Assets given on operating lease are office premises. The non-cancellable initial lease tenure is for five to nine years, which can be further extended at the mutual option of both the parties.		

(B) In respect of assets taken on operating lease:

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

(₹ in Lakh)

Sr.	Particulars	2015-2016	2014-2015
	Payable in future		
a)	Not later than one year	71.46	80.28
b)	Later than one year and not later than five years	180.00	206.46
c)	Later than five years	26.25	71.25

(C) The Company's other significant leasing arrangements are in respect of operating leases for premises (offices and residential accommodations) taken on lease. These lease arrangements are cancellable, range between 11 months to 60 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals are charged as expenses in the Statement of Profit and Loss.

57. CORPORATE SOCIAL RESPONSIBILITY (CSR)

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹ 533.64 Lakh (previous year ₹ 908.74 Lakh)

(b) Amount spent during the year on:

(₹ in Lakh)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii)	On purposes other than (i) above Donations	117.00 (Nil)	Nil (Nil)	117.00 (Nil)

(Figures in brackets pertain to previous year)

58. Excise Duty collected on sale of products and other operating revenue is reduced from gross sale of products and other operating revenue. Excise duty of ₹ 48.96 Lakh (previous year ₹ 50.66 Lakh) comprising of payments on other accounts is charged to the Statement of Profit and Loss separately and included in excise duty, custom duty and sales tax in note 32.

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Gujarat Fluorochemicals Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Gujarat Fluorochemicals Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March, 2016, 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

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we 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.

We believe that the audit evidence obtained by us 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 our audit opinion on these consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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, 2016, its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of two subsidiaries and two jointly controlled companies whose financial statements reflect total assets of ₹ 184252.10 Lakh as at 31st March, 2016, total revenues of ₹ 21907.17 Lakh and net cash outflows amounting to ₹ 1012.55 Lakh for the year ended on that date, as considered in the consolidated financial statements. The Consolidated financial statements also include the Group's share of net profit of ₹ 0.41 Lakh for the year ended 31st March, 2016, as considered in the consolidated financial

statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled companies and an associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled companies and an associate is based solely on the reports of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

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

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

(b) In our 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 our 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 our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 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, 2016 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 our 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 our opinion and to the best of our information and according to the explanations given to us 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. 42 to the consolidated financial statements;

ii. The Group its associate and jointly controlled entities has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate company and jointly controlled entities incorporated in India.

For **Patankar & Associates,**
Chartered Accountants
Firm's Registration No. 107628W

M. Y. Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May, 2016

Annexure to Independent Auditor's Report

to the members of Gujarat Fluorochemicals Limited on the consolidated financial statements for the year ended 31st March, 2016 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

In conjunction with our audit of the consolidated financial statements of **Gujarat Fluorochemicals Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March, 2016, we 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

Our 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 our audit. We conducted our 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 we 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.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company, 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 our 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

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far 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 **Patankar & Associates,**
Chartered Accountants
Firm's Registration No. 107628W

M. Y. Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May, 2016

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I.	**EQUITY AND LIABILITIES**			
(1)	**SHAREHOLDERS' FUNDS**			
(a)	Share Capital	4	**1098.50**	1098.50
(b)	Reserves & Surplus	5	**448541.93**	422427.45
			449640.43	**423525.95**
(2)	**MINORITY INTEREST**		**97354.26**	84924.85
(3)	**NON-CURRENT LIABILITIES**			
(a)	Long-term borrowings	6	**106250.61**	113582.32
(b)	Deferred tax liabilities (net)	46(i)	**34812.14**	31522.35
(c)	Other long-term liabilities	7	**3548.37**	3490.97
(d)	Long-term provisions	8	**2438.56**	1797.30
			147049.68	**150392.94**
(4)	**CURRENT LIABILITIES**			
(a)	Short-term borrowings	9	**175374.58**	122017.19
(b)	Trade payables			
	Dues to Micro & Small Enterprises	10	**551.51**	4.18
	Dues to others	10	**134334.91**	86442.04
(c)	Other current liabilities	11	**56736.84**	59172.15
(d)	Short-term provisions	12	**6746.54**	12108.29
			373744.38	**279743.85**
	Total		**1067788.75**	**938587.59**
II.	**ASSETS**			
(1)	**NON-CURRENT ASSETS**			
(a)	Goodwill on consolidation (net)	1(C)	**1604.66**	16508.24
(b)	Fixed assets			
	(i) Tangible assets	13	**457307.95**	396669.52
	(ii) Intangible assets	14	**12498.81**	9896.85
	(iii) Capital work-in-progress		**23901.30**	40336.03
(c)	Deferred tax assets (net)	46(ii)	**3474.45**	2238.84
(d)	Non-current investments	15	**28689.35**	13651.41
(e)	Long-term loans and advances	16	**63065.32**	54098.85
(f)	Other non-current assets	17	**2645.45**	863.14
			593187.29	**534262.88**
(2)	**CURRENT ASSETS**			
(a)	Current investments	18	**9221.84**	2268.43
(b)	Inventories	19	**92224.48**	87039.88
(c)	Trade receivables	20	**290032.46**	186351.77
(d)	Cash and bank balances	21	**56479.99**	111728.03
(e)	Short-term loans and advances	22	**21736.22**	15329.31
(f)	Other current assets	23	**4906.47**	1607.29
			474601.46	**404324.71**
	Total		**1067788.75**	**938587.59**

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	Note No.	2015-2016	2014-2015
I.	Revenue from Operations	24	**729948.46**	543150.45
	Less: Excise Duty		**10082.03**	9069.40
			719866.43	534081.05
II.	Other income	25	**8502.99**	4980.92
III.	**TOTAL REVENUE (I + II)**		**728369.42**	**539061.97**
IV.	**EXPENSES**			
	Cost of materials consumed	26	**322744.63**	241261.67
	Purchases of stock-in-trade	27	**223.94**	171.18
	Changes in inventories of finished goods, work-in-progress, stock-in-trade & by-products	28	**9570.49**	(23183.40)
	Employee benefits expense	29	**27944.31**	22540.52
	Finance costs	30	**23227.85**	21877.02
	Depreciation and amortization expense	31	**32752.79**	28474.60
	Goodwill on consolidation written off	34	**164.62**	-
	Other expenses	32	**247960.61**	189788.78
	Total Expenses		**664589.24**	**480930.37**
V.	Less: Expenditure capitalized		**(18999.08)**	-
VI.	**Net Expenditure**		**645590.16**	**480930.37**
VII.	**Profit before exceptional items and tax (III-VI)**		**82779.26**	**58131.60**
VIII.	Exceptional items	37	**(496.02)**	24432.50
IX.	**Profit before tax (VII+VIII)**		**82283.24**	**82564.10**
X.	(A) Tax expense:			
	(1) Current tax		**23161.02**	21234.14
	(2) MAT credit entitlement		**(1569.67)**	(9600.27)
	(3) Deferred tax		**3540.95**	5255.62
			25132.30	16889.49
	(B) Taxation pertaining to earlier years	41(b)	**(2719.33)**	(1037.44)
			22412.97	**15852.05**
XI.	**Profit for the year (IX-X)**		**59870.27**	**66712.05**
XII.	Less : Share of minority interest in profit		**20483.61**	8185.52
XIII.	Add: Share in profit of associates	1(A)(i)	**0.41**	-
XIV.	**Net Profit (XI-XII+XIII)**		**39387.07**	**58526.53**
XV.	Basic & diluted Earnings Per Share of Re 1 each (in ₹)	57	**35.85**	53.28

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head (Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**82283.24**	82564.10
	Adjustments for :		
	Depreciation and amortisation expense	**32752.79**	28474.60
	Loss on retirement /disposal of fixed assets (net)	**328.03**	1802.94
	Provision for diminution in value of asset held for sale	**14.98**	17.03
	Provision for doubtful Trade receivables (net)	**1003.27**	22.99
	Provision for doubtful deposits	**120.58**	311.88
	Provision for doubtful advances	**12.24**	-
	Bad debts and remissions	**522.89**	14.89
	Liabilities and provisions no longer required, written back	**(513.58)**	(481.42)
	Deposits and advances written off	**219.64**	492.69
	Goodwill on consolidation written off	**164.62**	-
	Amortization of value of Stock Options	**-**	1.36
	MTM gain on derivative contract	**(218.34)**	(72.56)
	Unreailsed foreign exchange Loss (net)	**(861.33)**	(2027.00)
	Income in respect of investing activities (net of expenses)	**(5514.24)**	(30186.75)
	Finance costs	**23227.84**	21876.79
		51259.39	20247.44
	Operating profit before working capital changes	**133542.63**	102811.54
	Adjustments for :		
	Other long-term liabilities	**229.88**	353.98
	Long-term provisions	**642.87**	312.56
	Trade payables	**44547.26**	33133.94
	Other current liabilities	**(3503.63)**	8274.17
	Short-term provisions	**(3001.86)**	45.75
	Long-term loans and advances	**(1913.70)**	(3004.37)
	Inventories	**(4887.21)**	(24011.50)
	Trade receivables	**(99955.39)**	(85538.39)
	Other non-current assets	**-**	(21.53)
	Other current assets	**168.31**	2329.04
	Short-term loans and advances	**(5742.03)**	(2673.42)
		(73415.50)	(70799.77)
	Cash generated from operations	**60127.13**	32011.77
	Income-tax paid (net)	**(19923.29)**	(17100.97)
	Net cash generated from operating activities	**40203.84**	**14910.80**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including change in capital work in progress and capital advances)	**(79770.34)**	(42759.41)
	Acquisition of intangible assets	**(2701.78)**	(112.88)
	Sale of fixed assets	**23.93**	957.41
	Investment in subsidiary companies	**(451.57)**	(18390.38)
	Purchase of other non-current investments	**(19977.92)**	(63407.05)
	Sale of non-current investments	**5087.59**	115420.70
	Purchase of current investments	**(99499.21)**	(32805.52)
	Sale of current investments	**93288.95**	35883.85
	Proceeds from sale of shares through trust	**-**	27033.18
	Inter-corporate deposits given	**(1150.00)**	(500.00)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
	Inter-corporate deposits received back	**300.00**	350.00
	Interest and dividend received (net of expenses)	**2169.72**	2891.67
	Movement in bank fixed deposits with original maturity of more than 3 months, other bank balances and margin money deposits (net)	**(40209.94)**	(663.56)
	Net cash generated from/(used in) investing activities	**(142890.57)**	**23898.01**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Shares issued under ESOP	**-**	2.49
	Proceeds from issue of share capital	**-**	70000.00
	Share issue expenses	**-**	(769.88)
	Proceeds from long-term loans	**29343.03**	9280.50
	Repayment of long-term loans	**(41589.90)**	(25101.83)
	Proceeds from short-term loans (net)	**56302.50**	41874.73
	Proceeds from Cash Credit/Overdraft (net)	**(1798.08)**	(309.20)
	Inter-corporate deposits repaid	**-**	(1100.00)
	Finance costs	**(24981.43)**	(23508.91)
	Dividend paid (including tax on dividend)	**(9254.90)**	(4498.17)
	Net cash generated from financing activities	**8021.22**	**65869.73**
D	**ADJUSTMENT ON ACCOUNT OF FOREIGN CURRENCY TRANSLATION RESERVE**	**(439.93)**	614.52
	Net increase/(decrease) in cash and cash equivalents	**(95105.44)**	**105293.06**
	Cash and cash equivalents as at the beginning of the year	*** 108423.62**	2808.92
	Add: Cash received on account of subsidiaries acquired during the year	**83.88**	321.64
	Cash and cash equivalents as at the end of the year	**13402.06**	* 108423.62

Note :

(*) Cash and cash equivalents of Rs. 108423.62 Lakh includes bank balance of Rs. 101988.45 Lakh in Public Issue Accounts, being Group's share in the IPO proceeds of Inox Wind Limited (subsidiary of the Company) - see note no. 21.

(a) Components of cash and cash equivalents are as per note no. 21

(b) Cash flow statement is prepared and presented under 'Indirect method'.

(c) The accompanying notes are an integral part of the financial statements

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

1. CORPORATE INFORMATION

Gujarat Fluorochemicals Limited ("GFL" or the "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 (PTPTFE). 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. The Company is a subsidiary of Inox Leasing and Finance Limited.

The Consolidated Financial Statements ("CFS") relate to GFL, its subsidiaries, joint ventures of the Company, joint venture of a subsidiary 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) Subsidiaries of the Company:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31st March, 2016	As at 31st March, 2015
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	99.98%	99.98%
Gujarat Fluorochemicals Singapore Pte. Limited	Singapore	100%	100%
Gujarat Fluorochemicals GmbH, Germany (GFL GmbH)	Germany	100%	100%

(*)The shareholders of ILL have passed a resolution at the Annual General Meeting held on 23rd August, 2013 amending its Articles of Association entitling GFL to appoint majority of directors on the Board of the Company if GFL holds not less than 40% of the paid-up equity capital of ILL and accordingly, ILL is a subsidiary of GFL. 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).

ILL is engaged in the business of operating and managing multiplexes and cinema theatres in India. IIL is engaged in the business of real estate and property development. IWL is engaged in the business of manufacture of wind turbine generators (WTGs). It also provides Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities 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 Common Infrastructure Facilities services for WTGs. Gujarat Fluorochemicals Singapore is engaged in investment activities. Gujarat Fluorochemicals GmbH is engaged in the business of trading of polymer compounds especially, Post-Treated Polytetrafluoroethylene (PT-PTFE).

(b) Subsidiary of GFL Singapore Pte. Limited

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

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

(c) Subsidiary of Inox Wind Limited:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31st March, 2016	As at 31st March, 2015
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.

(d) Subsidiaries of Inox Wind Infrastructure Services Limited (IWISL):-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31st March, 2016	As at 31st March, 2015
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.
Vinirrmaa 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.

a. MSEIL is engaged in the business of development of Wind Farm.
b. SEPL is engaged in the business of development of Wind Farm.
c. SWPTPL is engaged in the business of development of Wind Farm.
d. VEGPL is engaged in the business of development of Wind Farm.
e. SWPKPL is engaged in the business of development of Wind Farm.

(e) Subsidiary of Inox Renewables Limited:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31st March, 2016	As at 31st March, 2015
Inox Renewables (Jaisalmer) Limited	India	100%	100%

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

(f) Subsidiaries of Inox Leisure Limited:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31st March, 2016	As at 31st March, 2015
Satyam Cineplexes Limited – (amalgamated with the Company) - see note (B)(i)(a)	India	N.A.	100%
Shouri Properties Private Limited - see note B(i)(b)	India	99.29%	93.75%

Satyam Cineplexes Limited was 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

(g) Joint Ventures of the Company:-

(i) The Company has a Joint Venture interest of 33.77% in Xuancheng Hengyuan Chemical Technology Company Ltd., a company incorporated in the People's Republic of China. As at 31st March, 2016, the Company has invested a sum of ₹1263.89 Lakh in the share capital of this Joint Venture. The Joint Venture Company is engaged in the business of manufacture of anhydrous hydrogen fluoride and allied activities. The audited financial statements of this joint venture are drawn upto 31st December, 2015.

(ii) The Company has a Joint Venture interest of 25% in Swarnim Gujarat Fluorspar Private Limited, a company incorporated in India. As at 31st March, 2016 the Company has invested a sum of ₹ 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.

(h) 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 ₹ 279.52 Lakh in the share capital of SMCPL. SMCPL was engaged in the business of operating a multiplex.

(i) Associate of Inox Infrastructure Limited (IIL):-

IIL holds 50% of the total equity capital of Megnasolace City Private Limited (Megnasolace). Megnasolace is an 'Associate Company' and the investment is accounted under the equity method in accordance with AS 23 – 'Accounting for Investments in Associates in consolidated financial statements'. The Group's share of the post-acquisition profits is included in the carrying cost of the investment as under:-

(₹ in Lakh)

Sr. No.	Particulars	2015-2016	2014-2015
1	Book value of Investment on acquisition	3200.00	3200.00
2	Share of Profit – Up to Previous Year	1.47	1.47
3	Share of Profit – Current Year	0.41	-
4	Carrying amount	3201.88	3201.47

Capital commitment towards partly paid shares of Megnasolace is ₹ 16800.00 Lakh (previous year ₹ 16800.00 Lakh).

(B) Acquisitions and disinvestment during the year

i) Acquisitions by Company's subsidiary Inox Leisure Limited ('ILL')
   a) During the previous year, ILL had acquired 100% of the equity shares in Satyam Cineplexes Limited ("SCL") and consequently SCL had become a wholly owned subsidiary of ILL with effect from 8th August, 2014. During the current year, pursuant to Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, sanctioned by the Hon'ble High Court of Delhi vide order dated 10th February, 2016, SCL has been amalgamated with ILL with effect from 8th August, 2014 (the appointed date) and effect of the amalgamation is given in these financial statements. (see note no. 38).
   b) During the previous year, Inox Leisure Limited (ILL) had acquired 93.75% of the equity shares in Shouri Properties Private Limited ("SPPL") and consequently SPPL had become a subsidiary of the Company with effect from 24th November, 2014. During the current year, the Company has further subscribed to 12,50,000 equity shares of SPPL. On allotment of these shares, the Company now holds 99.29% equity shares of SPPL.

ii) See note no. 33 for sale of shares in Inox Wind Limited pursuant to its Initial Public Offer.

iii) Acquisitions by Inox Wind Infrastructure Services Limited (IWISL), subsidiary of Inox Wind Limited
   a) During the current year, SEPL has 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.

b) During the current year, SWPTPL has 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.

c) During the current year VEGPL has 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.

d) During the current year, SWPKPL has 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.

(C) Break-up of goodwill and capital reserve on consolidation: (₹ in Lakh)

Particulars	2015-2016	2014-2015
Goodwill on consolidation	1785.62	16685.60
Capital reserve on consolidation	(180.96)	(177.36)
Net goodwill on consolidation	1604.66	16508.24

(₹ in Lakh)

Movement during the year	2015-2016	2014-2015
Opening balance	16508.24	5738.76
Add: On acquisition of subsidiaries	1740.17	16520.98
Less: On account of sale of treasury shares of ILL	-	(5751.50)
Less: On account of amalgamation	(16479.13)	-
Less: Goodwill on consolidation written off	(164.62)	-
Closing balance	1604.66	16508.24

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

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated profit	Amount (₹ in Lakh)
Parent - Gujarat Fluorochemicals Limited	53.25%	291260.91	26.44%	10415.45
Indian Subsidiaries				
Inox Infrastructure Limited	0.99%	5401.45	(-)0.07%	(26.93)
Inox Wind Limited	35.07%	191825.63	122.20%	48129.11
Inox Wind Infrastructure Services Limited	(-)1.36%	(7431.93)	(-)7.37%	(2902.65)
Marut Shakti Energy India Limited	(-)0.05%	(289.60)	(-)0.88%	(345.14)
Satviki Energy Private Limited	0.01%	80.27	(*)	(0.33)
Sarayu Wind Power (Tallimadugula) Private Limited	(-)0.01%	(56.05)	(-)0.02%	(7.57)
Vinirrmaa Energy Generation Private Limited	0.00%	(9.00)	(*)	(1.79)
Sarayu Wind Power (Kondapuram) Private Limited	0.00%	(9.55)	(*)	(0.39)
Inox Renewables Limited	9.07%	49628.60	(-)6.72%	(2647.36)
Inox Renewables (Jaisalmer) Limited	2.39%	13064.04	0.56%	221.70
Inox Leisure Limited	10.81%	59110.32	19.71%	7764.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated profit	Amount (₹ in Lakh)
Shouri Properties Private Limited	0.01%	69.55	(-)0.04%	(14.44)
Foreign Subsidiaries				
Gujarat Fluorochemicals GmbH	0.05%	267.72	0.52%	204.32
Gujarat Fluorochemicals Americas LLC	0.17%	954.30	(-)0.81%	(319.12)
Gujarat Fluorochemicals Singapore Pte. Ltd.	0.32%	1772.69	0.02%	6.45
GFL GM Fluorspar SA	0.04%	206.24	(-)0.30%	(116.77)
Minority Interest in all subsidiaries	17.80%	97355.26	(-)52.01%	(20483.61)
Indian Associates				
Megnasolace City Private Limited	See note below		(*)	0.41
Indian Joint Ventures				
Swarnim Gujarat Fluorspar Private Limited	0.02%	95.54	(-)0.01%	(2.20)
Swanston Multiplex Cinemas Private Limited	(*)	(5.83)	(*)	(1.00)
Foreign Joint Venture				
Xuancheng Hengyuan Chemical Technology Company Limited	0.07%	365.56	(-)1.14%	(455.38)
Sub total		**703656.13**		**39417.22**
Intercompany eliminations / adjustments	(-)28.65%	(156661.44)	(-)0.08%	(30.15)
Total	**100.00%**	**546994.69**	**100.00%**	**39387.07**

Note: Investment in Megnasolace City Private Limited ('Megnasolace'), an associate of Inox Infrastructure Limited ('ILL') is accounted as per equity method.
(*) Denotes less than 0.01%

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 7 of Companies (Accounts) Rules, 2014.

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.

vi. 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.

vii. The Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to minority at the date on which investment in subsidiary is made and the minority's share of movement in equity since the date the parent subsidiary relationship comes into existence. The losses applicable to the minority, to the extent they exceed the minority interest in the equity of the subsidiary, are adjusted against the majority interest, until the minority's share of losses so absorbed by the majority has been recovered.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

Chemicals business: Revenue from sale is when the significant risks and rewards of ownership of the goods have passed to the customers, which is generally at the point of dispatch of goods. Gross sales include excise duty but are exclusive of sales tax. Income from sale of Renewable Energy Certificate (REC) is recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer.

Power business: Revenue from generation and sale of electricity is recognised on the basis of actual power sold (net of reactive energy consumed) in accordance with the terms of the power purchase agreements entered with the respective customers and when no significant uncertainty exists regarding the amount of consideration that will be derived.

Wind Business: Revenue from sale of products is recognized when the significant risks and rewards of ownership of goods have passed on to the customers in terms of the respective contracts for supply. Sales are net of sales return/cancellation and discounts. Revenue from Erection, Procurement and Commissioning contracts is recognized on completion of services, in terms of the contract. Revenue from Operations & Maintenance and Common Infrastructure Facilities services contracts is recognized pro-rata over the period of the contract, as per the terms of the contract. In respect of project development charges, the revenue from development of Wind Farm is recognized when the wind farm sites are transferred to the customers in terms of the respective contracts. Income on sale of electricity generated is recognized on the basis of actual units generated and transmitted to the purchaser. Revenue is net of taxes.
Theatrical Exhibition business: Revenue from Box Office is recognized as and when the movie is exhibited. Revenue from Sale of Food & Beverages is accounted at the point of sale. These revenues are net of refunds and complimentary. Conducting fees are in respect of charges received from parties to conduct business from the Company's multiplexes and the revenue is recognized as per the contractual arrangements. Advertisement income is recognized on exhibition of the advertisement or over the period of contract, as applicable.

Other income: Interest on deposits, loans and interest bearing securities is recognised on a time proportion basis, except in cases where interest is doubtful of recovery. Dividend income is recognised when the unconditional right to receive the dividend is established. Insurance claims are recognised to the extent there is a reasonable certainty of the realisability of the claim amount.

b) Fixed assets and Intangible assets

Fixed assets and intangible assets, other than revalued assets, are stated at historical cost, less accumulated depreciation/amortisation and impairment, except freehold land which is carried at cost. Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization. Revalued assets are stated at revalued amounts less accumulated depreciation. The cost of leasehold land comprises of lease premium and expenses on acquisition thereof as reduced by accumulated

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

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, except for multiplex inventories where cost is determined using FIFO method, and is inclusive of appropriate overheads. Closing stock of finished goods and imported materials include excise duty and customs duty payable thereon, wherever applicable. Obsolete, defective and unserviceable stocks are duly provided for.

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
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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. 39), 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.

4. SHARE CAPITAL (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
4.1 Equity		
Authorized		
20,00,00,000 equity shares of Re 1 each	**2000.00**	2000.00
Issued, subscribed and fully paid up		
10,98,50,000 equity shares of Re 1 each	**1098.50**	1098.50
Total	**1098.50**	**1098.50**

4.2 Terms/rights attached to equity shares

"The Company has only one class of equity shares having a par value of Re 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any. During the year, the Company has paid to the equity shareholders an interim dividend of ₹ 3.50 per equity share (previous year final dividend of ₹ 3.50 per equity share).

	Nos.	(₹ in Lakh)
4.3 Shares held by holding company		
Inox Leasing and Finance Limited	5,77,15,310	577.15
	(5,77,15,310)	(577.15)

	Nos.	holding %
4.4 Details of shareholders holding more than 5% shares in the company		
Equity shares of Re.1 each/- fully paid		
Inox Leasing and Finance Limited	5,77,15,310	52.54%
	(5,77,15,310)	(52.54%)
Devansh Trademart LLP (Formerly Devansh Trading and Finance Private Limited)	66,62,360	6.06%
	(66,62,360)	(6.06%)
Siddhapavan Trading LLP (Formerly Siddhapavan Trading and Finance Private Limited)	55,76,440	5.08%
	(55,76,440)	(5.08%)

Note: Figures in brackets pertain to previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

5. RESERVES AND SURPLUS: (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Capital Reserves		
As per last Balance Sheet	**12663.86**	12667.43
On account of change in Minority Interest	**-**	(3.57)
	12663.86	12663.86
Capital Redemption Reserve		
As per last Balance Sheet	**59.30**	59.30
Securities Premium Account		
As per last Balance Sheet	**45542.26**	7368.49
Premuim received during the year (net of IPO expenses)	**-**	40852.82
Add: Addition on Amalgamation	**1182.39**	-
On account of change in Minority Interest	**-**	(2664.30)
Adjustment on account grant of stock options to employees in subsidiaries	**-**	(14.75)
	46724.65	45542.26
Revaluation Reserve		
As per last Balance Sheet	**5569.31**	5568.60
On account of change in Minority Interest	**-**	0.71
Less: On account of asset scrapped during the year	**(24.88)**	-
	5544.43	5569.31
Amalgamation Reserve		
As per last Balance Sheet	**146.49**	224.11
On account of change in Minority Interest	**-**	(77.62)
Less: Deduction on account of Amalgamation	**(146.49)**	-
	-	146.49
General Reserve		
As per last Balance Sheet	**274388.46**	242211.20
On account of change in Minority Interest	**-**	(558.36)
Add: Addition on Amalgamation	**50.52**	-
Less: Deduction on account of Amalgamation	**(1700.02)**	-
Adjustment on account of carrying amount of fixed assets as at 1st April, 2014, net of deferred tax (see note no. 35)	**-**	(567.54)
Transfer from the Statement of Profit and Loss	**6000.00**	33303.16
	278738.96	274388.46
Other Reserves		
Reserve on sale of treasury shares		
As per last Balance Sheet	**7419.38**	(279.04)
Movements duirng the year	**-**	7698.42
Less: Deduction on account of Amalgamation	**(7419.38)**	-
	-	7419.38
Hedging Reserve		
As per last Balance Sheet	**(1248.02)**	(275.56)
Movements duirng the year	**(74.00)**	(972.46)
	(1322.02)	(1248.02)
Foreign currency translation reserve		
As per last Balance Sheet	**2048.90**	1415.08
Movements duirng the year	**(294.67)**	633.82
	1754.23	2048.90

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	**75847.90**	59558.47
Profit for the year	**39387.07**	58526.53
On account of change in Minority Interest	**-**	(4306.49)
Less: On account of Amalgamation	**(197.80)**	-
Less : Appropriations		
General Reserve	**6000.00**	33303.16
Interim Dividend	**3844.75**	-
Proposed Dividend	**-**	3844.75
Tax on Dividend	**782.70**	782.70
	104409.72	75847.90
Sub-total	**448573.13**	422437.84
Group Share in Joint Ventures	**(31.20)**	(10.39)
Total	**448541.93**	**422427.45**

6. LONG-TERM BORROWINGS:

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Term Loans		
Secured Loans		
From Banks		
- Rupee Loans	**21924.81**	27225.12
- Foreign Currency Loans	**76815.58**	79131.98
	98740.39	106357.10
From Other Parties		
- Rupee Loans	**26542.00**	28168.12
	125282.39	134525.22
Less: Current maturities of Long-term borrowings (disclosed under note no. 11: Other current liabilities)	**19031.78**	20942.90
Total	**106250.61**	**113582.32**

6.1 For nature of securities and terms of repayment please refer to note no. 36

7. OTHER LONG-TERM LIABILITIES:

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Security deposits	399.17	558.42
Retention money	76.20	45.70
Income received in advance	3071.83	2627.33
Creditors for capital expenditure	-	257.56
Statutory dues and taxes payable	1.17	1.96
Total	**3548.37**	**3490.97**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

8. LONG-TERM PROVISIONS:

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits (see note no. 54)		
- for Gratuity	**1661.77**	1274.78
- for Leave benefits	**776.79**	522.52
Total	**2438.56**	**1797.30**

9. SHORT-TERM BORROWINGS:

(₹ in Lakh)

		As at 31st March, 2016	As at 31st March, 2015
9.1	**Secured Loans**		
	From Banks		
	- Cash Credit/Overdraft	7669.02	3208.14
	- Short Term Working Capital Demand Loans	2000.00	12116.78
	- Rupee Loans	10000.00	6000.00
	- Foreign Currency Loans	103049.15	52833.17
		122718.17	74158.09
	From Other Parties		
	- Short Term Working Capital Demand Loans	-	5000.00
9.2	**Unsecured Loans**		
	From Banks		
	- Rupee Loan	-	4900.00
	- Foreign Currency Loans	18239.14	20075.69
		18239.14	24975.69
	From Other Parties		
	- Commercial papers	**32168.35**	15814.84
	- Inter-corporate deposit	**-**	59.85
		32168.35	15874.69
		173125.66	120008.47
	Group Share in Joint Ventures	**2248.92**	2008.72
	Total	**175374.58**	**122017.19**

9.3 For nature of securities and terms of repayment please refer to note no. 36

10. TRADE PAYABLES:

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Trade payables		
- dues to Micro and Small Enterprises (see note no. 53)	**551.51**	4.18
- dues to others	**133050.40**	85458.69
	133601.91	85462.87
Group Share in Joint Ventures	**1284.51**	983.35
Total	**134886.42**	**86446.22**

11. OTHER CURRENT LIABILITIES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long-term debt (from note no. 6)	**19031.78**	20942.90
Interest accrued but not due on borrowings	**2032.50**	2140.54
Interest accrued and due on borrowings	**72.75**	227.07
Creditors for capital expenditure	**8346.36**	7600.95
Derivative financial liabilities	**1586.70**	1522.09
Security deposits	**675.25**	550.80
Income received in advance	**4690.17**	2408.82
Advances from customers	**2542.79**	12043.84
Unclaimed dividends (see note below)	**273.72**	208.99
Retention money	**310.25**	264.97
Statutory dues and taxes payable	**7652.59**	3400.74
Payable towards purchase of shares of subsidiaries	**1732.70**	425.22
Dues to employees	**3007.74**	2690.80
Expense payables	**2164.22**	1922.36
Other Payables	**2062.17**	1791.12
	56181.69	58141.21
Group Share in Joint Ventures	**555.15**	1030.94
Total	**56736.84**	**59172.15**

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.

12. SHORT-TERM PROVISIONS

(₹ in Lakh)

		As at 31st March, 2016	As at 31st March, 2015
(a)	Provision for employee benefits (see note no. 54)		
	- for Gratuity	**314.85**	305.28
	- for Leave benefits	**641.78**	486.50
		956.63	791.78
(b)	Other provisions		
	- for Municipal tax - (see note no 48a)	**235.80**	183.00
	- for Service tax - (see note no 48c)	**1042.44**	1042.44
	- for MVAT / sales tax- (see note no 48b)	**30.43**	69.81
	- for IPO Expenses	**-**	3178.54
	- for taxation (net of taxes paid)	**4430.20**	2164.23
	- for Proposed Dividend	**-**	3844.75
	- for Tax on Proposed Dividend	**-**	782.70
		6695.50	12057.25
	Group Share in Joint Ventures	**51.04**	51.04
	Total	**6746.54**	**12108.29**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

13. TANGIBLE ASSETS

(₹ in Lakh)

Particulars	Gross Block								Depreciation/Amortization							Net Block	
	As at 01-Apr-2015	Translation Difference	Acquisition (see note below)	Addit-ions	Deduct-ions	Exchange differe-nces	Borro-wing Costs	As at 31-Mar-16	As at 01-Apr-15	Transla-tion Differe-nce	Acquisi-tion (see note below)	Adjust-ment (see note below)	For the year	Deduct-ions	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
(a) Tangible Assets																	
Land																	
- Freehold Land	3774.35	5.69		661.72				4441.76								4441.76	3774.35
- Leasehold Land	5847.69			3286.55				9134.24	435.82				175.59		611.41	8522.83	5411.87
Buildings	46590.48	46.72		11497.07			267.11	58401.38	7307.46	4.37			1765.90		9077.73	49323.65	39283.02
Lease hold improvements	28249.61	3.38		2425.59	349.19		22.02	30351.41	11299.01	0.72			2066.34	227.53	13138.54	17212.87	16950.60
Plant and Equipments	405244.92	39.71	8.37	66286.68	269.41	3740.73	511.80	475562.80	85561.71	20.23	0.24		23922.04	171.41	109332.81	366229.99	319683.21
Furniture and Fixtures	11230.11	1.67		1746.05	358.47		10.94	12630.30	5679.88	1.00			1469.65	249.20	6901.33	5728.97	5550.23
Vehicles	742.51	1.99		125.81	7.35			862.96	445.18	1.04			97.44	2.44	541.22	321.74	297.33
Office Equipment	9034.65	1.23		1313.78	216.81	18.18		10151.03	5147.61	0.72			1243.82	209.02	6183.13	3967.90	3887.04
Total (a)	**510714.32**	**100.39**	**8.37**	**87343.25**	**1201.23**	**3758.91**	**811.87**	**601535.88**	**115876.67**	**28.08**	**0.24**		**30740.78**	**859.60**	**145786.17**	**455749.71**	**394837.65**
(b) Share in Joint Venture	3670.87			0.01				3670.88	1839.00	(61.19)			334.83		2112.64	1558.24	1831.87
Grand Total (a + b)	**514385.19**	**100.39**	**8.37**	**87343.26**	**1201.23**	**3758.91**	**811.87**	**605206.76**	**117715.67**	**(33.11)**	**0.24**		**31075.61**	**859.60**	**147898.81**	**457307.95**	**396669.52**
Previous year	449415.81	20.70	7314.72	59413.81	4793.13	2639.37	373.90	514385.19	89107.47	(19.54)	2220.85	1214.95	27224.55	2032.61	117715.67		

Notes:

1. For adjustment during the previous year in accumulated depreciation - see note no. 35
2. Addition on account of acquisitions is in respect of subsidiaries acquired
3. For buildings given on operating lease - see note no. 47(a)
4. On 31st March, 2012, Inox Renewables Limited had revalued its fixed assets of the wind energy business acquired as part of slump sale. Gross block of Plant and Equipment includes ₹ 6207.13 Lakh (previous year ₹ 6232.01 Lakh) and net block includes ₹ 5020.23 Lakh (previous year ₹ 5297.96 Lakh) on account of revaluation

14. INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Gross Block								Depreciation/Amortization							Net Block	
	As at 01-Apr-15	Transla-tion Differ-ence	Acquisi-tion (see note below)	Additi-ons	Deduct-ions	Excha-nge differ-ences	Borro-wing Costs	As at 31-Mar-16	As at 01-Apr-15	Transla-tion Differ-ence	Acquisi-tion (see note below)	Adjust-ment (see note below)	For the year	Deduct-ions	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
(a) Intangible Assets																	
Technical Know How	10383.16			1335.98				11719.14	2906.99				1089.58		3996.57	7722.57	7476.17
Software	1477.72	0.42		1098.16	28.15			2548.15	1068.20	0.13			135.82	28.13	1176.02	1372.13	409.52
Film Distribution Rights & Prints Cost																	
Mining Rights	1192.74	109.32						1302.06	216.40	20.50			87.94		324.84	977.22	976.34
Negative rights																	
Product Development	734.20							734.20	38.39				173.96		212.35	521.85	695.81
Goodwill				1750.00				1750.00					127.54		127.54	1622.46	
Movie Production	155.50							155.50	101.07				32.41		133.48	22.02	54.43
Total (a)	**13943.32**	**109.74**		**4184.14**	**28.15**			**18209.05**	**4331.05**	**20.63**			**1647.25**	**28.13**	**5970.80**	**12238.25**	**9612.27**
(b) Share in Joint Venture	**555.69**							**555.69**	**271.11**	**(3.97)**			**27.99**		**295.13**	**260.56**	**284.58**
Grand Total (a + b)	**14499.01**	**109.74**		**4184.14**	**28.15**			**18764.74**	**4602.16**	**16.66**			**1675.24**	**28.13**	**6265.93**	**12498.81**	**9896.85**
Previous year	10112.83	(202.38)	118.94	4469.61				14499.01	3302.07	19.33		32.63	1248.13		4602.16		

Notes:

1. For adjustment during the previous year in accumulated depreciation - see note no. 35
2. Addition on account of acquisitions is in respect of subsidiaries acquired.

15. NON-CURRENT INVESTMENTS

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

	Particulars	Face Value ₹	Nos. as at 31st March, 2016	Nos. as at 31st March, 2015	As at 31st March, 2016		As at 31st March, 2015	
[I]	**INVESTMENTS IN SECURITIES**							
A]	**UNQUOTED**							
i)	**Investment in Equity instrument**							
	In Associate companies							
	Megnasolace City Private Limited - Equity shares of ₹10/- each - paid up ₹ 1.60 per share (previous year ₹ 1.60 per share)	10	5000000	5000000	3201.88		3201.47	
	In Other companies							
	Kaleidoscope Entertainment Private Limited	1	562500	562500	60.75		60.75	
						3262.63		3262.22
	Less: Provision for diminution in value of Investment					60.75		60.75
						3201.88		3201.47
ii)	**Investment in Government or Trust Securities**							
	National Saving Certificate				118.23		110.31	
	(Held in the name of Directors & pledged with Government Authorities)							
	Less : Current portion of Long Term Investments				7.50		39.48	
	(Disclosed under note no. 18 : Current Investments)					110.73		70.83
iii)	**Investment in Mutual Funds**							
	Religare Invesco FMP Series 23P(370 Days)-Regular Plan Growth	10	10000000	10000000	1000.00		1000.00	
	Reliance Yearly Interval Series 8 Direct Plan-Growth	10	9211751	9211751	1000.00		1000.00	
	HDFC FMP 370 Days June 2014(2) Series 31 Regular - Growth	10	10000000	10000000	1000.00		1000.00	
	SBI Debt Fund SR A35-369Days -Direct - Growth	10	10000000	10000000	1000.00		1000.00	
	DWS Interval Annual Plan Series 1-DP Growth	10	9205730	9205730	1000.00		1000.00	
	Reliance Fixed Horizon Fund-XXVI Series 33 - Direct Plan -Growth Plan	10	10000000	10000000	1000.00		1000.00	
	ICICI Prudential FMP Sr.76-1134 Days-Plan Y-growth	10	10000000	0	1000.00		0.00	
	ICICI Prudential FMP Sr.76-1135 Days-Plan Z-Regular Plan-Growth	10	10000000	0	1000.00		0.00	
	ICICI Prudential FMP Sr.77-1132 Days-Plan A-Regular Plan-Growth	10	10000000	0	1000.00		0.00	
	IDFC Fixed term Pl.Sr.108 -1144 Days-Regular Plan-Growth	10	10000000	0	1000.00		0.00	
	SBI Debt Fund Sr.B-16 -1100 Days-Regular Plan-Growth	10	10000000	0	1000.00		0.00	
	ICICI Prudential Equity Arbritage Fund-Regular -Dividend	10	7237596	0	999.59		0.00	
	Kotak Equity Arbritage-Monthly Dividend (Regular)	10	18504811	0	2000.00		0.00	
	RelianceArbitrage Advantage Fund-Monthly Dividend Plan Dividend Payout	10	19070140	0	2000.00		0.00	
	HDFC Short Term Plan-Growth	10	3677863	0	1000.00		0.00	
	Birla Sun Life Short Term Opportunities Fund-Regular Plan-Growth	10	4355989	0	1000.00		0.00	

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(₹ in Lakh)

	Particulars	Face Value ₹	Nos. as at 31st March, 2016	Nos. as at 31st March, 2015	As at 31st March, 2016		As at 31st March, 2015	
	DSP Black Rock Short Term Fund-Regular Plan-Growth	10	4174494	0	1000.00		0.00	
	Franklin India Short Term Income Plan-Retail-Growth	10	34670	0	1000.00		0.00	
	DHFL Pramerica Short Maturity Fund-Growth	10	3958860	0	1000.00		0.00	
	HDFC FMP 371 Days June 2014(2)Series.31-Growth	10	6250000	6250000	625.00		625.00	
	ICICI Prudential FMP Series 74-369 Days K Regular Growth	10	10000000	10000000	1000.00		1000.00	
	(Disclosed under note no. 18 : Current Investments)					22624.59		7625.00
iv)	**Investment in Venture Capital Fund**							
	Indiareit Fund Scheme III	100000	293	423	292.58		422.63	
	Kshitij Venture Capital Fund	338	250000	250000	843.75		843.75	
					1136.33		1266.38	
	Less : Current portion of Long Term Investments				1136.33		1266.38	
	(Disclosed under note no. 18 : Current Investments)					-		-
	Total Unquoted Investments					25937.20		10897.30
B]	**QUOTED**							
	Investment in Equity instrument							
	Tata Global Beverages Limited (persuant to merger of Mount Everest Mineral Water Ltd)	10	1630944	-	2489.33		-	
	Mount Everest Mineral Water Ltd.	10	-	2174592	-		2489.33	
	Total Quoted Investments					2489.33		2489.33
	Total Investments					28426.53		13386.63
	Aggregate amount of quoted investments					2489.33		2489.33
	Market value of quoted investments					2082.72		2392.05
	Aggregate amount of unquoted investments					27141.78		12263.91
	Aggregate provision for diminution in value of investments					60.75		60.75

[II] INVESTMENT PROPERTY (LONG TERM AND NON-TRADE)

(₹ in Lakh)

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 01-Apr-15	Additions	As at 31-Mar-16	As at 01-Apr-15	For the year	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Leasehold Land	169.38	-	169.38	0.93	0.17	1.10	168.28	168.45
Building	105.64	-	105.64	9.33	1.77	11.10	94.54	96.31
Total	**275.02**	**-**	**275.02**	**10.26**	**1.94**	**12.20**	**262.82**	**264.76**
Previous Year	275.02	-	275.02	8.32	1.94	10.26		
Total Non Current Investments (I+II)							**28689.35**	**13651.39**

16. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Capital advances	**11549.34**	5749.74
Security deposits		
- Considered good	**12554.43**	11738.99
- Considered doubtful	**311.88**	311.88
	12866.31	12050.87
Less: Provision for doubtful deposits	**311.88**	311.88
	12554.43	11738.99
Advances recoverable in cash or in kind		
- Considered good	**1179.52**	729.08
- Considered Doubtful	**84.77**	-
	1264.29	729.08
Less: Provision for doubtful advances	**84.77**	-
	1179.52	729.08
Prepaid expenses	**128.24**	24.50
Electricity charges refund claimed	**389.83**	389.83
Balances in Excise, Service Tax and VAT Accounts	**224.74**	95.71
Entertainment tax refund claimed	**3335.01**	2998.37
Income tax paid (net of provisions)	**13001.15**	10990.57
MAT credit entitlement	**20686.71**	21365.71
	63048.97	54082.50
Group Share in Joint Ventures	**16.35**	16.35
Total	**63065.32**	**54098.85**

17. OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Non-current bank balances (from note no. 21)	**1473.47**	652.91
Amount recoverable towards claim (see note no. 42(a)(ia))	**932.44**	-
Interest accrued		
- on investments	**21.81**	12.70
- on bank fixed deposits	**56.01**	40.37
- others	**161.72**	157.16
Total	**2645.45**	**863.14**

18. CURRENT INVESTMENTS

(Non-trade, at cost, unless otherwise stated) (₹ in Lakh)

	Particulars	Face Value ₹	Nos. as at 31-Mar-16	Nos. as at 31-Mar-15	As at 31st March, 2016		As at 31st March, 2015	
A]	**CURRENT PORTION OF LONG TERM INVESTMENTS**							
i)	**Investment in Venture Capital Fund**							
	Indiareit Fund Scheme III	100000	293	423	292.58		422.63	
	Kshitij Venture Capital Fund	338	250000	250000	843.75		843.75	
						1136.33		1266.38

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(₹ in Lakh)

	Particulars	Face Value ₹	Nos. as at 31-Mar-16	Nos. as at 31-Mar-15	As at 31st March, 2016		As at 31st March, 2015	
ii)	**Investment in Government or Trust Securities**							
	National Saving Certificate					7.50		39.48
	(Held in the name of Directors & pledged with Government Authorities)							
B]	**CURRENT INVESTMENT**							
i)	**Investment in Mutual Funds - Unquoted**							
	JP Morgan India Liquid Fund-Super Instl. Daily Dividend Plan	10	0	3603291	0.00		360.68	
	HDFC Liquid Fund-Direct Plan-Growth	10	10855	0	310.34		0.00	
	Tauras Liquid Fund -Growth Plan	10	15320	39945	250.00		601.89	
	HDFC Liquid Fund-Growth	1000	8414	0	250.00		0.00	
	Birla Sun Life Cash Plus-Growth-Regular Plan	10	414681	0	1001.00		0.00	
	IDFC Arbitrage Fund Dividend -(Direct Plan)	10	24946339	0	3221.67		0.00	
	Reliance MTF - Direct Growth Plan (IP-AG)	10	6416097	0	2000.00		0.00	
	DSP BlackRock Income Opportunities -Direct Plant Growth	10	4103271	0	1000.00		0.00	
						8033.01		962.57
	Group Share in Joint Venture					45.00		0.00
	Total current investments					**9221.84**		**2268.43**
	Aggregate amount of unquoted current investments					8078.01		962.57

19. INVENTORIES

(For basis of valuation see note no. 3(f))

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Raw materials	**23759.69**	16634.46
Work-in-progress	**28525.26**	34632.59
Finished goods	**20642.82**	23752.22
Stock-in-trade	**128.90**	107.04
Stores and spares	**5813.03**	5140.64
Others		
- Fuel	**1649.49**	1220.89
- Packing Material	**381.65**	329.03
- By products	**379.70**	375.12
- Food and Beverages	**422.09**	503.63
- Construction Materials	**10140.53**	3781.96
	12973.46	6210.63
Sub-total	**91843.16**	86477.58
Group Share in Joint Ventures	**381.32**	562.30
Total	**92224.48**	**87039.88**

20. TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	**29509.97**	12794.88
Others	**259447.70**	172040.10
	288957.67	184834.98
Considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	**1099.42**	100.74
	1099.42	100.74
	290057.09	184935.72
Less: Provision for doubtful Trade receivables	**(1099.42)**	(100.74)
	288957.67	184834.98
Group Share in Joint Ventures	**1074.79**	1516.79
Total	**290032.46**	**186351.77**

21. CASH AND BANK BALANCES

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
21.1 Cash & cash equivalents		
Balances with banks in current accounts	**12319.27**	5812.07
Cheques on hand	**14.15**	29.72
Bank deposits with original maturity for less than 3 months	**112.24**	156.47
Public Issue accounts (see note below)	**-**	101988.45
Cash in hand	**265.47**	218.38
Group Share in Joint Ventures	**690.93**	218.53
Total cash and cash equivalents	**13402.06**	108423.62
21.2 Other Bank Balances		
- In unpaid dividend accounts	**273.72**	208.99
- Deposit with original maturity for more than 3 months but less than 12 months	**42408.00**	2779.85
- Bank deposits with original maturity of more than 12 months	**1866.20**	963.20
	44547.92	3952.04
Less: Amount disclosed under note no. 17 - Other non-current assets	**1473.47**	652.91
	43074.45	3299.13
Sub-total	**56476.51**	111722.75
Group Share in Joint Ventures	**3.48**	5.28
Total	**56479.99**	**111728.03**

Notes:

(a) The bank balance in Public Issue Accounts represents money raised by the Inox Wind Limited (Subsidiary of the Company) in IPO (see note no. 34) which was held in escrow as at 31st March, 2015. The money was released on 8th April, 2015 on receiving listing approval from the stock exchanges by Inox Wind Limited.

(b) Other bank balances include margin money deposits kept as security against bank guarantee as under:

Deposit account with original maturity for more than 3 months but less than 12 months	**887.69**	94.31
Deposit account with original maturity for more than 12 months	**1778.94**	961.09

(c) Bank deposits with original maturity for more than 3 months but less than 12 months includes unspent amount from the proceeds of IPO by Inox Wind Limited. **20411.00** -

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22. SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated) (₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Advance to suppliers		
- Considered good	**9412.32**	7339.26
- Considered doubtful	**68.10**	20.05
	9480.42	7359.31
Less: Provision for doubtful advances	**68.10**	20.05
	9412.32	7339.26
Prepaid expenses	**1763.27**	1602.48
Advances recoverable in cash or in kind	**616.42**	487.81
Other receivables	**63.41**	90.84
Security deposits	**1579.56**	2211.42
Inter-corporate deposits (see note no. 50)	**2286.95**	1436.95
Electricity duty and Custom duty refund claimed	**3191.07**	-
Balances in Excise, Service Tax and VAT accounts	**2322.71**	1663.56
	21235.71	14832.32
Group Share in Joint Ventures	**500.51**	496.99
Total	**21736.22**	**15329.31**

23. OTHER CURRENT ASSETS

(₹ in Lakh)

	As at 31st March, 2016	As at 31st March, 2015
Assets held for disposal	**116.15**	131.14
Insurance claims lodged	**1335.04**	755.57
Unbilled revenue	**415.07**	-
Un amortised premium on forward contract	**1139.40**	448.04
Interest accrued	**1900.80**	258.44
WCT receivable	**-**	14.09
	4906.46	1607.28
Group Share in Joint Ventures	**0.01**	0.01
Total	**4906.47**	**1607.29**

24. REVENUE FROM OPERATIONS

(₹ in Lakh)

	2015-2016	2014-2015
Sale of products	**562407.47**	431141.31
Sale of services	**155555.39**	99789.84
Other operating revenues	**7447.75**	6365.62
	725410.61	537296.77
Less: Excise duty	**10082.03**	9069.40
	715328.58	528227.37
Group Share in Joint Ventures	**4537.85**	5853.68
Total	**719866.43**	**534081.05**

25. OTHER INCOME

(₹ in Lakh)

	2015-2016	2014-2015
Interest income		
- on bank deposits	**3334.65**	316.87
- on inter - corporate deposits	**247.39**	164.47
- on Income tax refund	**38.09**	31.70
- on others	**118.74**	190.62
- on long term investments	**10.68**	10.87
	3749.55	714.53
Dividend income		
- on long term investments	**632.18**	-
- on current investments	**42.64**	24.96
	674.82	24.96
Profit on sale of investments (net)		
- on long term investments (net of reversal of provision for diminution of ₹ Nil (previous year ₹ 2545.97 Lakh))	**(35.49)**	1816.75
- on current investments	**1161.64**	969.72
	1126.15	2786.47
Provision for doubtful debts written back	**0.92**	0.07
Liabilities and provisions no longer required, written back	**513.58**	481.42
Reversal of mark to market loss on derivative contracts	**218.34**	72.56
Gain on derivative contracts (net)	**573.49**	47.68
Insurance claims	**886.81**	-
Profit on retirement /disposal of fixed assets (net)	**5.15**	-
Rental income from operating leases	**568.00**	662.99
Bad debts recovered	**18.00**	8.43
Miscellaneous income	**139.89**	135.29
	8474.70	4934.40
Group Share in Joint Ventures	**28.29**	46.52
Total	**8502.99**	**4980.92**

26. COST OF MATERIALS CONSUMED

(₹ in Lakh)

	2015-2016	2014-2015
Raw materials consumed	**306632.18**	224378.49
Packing materials consumed	**5277.99**	6186.30
Cost of food and beverages	**6610.68**	4954.91
	318520.85	235519.70
Group Share in Joint Ventures	**4223.78**	5741.97
Total	**322744.63**	**241261.67**

27. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakh)

	2015-2016	2014-2015
Purchases of stock-in-trade	**223.94**	171.18
Total	**223.94**	**171.18**

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28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE & BY PRODUCTS

(₹ in Lakh)

	2015-2016	2014-2015
Opening stock		
Finished goods	**23752.22**	17206.39
Stock-in-trade	**107.04**	148.83
Material-in-process	**8678.12**	6202.73
Erection and commissioning work-in-progress	**25954.47**	11751.07
By-products	**375.12**	367.37
	58866.97	35676.39
Add: On account of subsidiaries acquired during the year	**293.40**	-
	59160.37	35676.39
Less : Closing stock		
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
	49676.68	58866.97
Excise duty on stock of finished goods (net)	**(17.93)**	7.18
Effect of changes in exchange currency rates	**104.73**	-
(Increase) / Decrease in stock	**9570.49**	**(23183.40)**

29. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

	2015-2016	2014-2015
Salaries and wages	**24726.18**	19924.07
Contribution to provident and other funds	**1186.36**	1036.92
Expense on ESOP (net)	**-**	1.36
Gratuity	**543.53**	528.94
Staff welfare expenses	**1430.20**	977.19
	27886.27	22468.48
Group Share in Joint Ventures	**58.04**	72.04
Total	**27944.31**	**22540.52**

30. FINANCE COSTS

(₹ in Lakh)

	2015-2016	2014-2015
Interest expenses	**17578.39**	20039.89
Interest on Income tax	**517.98**	363.09
Interest on deferred credit	**68.10**	182.54
Other borrowing costs	**2315.59**	1356.80
Loss on foreign currency transactions and translation	**4443.14**	1509.27
	24923.20	23451.59
Less: Capitalized	**1803.82**	1743.29
	23119.38	21708.30
Group Share in Joint Ventures	**108.47**	168.72
Total	**23227.85**	**21877.02**
Note: Out of total finance cost, interest amount transferred to work-in-progress	**-**	42.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

31. DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakh)

	2015-2016	2014-2015
Depreciation and amortization of tangible assets	**30740.78**	26911.96
Amortization of intangible assets	**1647.25**	1185.35
Depreciation on investment property	**1.77**	1.77
Amortization of investment property	**0.17**	0.17
	32389.97	28099.25
Group Share in Joint Ventures	**362.82**	375.35
Total	**32752.79**	**28474.60**

32. OTHER EXPENSES

(₹ in Lakh)

	2015-2016	2014-2015
Stores and spares consumed	**5575.53**	5469.78
Power and fuel	**41334.55**	41874.41
Entertainment tax	**17380.94**	12145.12
EPC, O & M, Common Infrastructure Facility and Site Development Expenses	**54450.63**	37289.30
Exhibition cost	**32529.99**	24932.44
Freight and octroi	**16405.80**	10645.94
Insurance	**1102.01**	914.88
Excise duty, custom duty and sales tax	**415.30**	977.52
Production labour charges	**1809.49**	1635.54
Processing charges	**12946.85**	5593.76
Outsourced personnel cost	**3599.45**	2616.23
Property rent and conducting fees	**15855.57**	13426.91
Common facility charges	**4850.91**	4151.29
Factory expenses	**559.42**	737.76
Repairs to		
- Buildings	**824.43**	488.16
- Plant and Equipments	**5237.23**	3660.93
- Others	**1165.16**	765.15
	7226.82	4914.24
Directors' sitting fees	**46.80**	42.40
Commission to directors	**169.25**	148.39
Rent	**341.95**	476.26
Rates and taxes	**1991.25**	1481.23
Service tax	**3825.05**	3049.90
Travelling and conveyance	**3136.54**	2807.71
Communication expenses	**581.61**	509.69
Legal and professional fees and expenses	**4254.72**	3211.41
Lease rentals and hire charges	**899.30**	727.07
Loss on retirement /disposal of fixed assets (net)	**183.76**	15.55
Net (gain) loss on foreign currency transactions and translation	**1067.83**	(3468.99)
Amortisation of premium on forward contracts	**483.92**	388.72
Provision for doubtful advances	**12.24**	-
Provision for doubtful deposits	**120.58**	311.88
Provision for doubtful Trade receivables	**1004.19**	23.06
Provision for diminution in value of assets held for disposal	**14.98**	17.03
Bad debts and remission	**522.89**	14.89
Commission	**691.48**	1222.09
Royalty	**1430.01**	2328.02

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(₹ in Lakh)

	2015-2016	2014-2015
Corporate Social Responsibility (CSR) expenditure (see note no. 56)	**387.00**	45.31
Miscellaneous expenses	**10480.40**	8809.61
	247689.01	189486.35
Group Share in Joint Ventures	**271.60**	302.43
Total	**247960.61**	**189788.78**

33. INITIAL PUBLIC OFFER BY SUBSIDIARY COMPANY

In the previous year, Inox Wind Limited ("IWL"), a subsidiary of the Company, had made an Initial Public Offer (IPO) for 3,19,18,226 equity shares of ₹ 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 ₹ 325 per share (including premium of ₹ 315 per share) subject to discount of ₹ 15 per share to the eligible employees of IWL and retail investors. The total proceeds from the IPO were ₹ 1,02,053.45 Lakh. The total expenses in connection with the IPO were shared between IWL and Company. After considering consolidation effect: (a) the gain of ₹ 26859.08 Lakh 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.

34. The management has reviewed the goodwill on consolidation in respect of Marut Shakti Energy India Limited ("MSEIL"), which is engaged in development of wind farms in Madhya Pradesh. After considering the position of losses of MSEIL and balance wind farm sites available for sale, in the opinion of management, there is impairment of goodwill and hence the entire goodwill on consolidation of ₹ 164.62 Lakh in respect of MSEIL is written off during the year.

35. CHANGE IN THE ESTIMATE OF USEFUL LIFE OF FIXED ASSETS

During the previous year, the Group has adopted the useful lives of various fixed assets as specified in Schedule II of the Companies Act, 2013, with effect from 1st April, 2014, as against the useful lives adopted earlier as specified in Schedule XIV to the Companies Act, 1956. The carrying amount of fixed assets, where the remaining useful life as at 1st April, 2014 as per Schedule II was Nil, aggregating to ₹ 567.54 Lakh (net of deferred tax credit and effect of minority interest), was recognized in the opening balance of retained earnings.

36. SECURITIES AND TERMS OF LOANS TAKEN:

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

(a) Secured Loans:

Foreign currency term loan in form of ECB of ₹ Nil (previous year ₹ 19574.81 Lakh) 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 had 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. The term loan was repayable in 40 equal quarterly installments starting from 15th June, 2012 and carried interest @ 3 months LIBOR plus 4.25% p.a. Out of total sanctioned ECB of USD 49 million, ECB of USD 25 million was hedged at the rate of 11.26% p.a.

Foreign currency term loan in form of ECB of ₹ 9738.46 Lakh (previous year ₹ Nil) from Mizuho Bank Limited is secured by way of first charge on all movable and immovable assets of 36 MW Wind Power Project at Mahidad, Gujarat and first charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka - Vagra, District - Bharuch, Gujarat pari-passu with Hong Kong and Shanghai Banking Corporation Limited. Further, the Lender also has assignment of rights under the project agreements relating to 36 MW Wind Power Project at Mahidad by way of pari-passu with Hong Kong and Shanghai Banking Corporation Limited. The term loan is repayable in 20 equal quarterly instalments starting from 15th June, 2016 and carries interest @ 3 months LIBOR plus 1.13% p.a. The entire ECB loan of USD 14.70 million is hedged at the rate of 8.24% p.a. w.e.f. 18th March, 2016. The Company is in the process of creation of charge.

Foreign currency term loan in form of ECB of ₹ 9738.46 Lakh (previous year ₹ Nil) from Hong Kong and Shanghai Banking Corporation Limited is secured by way of first charge on all movable and immovable assets of 36 MW Wind Power Project at Mahidad, Gujarat and first charge on movable fixed asset of DPTFE plant located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat pari-passu with Mizuho Bank Limited. Further, the Lender also has assignment of rights under the project agreements relating to 36 MW Wind Power Project at Mahidad by way of pari-passu with Mizuho Bank Limited. The term loan is repayable in 20 equal quarterly instalments starting from 15th June, 2016 and carries interest @ 3 months LIBOR plus 1.13% p.a. The entire ECB loan of USD 14.70 million is hedged at the rate of 8.24% p.a. w.e.f. 18th March, 2016. The Company is in the process of creation of charge.

Foreign Currency Term Loan in form of ECB of ₹ 7638.00 Lakh (previous year ₹ 8024.54 Lakh) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/mortgage/hypothecation on movable and immovable fixed assets including cash flow receivables and escrow account of 14 MW Wind Power Project at Mahidad. Further the Lender has first & 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. The term loan is repayable in 20 equal half yearly instalments starting from 20th September, 2013 and carries interest @ 6 months LIBOR plus 4.14% p.a. Out of ECB of USD 16.47 million, ECB of USD 10 million was hedged at the rate of 10.55% p.a.

Foreign Currency Term Loan in form of ECB of ₹ Nil (previous year ₹ 2258.26 Lakh) from DBS Bank Limited was secured by first pari-passu charge over moveable fixed assets of the Company at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka Vagra, District - Bharuch except assets pertaining to 18 MW coal based captive power plant, DPTFE & PTPTFE plant. The term loan was repayable in 16 equal quarterly instalments starting from 14th April, 2012 and carried interest @ 8.65% p.a. on fully hedged basis.

Over draft facility of ₹ Nil (previous year ₹ 1798.08 Lakh) from HDFC Bank Limited carried interest @ 10.75% p.a. and was secured by first pari-passu charge in favour of the bank by way of hypothecation over the stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat.

Working Capital Loan in the form of buyers credit of ₹ Nil (previous year ₹ 4165.37 Lakh) from The Royal Bank of Scotland was repayable in 240 days to 330 days and carried interest ranging @ 8 month LIBOR plus 0.95% p.a. to 12 month LIBOR plus 0.95% p.a. and was secured by way of first pari-passu charge in favour of the bank by way of hypothecation over the stock and receivables, both present and future, of the Company's unit located at Plot No.12-A, GIDC Estate, Village - Dahej, Taluka - Vagra, District - Bharuch, Gujarat.

(b) Unsecured Loans:

Unsecured Working Capital Loans from Kotak Mahindra Bank Limited, in the form of buyer's credit of ₹ 2572.16 Lakh (previous year ₹ 7618.16 Lakh with ING Vysya Bank Limited, now merged with Kotak Mahindra Bank Limited) carries interest ranging from 12 month LIBOR plus 0.50% p.a. to 12 month LIBOR plus 1.00% p.a. and is repayable in 270 days to 330 days.

Unsecured Working Capital Loan from BNP Paribas in form of Working capital demand loan of ₹ Nil (previous year ₹ 4900.00 Lakh) carried interest @ 9.35% p.a. was repayable in 29 days.

Foreign currency Working Capital loan from BNP Paribas in form of PCFC of ₹ 8889.37 Lakh (previous year ₹ 4694.97 Lakh) carries interest @ 6 month EURIBOR plus 0.14% p.a. to 6 month EURIBOR plus 0.45% p.a. and 6 month LIBOR plus 0.20% p.a. and is repayable in 180 days.

Unsecured foreign currency working capital loan from Citibank N.A. in form of FCNR of ₹ Nil (previous year ₹ 2525.86 Lakh) carried interest @ 12 month LIBOR plus 2.00% p.a. and was repayable in 365 days.

Unsecured foreign currency working capital loan from IDBI Bank Limited, in form of PCFC of ₹ 975.40 Lakh (previous year ₹ 1901.49 Lakh) carries interest @ 6 month LIBOR plus 0.75% p.a. and is repayable in 180 days.

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Unsecured foreign currency working capital loan from Yes Bank Limited, in form of Buyer's credit of ₹ 5802.19 Lakh (previous year ₹ 3335.19 Lakh) carries interest from 12 month LIBOR plus 0.58% p.a. to 12 month LIBOR plus 0.95% p.a. and is repayable in 269 days to 330 days.

Commercial paper of ₹ 2490.01 Lakh (previous year ₹ 10893.49 Lakh), net of unamortised interest of ₹ 9.99 Lakh (previous year ₹ 106.51 Lakh) is repayable in 60 days. Discount on commercial paper is @ 8.70% p.a. Maximum balance during the year is ₹ 11000.00 Lakh (previous year ₹13500.00 Lakh).

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

(a) Secured Loans:

Foreign currency term loan from ICICI Bank (DIFC-Dubai) in 2 tranches:

a) ₹ 27859.82 Lakh (previous year ₹ 30043.58 Lakh) from ICICI Bank Limited carries interest @ 6 months LIBOR+4.14% per annum, is repayable in 20 equal half yearly instalments starting from 3rd August, 2013 and the last instalment falls due on 3rd February, 2023 for 50 Megawatt Dangri.

b) ₹10925.42 Lakh (previous year ₹11781.80 Lakh) from ICICI Bank Limited carries interest @ 6 months LIBOR+4.14% per annum, is repayable in 20 half yearly instalments starting from 20th September, 2013 and the last instalment falls due on 20th March , 2023 for 20 Megawatt Dangri.

Both the tranches are secured by way of:

a. Exclusive charge over all the borrower's immovable assets, all present and future movable fixed assets identified under the project assets and Ossiya-1 i.e. 19.5 MW.

b. Exclusive charge over the escrow account to be opened with ICICI Bank Limited, India (Escrow Bank) for project Dangri and Ossiya-1.

c. Exclusive charge on all project documents, rights, titles, permits, approvals in respect of all the assets of the project including power purchase agreement and wheeling agreements and all project documents including all insurance policies relating to project, project book debts, operating cash flows, revenue of whatsoever nature including "Certified Emission Reduction" (CER) receivables.

d. First pari-passu with ICICI Bank, Bahrain over immovable assets and all present and future movable fixed assets identified at project of Gude Panchgani 23.1 Megawatt.

e. First pari-passu charge over the escrow account w.r.t. Gude Panchgani 23.1 Megawatt.

Foreign currency term loan from ICICI Bank (Bahrain):

Foreign currency term loan of ₹ 1794.48 Lakh (previous year ₹ 3386.49 Lakh) from ICICI Bank Limited carries interest @ 5.86 % p.a. and is repayable in 38 equal quarterly instalments starting from 20th December, 2007 and the last instalment falls due in March 2017. This loan is secured by way of:

a. First mortgage/charge/security interest on all of the company's present and future assets pertaining to the Gude Panchgani 23.1 Megawatt project including all movable properties.

b. ICICI Bank have a charge/lien over the escrow account where the cash flows out of the project (sale proceeds from the power sold to Maharashtra State Electricity Board) are to be deposited by the company.

Rupee Term Loan from Yes Bank Limited:

Rupee term loan of ₹12482.25 Lakh (previous year ₹13200.00 Lakh) from Yes Bank Limited carries interest @ 12.35 % p.a. and is repayable in quarterly instalments starting from 31st December, 2014 and the last instalment falls due on 30th June, 2028. This loan is secured by way of:

a. First charge on all the present and future tangible/intangible moveable assets, current assets including receivables, others reserves and bank accounts pertaining to project.

b. First charge on all the present and future immovable assets both freehold and leasehold pertaining to the project.

c. First charge on all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in project agreements, clearances etc. pertaining to the project.

Rupee term loan from Aditya Birla Finance Limited

Rupee term loan of ₹ 4186.50 Lakh (previous year ₹ 4549.50 Lakh) from Aditya Birla Finance Limited carries interest @ 12.40 % p.a and is repayable in quarterly instalments starting from 31st December, 2013 and the last instalment falls due on 30th June, 2023.

This loan is secured by way of:

a) 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)).

b) 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).

c) 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).

(b) Unsecured Loans:

Term loan from bank

Rupee term loan from Indusind Bank Limited (Ahmedabad)

Rupee term loan of ₹ 10000.00 Lakh (previous year ₹ Nil) from Indusind bank Limited carries an interest rate of 12.60 % per annum and is repayable by a way of bullet repayment at the end of six months from the date of disbursement i.e 31st March, 2016.

In respect of loans taken by Inox Renewables (Jaisalmer) Limited (IR(J)L):

Foreign currency term loan of ₹ 22261.50 Lakh (previous year ₹ 23518.62 Lakh) 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.

The term loan is repayable in 28 instalments starting from 14th October, 2013 and last instalment would be repayable in April, 2027. It carries interest @ 11.44 % p.a.

In respect of loans taken by Inox Wind Limited (IWL):

(a) Secured Loans:

Foreign Currency Term Loan amounting to ₹ 5333.33 Lakh (previous year ₹ 3000.00 Lakh) secured by first Pari-Passu charges by way of hypothecation on the entire fixed assets of Madhya Pradesh Plant and carries interest @ 10.25%. The loan is repayable in 18 quarterly instalments starting from 30th October, 2015.

Term loan amounting to ₹ 1500.00 Lakh (previous year ₹ 2125.00 Lakh) carries interest @ 11.30% p.a. and is repayable in 20 quarterly instalments starting from 30th September, 2014. Term loan of ₹ Nil (previous year ₹ 5500.00 Lakh) carried interest @ 11.85% p.a. and was repayable in 20 quarterly instalments starting from 1st February, 2013. These loans are secured by first exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants.

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Term Loan amounting to ₹ 94.00 Lakh (previous year ₹ 100.00 Lakh) is secured by first pari-passu charge on the current assets, receivables, moveable fixed assets of IWISL 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% & 36% respectively for each year, with quarterly rest.
Foreign currency term loan of ₹ 1500.74 Lakh (previous year ₹ Nil) is secured by first pari-passu charge on the current and movable fixed assets of the Company and carries interest rate @ 8.90% p.a.

Foreign currency short term loans (buyer's credit) from banks of ₹ 101548.41 Lakh (previous year ₹ 48667.80 Lakh) 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 0.5% to 2%.

WCDL of ₹ 2000.00 Lakh (previous year ₹ Nil) carries interest @ 9.10% p.a. and is secured by first pari-passu charge on the current assets of the Company.

WCDL of ₹ Nil (previous year ₹ 2000.00 Lakh) carried interest rate in the range of 11.75%- 12% p.a. and WCDL of ₹ Nil (previous year ₹ 4000.00 Lakh) carried interest @ 11.65% p.a. and is secured by first pari-passu charge on the current assets of the Company.

Cash credit facilities from banks amounting to ₹ 5156.37 Lakh (previous year ₹ 12116.78 Lakh) are secured by current assets of the Company and carry interest in the range of 9.65% to 12.85% p.a.

Short Term Working Capital Demand loan of ₹ Nil (previous year ₹ 5000.00 Lakh) carried interest at the rate of 12.25 % p.a. and was repayable on demand.

(b) Unsecured loans:
Commercial Papers net of unamortized interest of ₹ 321.66 Lakh (previous year ₹ 78.65 Lakh). Commercial Papers carry interest in the range of 8.90% to 9.25% p.a. and are repayable in 63 to 90 days. Maximum balance during the year - ₹ 39295.32 Lakh (previous year ₹ 4921.35 Lakh).

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

(a) Secured loans:

a) Term loans from Axis Bank amounting to ₹ 3942.56 Lakh (previous year ₹ 6400.11 Lakh) carry interest @ bank base rate + 0.25 % p.a. which presently is 9.70%. The loans 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. The repayment schedules are as under:

Particulars	Outstanding Amount (in ₹ Lakh)	Repayment terms
Term Loan 1	1498.56	Repayable in 16 equal quarterly instalments of ₹ 374.64 Lakh each beginning from 30th June, 2013
Term Loan 2	2444.00	Repayable in 16 equal quarterly instalments of ₹ 250.00 Lakh each beginning from 1st October, 2014

b) Term loans from HDFC Bank amounting to ₹ 4000.00 Lakh (previous year ₹ Nil) carry interest @ bank base rate which presently is 9.30% and 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. The loan is repayable in 16 equal quarterly instalments beginning from 30th June, 2017.

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

(b) Unsecured loans:

During the year, the Company 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 ₹ 3000.00 Lakh (previous year ₹ 32000.00 Lakh).

In respect of loan taken by GFL GM Fluorspar SA:

Foreign Currency Term Loan of ₹ 3787.62 Lakh (previous year ₹ 1062.50 Lakh) is secured by way of exclusive charge on movable fixed assets of the proposed project upto value of USD 7.95 million, book debts, operating cashflows, receivables, commission, present & future revenues. The term loan is repayable in the 10 structured half yearly instalments commencing after a moratorium of 12 months from the date of Scheduled Commercial operations date and carries interest @ 6 months LIBOR plus 4% per annum.

37. EXCEPTIONAL ITEMS:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Income		
Profit from sale of Inox Wind Limited Shares-see note no. 33	-	26859.08
Total	-	26859.08
Expenses		
Donation to Electoral Trust	-	200.00
Donation of ₹ 7 Lakh to Maharashtra Navnirman Kamgar Sena, which in the opinion of management is affiliated with Maharashtra Navnirman Sena, a political party and donation of ₹ 3 Lakh to Maharashtra Samarth Kamgar Sanghatana, which in the opinion of management is affiliated with Nationalistic Congress Party, a political party	-	10.00
Project Abandonment expenses	-	429.48
Loss on Sale of Captive Gas based Power Plants	-	1787.10
Net value of assets written off in respect of one multiplex, the operations of which are terminated during the year	**352.92**	-
Provision for additional bonus payable in respect of earlier year pursuant to retrospective amendment made by The Payment of Bonus (Amendment) Act, 2015	**143.10**	-
Total	**496.02**	2426.58
Net Exceptional items	**496.02**	**24432.50**

38. ACQUISITION OF SATYAM CINEPLEXES LIMITED AND ITS AMALGAMATION WITH INOX LEISURE LIMITED.

a) During the previous year, Inox Leisure Limited ("ILL") had acquired 100% of the equity shares in Satyam Cineplexes Limited ("SCL") and consequently SCL had become a wholly owned subsidiary of the ILL with effect from 8th August, 2014. During the current year, pursuant to the Scheme of Amalgamation ("the Scheme") under Section 391 to 394 of the Companies Act 1956, sanctioned by the Hon'ble High Court of Delhi vide order dated 10th February, 2016, SCL has been amalgamated with ILL with effect from 8th August, 2014 ("the Appointed Date"). The Scheme has become effective on 23rd March, 2016 viz. the date on which the certified copy of the order of the Delhi High Court sanctioning the Scheme is filed with the Registrar of Companies, Gujarat and Registrar of Companies, Delhi. The Scheme has accordingly been given effect to in the accounts. Accordingly, all the movable and immovable properties including plant and machinery, equipments, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, etc. and all the debts, liabilities, duties and obligations including contingent liabilities of SCL are vested in ILL retrospectively with effect from 8th August, 2014. Since SCL was a wholly owned subsidiary of ILL, no shares were issued on its amalgamation with ILL.

b) Nature of business of the amalgamating company: SCL was engaged in the business of operating multiplex cinema theatres in India.

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c) The amalgamation is accounted for under the "Pooling of Interest" method as prescribed in Accounting Standard (AS) 14 'Accounting for Amalgamation', as notified under Section 133 of the Companies Act, 2013. Accordingly, the assets, liabilities and reserves of SCL as at 8th August, 2014 have been recorded at their existing carrying amounts and in the same form as at the date of amalgamation. The amount of share capital of SCL and investment held by ILL in SCL is adjusted against each other and as per the Scheme, the difference has been adjusted against the Amalgamation Reserve, Reserve on sale of Treasury Shares and General Reserve.

The effect of the Scheme as given in the accounts, in accordance with the Scheme, is summarized as under:

Particulars		₹ in Lakh
Assets		
Fixed assets (net) and capital work-in-progress	5560.69	
Loans and advances and other assets	1301.17	
Inventories	80.20	
Trade receivables	476.33	
Cash and bank balances	306.38	
Gross Assets		7724.77
Liabilities		
Deferred tax liabilities	128.78	
Trade payables	3823.16	
Other liabilities and provisions	1451.37	
Gross liabilities		5403.31
Net assets taken over		2321.46
Less: Cost of the ILL's investment in SCL		18800.59
Excess of cost of the ILL's investment in SCL over the net assets taken over, adjusted against reserves, after giving effect to minority interest		16479.13

39. 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. In terms of Accounting Standard (AS) 31 'Financial Instruments' (which is not yet mandatory), internationally generally accepted accounting practices and for more appropriate presentation of the financial statements, 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 Reserves and Surplus, being transactions relating to the capital of ILL. Accordingly during the previous year, the profit of ₹ 15331.27 Lakh, after excluding minority share, on sale of 1,55,81,478 Treasury Shares was directly recognised in 'Reserve on sale of Treasury Shares' under Reserves and Surplus.

40. EMPLOYEES' STOCK OPTION PLAN BY INOX LEISURE LIMITED (ILL):

During the year ended 31st March, 2006, the ILL had issued 5,00,000 equity shares of ₹ 10 each at a premium of ₹ 5 per share to Inox Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the ILL under the scheme of ESOP framed by ILL in this regard. The Company has provided finance of ₹ 75.00 Lakh to the ESOP Trust for subscription of these shares at the beginning of the plan. As per the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India, shares allotted to the ESOP Trust but not transferred to employees is required to be reduced from Share Capital and Reserves. Out of the 5,00,000 equity shares allotted to the Trust, 2,04,999 shares have been transferred to employees. There are no outstanding stock options as at 31st March, 2016.

The compensation costs of stock options granted to employees under the Employees' Stock Option Plan were accounted by the ILL using the intrinsic value method. In accordance with the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India, the accounting value of options was amortized over the vesting period. Consequently, 'Employee benefits expense' in Note no. 29 includes ₹ Nil (previous year ₹ 1.36 Lakh) being the amortization of employee compensation. Had ILL adopted fair value method in respect of options granted, the employee compensation cost in the previous year would have been higher by ₹ 0.97 Lakh, profit before tax lower by ₹ 0.97 Lakh and the basic and diluted earnings per share would have been lower by less than Re 0.01.

41. 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:

(₹ in lakh

Particulars	2015-2016	2014-2015
Income-tax	-	(325.78)
Deferred tax	**(1486.00)**	-
MAT Credit entitlement	**(902.33)**	(585.41)
Total credit	**(2388.33)**	**(911.19)**

42. CONTINGENT LIABILITIES:

(a) Claims against the Group not acknowledged as debt – ₹ 8968.10 Lakh (previous year ₹ 8679.95 Lakh). 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 ₹ 932.44 Lakh. The party has made a counter claim of ₹ 6943.44 Lakh (previous year ₹ 6943.44 Lakh) 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 ₹ 932.44 Lakh is carried forward as amount recoverable towards claim in 'Other non-current 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 ₹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 are by owners of the multiplex premises which are under negotiations with the respective parties.

ii. In respect of Inox Renewables Limited

Claim of ₹ 870.00 Lakh (previous year ₹ 870.00 Lakh) due to litigation with one of the state electricity distribution board.

iii. In respect of Inox Wind Limited:

a) Claims made by contractors - ₹ 502.29 Lakh (previous year ₹ 502.29 Lakh), pending in court and ₹ 165.59 Lakh (previous year ₹ Nil), which are under negotiations.

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b) In respect of claims made by two customers for non-commissioning of WTGs, the amount is not ascertainable.

(b) In respect of Income tax matters ₹ 9776.03 Lakh (previous year ₹ 8365.14 Lakh). This includes:

i. In respect of Gujarat Fluorochemicals Limited

The Company has received CIT(A) order for the Assessment Year 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.

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 ₹ 8093.33 Lakh (previous year ₹ 8093.33 Lakh) has been paid in respect of above income tax demands and not charged to the Statement of Profit and Loss.

ii. In respect of Inox Leisure Limited (ILL):

Assessment dues for assessment year 2013-14 of ₹ 216.16 Lakh (previous year ₹ Nil) and penalty levied for assessment year 2010-11 of ₹ 19.48 Lakh (previous year ₹ 19.48 Lakh), which is being contested by ILL before appellate authorities.

iii. In respect of Inox Renewables Limited

Income tax Demands of ₹ 1441.46 Lakh (previous year ₹ 246.73 Lakh) for assessment year 2012-13 & 2013-14 which is being contested and appeals have been filed under the applicable laws.

iv. Group's share in the contingent liability of Joint Venture – ₹ 5.60 Lakh (previous year ₹ 5.60 Lakh)

(c) In respect of excise duty & service tax matters - ₹ 21327.28 Lakh (previous year ₹ 10404.41 Lakh). This includes:

i. In respect of Gujarat Fluorochemicals Limited:

a) Amount of ₹ 573.68 Lakh (previous year ₹ 410.83 Lakh) 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 ₹ 2357.02 Lakh (previous year ₹ 2189.12 Lakh) 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.

c) Amount of ₹ 155.19 Lakh (previous year ₹ Nil) in 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 on equipment and components supplied by third party. The Company has filed appeal before Commissioner of Central Excise and Service tax. Amount of ₹ 10.05 Lakh (previous year ₹ Nil) has been paid in respect of above Excise duty demand and not charged to the Statement of Profit and Loss.

d) Amount of ₹ 849.18 Lakh (previous year ₹ 627.53 Lakh) 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.

ii. In respect of Inox Leisure Limited:

a) Amount of ₹ 15027.63 Lakh (previous year ₹ 5577.97 Lakh) 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 ₹ 2360.45 Lakh (previous year ₹ 1502.00 Lakh) 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.

(d) In respect of customs duty ₹1091.89 Lakh (previous year ₹ 977.93 Lakh).This includes:

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 ₹ 87.60 Lakh (previous year ₹ 40.17 Lakh) has been paid in respect of above Custom duty demand and not charged to the Statement of Profit and Loss.

ii. In respect of Inox Leisure Limited:

ILL has received a notice in respect of custom duty of ₹ 4.36 Lakh (previous year ₹ 4.36 Lakh) 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 ₹ 388.29 Lakh (previous year ₹ 320.96 Lakh).This includes:

i. In respect of Gujarat Fluorochemicals Limited
The Company has received VAT & CST assessment order of VAT demand of ₹ 18.00 Lakh & CST demand of ₹ 49.33 Lakh for the F.Y. 2011-12. Company has not accepted the order and is in process of filing appeal with Joint Commissioner of Commercial tax.

ii. In respect of Inox Leisure Limited:

Demand of ₹ 237.06 Lakh (previous year ₹ 237.06 Lakh) pursuant to reassessment order for the year 2008-09. ILL has filed an appeal and stay is granted on payment of ₹ 2.00 Lakh.

iii. In respect of Inox Wind Limited (IWL):

IWL had received orders for the financial years 2012-13 and 2013-14, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 Lakh, for delayed payment of VAT. IWL had filed appeals before the first appellate authority. During the previous year, IWL had received appellate order for the year 2013-14 confirming the levy of penalty and IWL has filed further appeal against the said order. However, IWL has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 Lakh and provision for the same is made during the previous year. After adjusting the amount of ₹ 23.35 Lakh paid against the demands, the balance amount of ₹ 30.43 Lakh is carried forward as "Provision for disputed sales tax liabilities" in note no. 12. No further provision is considered necessary in respect of these matters as IWL expects favourable outcome.

(f) In respect of property tax matters ₹ 605.08 Lakh (previous year ₹ 569.72 Lakh).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 (see note no 48).

(g) In respect of Entertainment tax demands ₹ 2937.69 Lakh (previous year ₹ 2448.10 Lakh).This includes:

i. In respect of Inox Leisure Limited

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a) Demand of ₹ 2199.71 Lakh (previous year ₹ 1941.22 Lakh) in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.
b) Demand of ₹ 602.37 Lakh (previous year ₹ 477.34 Lakh) 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 are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.

(h) In respect of stamp duty matters ₹ 263.81 Lakh (previous year ₹ 263.81 Lakh).

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 ₹ 389.83 lakh (previous year ₹ 389.83 Lakh) 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 'long term loans and advances').

ii) Claims in respect of labour matters, amount is not ascertainable.

In respect of above matters, no provision is considered necessary as the Group expects favourable outcome. Further, it is not possible for the Group to estimate the timing of further cash outflows, if any, in respect of these matters.

43. In respect of ILL, the arbitration award in the matter of disputed recoveries pertaining to one of the multiplex of ILL has been received in favour of ILL and the arbitrator has further granted interest claimed on the unpaid amount at the rate of 15% p.a. ILL has accordingly accounted interest of ₹ 4.56 Lakh (previous year ₹ 18.24 Lakh). Total amount of interest receivable upto 31st March, 2016 is ₹ 170.91 Lakh (Previous Year ₹ 166.30 Lakh). The said award has been challenged before the District Court and the matter is pending.

44. COMMITMENTS:

(a) Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances, is ₹ 33461.99 Lakh (previous year ₹ 36537.37 Lakh).

(b) Amount of customs duty exemption availed by the Inox Wind Limited ('IWL') under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period - ₹ 1997.83 Lakh (previous year ₹ 1997.83 Lakh).

(c) The exemption from payment of Entertainment Tax in respect of multiplexes of Inox Leisure Limited, which are eligible for such exemption, is subject to fulfilment of the terms and conditions of the respective State Government policies issued in this regard. The amount of Entertainment Tax exemption availed so far, which is liable to be paid if the relevant multiplex ceases operations prior to completing the minimum period of operations in terms of the respective policies of the States – ₹ 14292.47 Lakh (previous year ₹ 15889.77 Lakh). Out of this, an amount of ₹ 1112.67 Lakh (previous year ₹ 1012.64 Lakh) is included in para 42(g) above, being entertainment tax disputes pertaining to exemption period.

(d) Capital commitment towards partly paid shares – ₹ 16800.00 Lakh (previous year ₹ 16800.00 Lakh)

45. IN RESPECT OF ENTERTAINMENT TAX LIABILITY OF INOX LEISURE LIMITED ('ILL'):

The Entertainment Tax exemption in respect of some of the Multiplexes of ILL has been accounted on the basis of eligibility criteria as laid down in the respective Schemes but is subject to final Orders yet to be received from respective authorities. Accordingly ILL has not charged ₹ 1184.00 Lakh to the Statement of Profit and Loss for the year ended 31st March, 2016 (previous year ₹ 923.57 Lakh) being the Entertainment Tax in respect of such Multiplexes and cumulative amount as on 31st March 2016 is ₹ 5281.89 Lakh (previous year ₹ 4575.19 Lakh).

46. THE MAJOR COMPONENTS OF THE NET DEFERRED TAX ASSETS AND LIABILITY ARE AS UNDER :

i. Deferred Tax Liabilities (net): (₹ in Lakh)

Sr No.	Particulars	2015-2016	2014-2015
(A)	**Deferred Tax Liabilities**		
(i)	On account of difference between tax depreciation and depreciation/amortization charged in books	**37099.01**	32886.39
	Total	**37099.01**	**32886.39**
(B)	**Deferred Tax Assets**		
(i)	Expenditure allowable on payment basis	**1549.13**	1282.72
(ii)	Others	**737.74**	81.32
	Total	**2286.87**	1364.04
	Deferred Tax Liabilities (net)(A-B)	**34812.14**	**31522.35**

ii. Deferred Tax Assets (Net): (₹ in Lakh)

Sr No.	Particulars	2015-2016	2014-2015
(i)	Expenditure allowable on payment basis	**63.91**	27.35
(ii)	Unabsorbed depreciation and business losses	**3410.54**	2211.49
	Deferred Tax Assets (net)	**3474.45**	**2238.84**

Inox Wind Infrastructure Services Limited ('IWISL') has recognized deferred tax asset of ₹ 3410.54 Lakh (previous year ₹ 2211.49 Lakh as at 31st March, 2015) in respect of business loss and unabsorbed depreciation. In view of the confirmed orders in hand and the revenue from the work to be completed in the next year, in the opinion of the management there is virtual certainty that IWISL will have sufficient future taxable income available against which such deferred tax asset can be realized and hence IWISL has recognized such deferred tax asset.

47. DISCLOSURE AS REQUIRED BY AS 19 ON 'LEASES' :

(a) In respect of Assets given on Operating Lease :

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

The details of carrying amount of assets given on lease and the future minimum lease payments are as under:

(₹ in Lakh)

Sr No.	Particulars	2015-2016	2014-2015
(i)	Gross carrying amount of asset given on operating lease included in Buildings block of fixed assets	**914.52**	914.52
(ii)	Accumulated Depreciation as at the end of the year	**151.70**	136.26
(iii)	Depreciation for the year	**15.44**	15.44
(iv)	Future minimum lease payments -		
	(a) Not later than one year	**412.54**	579.14
	(b) Later than one year and not later than five years	**69.43**	481.97
	(c) Later than five years	**-**	-

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(b) In respect of Assets taken on Operating Lease:

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

(₹ in Lakh)

Sr No.	Particulars	2015-2016	2014-2015
a)	Not later than one year	**71.46**	80.28
b)	Later than one year and not later than five years	**180.00**	206.46
c)	Later than five years	**26.25**	71.25

(ii) Operating leases for some of the multiplexes of Inox Leisure Limited and its subsidiaries ("ILL Group")

ILL Group is operating some of the multiplexes under Operating Lease / Business Conducting Arrangement. These arrangements are for a period of 9-25 years with a minimum lock-in period of 3-10 years and the agreement provides for escalation in rentals after pre-determined periods. Property Rent and Conducting Fees of ₹15760.60 Lakh (previous year ₹ 13415.64 Lakh) are included in 'Property Rent and Conducting Fees' charged in the Statement of Profit and Loss.

The future minimum lease / conducting fees payments under these arrangements are as under: (₹ in Lakh)

Sr No.	Particulars	2015-2016	2014-2015
a)	Not later than one year	**16270.85**	13299.98
b)	Later than one year and not later than five years	**56748.41**	46059.49
c)	Later than five years	**590679.54**	115983.71

(iii) In respect of other operating leases for premises (offices and residential accommodations for employees) - generally, these lease arrangements are cancellable, range between 11 months to 60 months and are usually renewable by mutual consent on mutually agreeable terms. Lease rentals are included in "Rent" charged in the Statement of Profit and Loss.

48. THE GROUP HAS RECOGNISED FOLLOWING PROVISION TOWARDS EXPENSES: (₹ in Lakh)

Particulars		2015-2016	2014-2015
a)	In respect of municipal taxes payable for one of Group's multiplexes		
	Opening Balance	**183.00**	200.20
	Provided during the year	**52.80**	52.80
	Paid during the year	**Nil**	70.00
	Closing Balance	**235.80**	183.00
b)	Towards MVAT/Sales Tax		
	Opening Balance	**69.81**	39.61
	Provided during the year	**Nil**	30.43
	Paid during the year	**14.38**	0.23
	Reversed during the year	**25.00**	Nil
	Closing Balance	**30.43**	69.81
c)	For service tax on renting of immovable properties		
	Opening Balance	**1042.44**	1042.44
	Provided during the year	**Nil**	Nil
	Paid during the year	**Nil**	Nil
	Closing Balance	**1042.44**	1042.44

49. RELATED PARTY DISCLOSURES :

(i) Names of Related Parties

(A) Where control exists:

Holding Company- Inox Leasing & Finance Limited

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

Joint Ventures-

Xuancheng Hengyuan Chemical Technology Co. Ltd. (XHCT Co. Ltd)
Swanston Multiplex Cinema Private Limited (SMCPL) – joint venture of a subsidiary
Swarnim Gujarat Fluorspar Private Limited

Associate of a subsidiary

Megnasolace City Private Limited

Key Management Personnel (KMP)

Mr. V K Jain (Managing Director)
Mr. P K Jain (Director in Inox Leisure Limited)
Mr. D K Sachdeva (Whole Time Director)
Mr. J S Bedi (Whole Time Director) upto 28th April, 2015
Mr. Alok Tandon-Manager of Inox Leisure Limited
Mr. Anand Bhusari (Whole Time Director) w.e.f. 28th April, 2015
Mr. Devansh Jain-(Whole Time Director) in Inox Wind Limited
Mr. Rajeev Gupta- (Whole Time Director) in Inox Wind Limited
Mr. Paresh Trivedi- (Whole Time Director) upto 27th June, 2014
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

Relatives of Key Management Personnel

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

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(i) Particulars of transactions (₹ in Lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
A) Transactions during the year												
Sale of Goods												
Inox Air Products Private Limited									**1.12**	2.22	**1.12**	2.22
Inox India Private Limited									**2.34**	2.58	**2.34**	2.58
Others									**0.03**	0.03	**0.03**	0.03
Total									**3.49**	**4.83**	**3.49**	**4.83**
Purchase of Assets												
Inox India Private Limited									**30.00**	-	**30.00**	-
Total									**30.00**	**-**	**30.00**	**-**
Purchase of Goods												
Inox Air Products Private Limited									**448.82**	488.29	**448.82**	488.29
Inox India Private Limited									**2465.17**	2445.48	**2465.17**	2445.48
XHCT Co. Ltd			-	210.05							**0.00**	210.05
Total			-	**210.05**					**2913.99**	**2933.77**	**2913.99**	**3143.82**
Inter Corporate Deposits repaid												
Inox Leasing & Finance Limited	-	1100.00									-	1100.00
Total	-	**1100.00**									-	**1100.00**
Interest Paid												
Inox Leasing & Finance Limited	-	108.50									-	108.50
Total	-	**108.50**									-	**108.50**

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(₹ in Lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Expenses (Repairs)												
Refron Valves Limited									-	9.81	-	9.81
Inox India Private Limited									**5.00**	-	**5.00**	-
Total									**5.00**	**9.81**	**5.00**	**9.81**
Reimbursement of expenses (paid)												
Inox Air Products Private Limited									-	0.76	-	0.76
Inox India Private Limited									-	6.46	-	6.46
Inox Leasing & Finance Limited	-	0.37									-	0.37
Devansh Gases Private Limited									**7.32**	7.32	**7.32**	7.32
Total	**-**	**0.37**							**7.32**	**14.54**	**7.32**	**14.91**
Reimbursement of expenses (received)												
Inox Leasing & Finance Limited	-	0.05									-	0.05
Swarnim Gujarat Fluorspar Pvt.Ltd			-	4.21							-	4.21
Total	**-**	**0.05**	**-**	**4.21**							**-**	**4.26**
Rent Received												
Inox Air Products Private Limited									**144.90**	144.90	**144.90**	144.90
Others									**0.72**	0.72	**0.72**	0.72
Total									**145.62**	**145.62**	**145.62**	**145.62**
Rent paid												
Inox Air Products Private Limited									**2.40**	2.40	**2.40**	2.40
Devansh Gases Private Limited									**24.00**	24.00	**24.00**	24.00
Inox Leasing & Finance Limited	**69.00**	64.50									**69.00**	64.50
Others					**1.20**	1.20					**1.20**	1.20
Total	**69.00**	**64.50**			**1.20**	**1.20**			**26.40**	**26.40**	**96.60**	**92.10**

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(₹ in Lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP or his relatives have significant influence		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
O&M Charges & Lease Rents paid												
Inox Air Products Private Limited									**213.83**	212.82	**213.83**	212.82
Total									**213.83**	**212.82**	**213.83**	**212.82**
Remuneration paid												
Mr.V K Jain					**612.13**	600.66					**612.13**	600.66
Mr. Devansh Jain					**120.64**	120.64					**120.64**	120.64
Others					**450.62**	412.68					**450.62**	412.69
Total					**1183.39**	**1133.99**					**1183.39**	**1133.99**
Commission to Director												
Mr. D K Jain							**157.25**	130.39			**157.25**	130.39
Total							**157.25**	**130.39**			**157.25**	**130.39**
Sitting Fees paid												
Mr. D K Jain							**2.00**	1.80			**2.00**	1.80
Mr. P K Jain					**1.60**	1.60					**1.60**	1.60
Mr. Siddharth Jain							**1.20**	1.60			**1.20**	1.60
Mr.V K Jain					**1.00**	1.80					**1.00**	1.80
Total					**2.60**	**3.40**	**3.20**	**3.40**			**5.80**	**6.80**
B) Amounts outstanding												
Amount payable												
Mr.V K Jain					**334.00**	334.53					**334.00**	334.53
Mr. D K Jain							**102.83**	86.07			**102.83**	86.07
Mr. Devansh Jain					**71.72**	72.03					**71.72**	72.03
Inox India Private Limited									**177.72**	265.98	**177.72**	265.98
Others			-	11.43	**22.73**	18.14			**69.47**	79.71	**92.20**	109.28
Total			-	**11.43**	**428.45**	**424.70**	**102.83**	**86.07**	**247.19**	**345.69**	**778.47**	**867.89**
Amounts receivable												
Trade receivable												
Inox India Private Limited									**0.27**	0.37	**0.27**	0.37
Total									**0.27**	**0.37**	**0.27**	**0.37**

50. DISCLOSURE REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

Inter-corporate deposit to other parties: (₹ in Lakh)

Name of the party	Rate of Interest	Amount outstanding	
		31st March, 2016	31st March, 2015
Maxtech Oil and Gas Services Private Limited	12%	700.00	700.00
Wearit Global Limited	10%	-	300.00
Castle Suppliers Private Limited	10%	336.95	336.95
Ritspin Synthetics Limited	10%	400.00	100.00
Global Powernet Private Limited	12%	850.00	-

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

51. OUTSTANDING DERIVATIVES AND UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE:

a) Outstanding derivatives as at Balance Sheet date: (Foreign currencies in Lakh)

Sr. No.	Nature of Contract	Foreign Currency	Buy/Sell	2015-2016	2014-2015	Purpose
a)	Forward Contracts	USD	Buy	-	55.56	Hedging of loan
b)	Currency and Interest Rate Swap	USD	Buy	1010.16	999.73	Hedging of Loan and Interest Rate of Loan
c)	Forward Contracts	USD	Buy	686.39	212.02	Hedging of buyer's credit
d)	Forward Contracts	EURO	Buy	244.19	73.66	Hedging of buyer's credit

b) Unhedged foreign currency exposure as at Balance Sheet date: (Foreign currencies in Lakh)

S.No.	Particulars	2015-2016					2014-2015				
		USD	EURO	GBP	CHF	SGD	USD	EURO	GBP	CHF	SGD
a)	Receivables	169.76	114.24	-	-	-	194.56	131.41	-	-	-
b)	Payables	375.12	65.82	10.92	0.11	0.20	357.40	123.51	1.35	0.09	0.20
c)	ECB/FCNRB	124.45	-	-	-	-	301.02	37.62	-	-	-
d)	PCFC	20.00	113.27	-	-	-	-	98.23	-	-	-
e)	Buyers Credit	529.01	122.55	-	-	-	515.51	131.31	-	-	-
f)	Interest Payable	3.12	0.17	-	-	-	2.34	0.32	-	-	-

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52. SEGMENT INFORMATION :

A) Information about Primary (Business) Segments: (₹ in Lakh)

Particulars	2015-2016	2014-2015
[I] Segment Revenue		
i. Chemicals	**142719.60**	135594.83
ii. Wind Energy Business	**448870.55**	279557.61
iii. Power	**16553.04**	18432.25
iv. Theatrical Exhibition	**133264.00**	101597.20
Total Segment Revenue	**741407.19**	535181.89
Less : Inter Segment Revenue		
-Wind Energy Business	**21540.76**	1100.84
Total External Revenue	**719866.43**	534081.05
[II] Segment Result		
i. Chemicals	**16051.64**	15746.20
ii. Wind Energy Business	**63204.93**	41897.93
iii. Power	**8087.89**	11143.47
iv. Theatrical Exhibition	**10896.71**	4829.74
Total Segment Result	**98241.17**	73617.34
Add: Un-allocable Income (net of un-allocable expense)	**7269.92**	30823.78
Less: Finance Costs	**23227.85**	21877.02
Profit Before Tax	**82283.24**	82564.10
Less : Taxation (net)	**22412.97**	15852.05
Profit for the year	**59870.27**	66712.05
[III] Other Information		
a] Segment Assets		
i. Chemicals	**293728.27**	297954.63
ii. Wind Energy Business	**390587.34**	225902.64
iii. Power	**160100.71**	146394.05
iv. Theatrical Exhibition	**97403.75**	107039.80
v. Others, un-allocable and corporate	**125968.68**	161296.47
Total	**1067788.75**	938587.59
b] Segment Liabilities		
i. Chemicals	**24225.08**	19687.38
ii. Wind Energy Business	**139368.27**	89938.87
iii. Power	**1743.59**	1674.18
iv. Theatrical Exhibition	**15795.91**	17337.18
v. Others, un-allocable and corporate	**339661.21**	301499.18
Total	**520794.06**	430136.79
c] Capital Expenditure (Including Capital Advances)		
i. Chemicals	**14646.67**	19003.98
ii. Wind Energy Business	**40380.63**	10391.34
iii. Power	**12482.22**	3973.38
iv. Theatrical Exhibition	**14951.00**	9503.59
v. Others, un-allocable and corporate	**11.60**	-
Total	**82472.12**	42872.29
d] Depreciation & Amortization		
i. Chemicals	**14807.04**	12195.08
ii. Wind Energy Business	**3610.18**	2286.48
iii. Power	**6287.98**	6391.10
iv. Theatrical Exhibition	**8028.76**	7583.64
v. Others, un-allocable and corporate	**18.83**	18.30
Total	**32752.79**	28474.60

(₹ in Lakh)

Particulars		2015-2016	2014-2015
e]	**Non-cash expenses (other than depreciation)**		
i.	Chemicals	**426.41**	467.01
ii.	Wind Energy Business	**517.13**	-
iii.	Power	**471.56**	-
iv.	Theatrical Exhibition	**643.12**	392.47
v.	Others, un-allocable and corporate	**-**	-
Total		**2058.22**	859.48

B) Information about Secondary (Geographical) Segments:

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Domestic	**662765.47**	461539.90
Overseas	**57100.96**	72541.15
Total	**719866.43**	534081.05

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, 2016

53. The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED" Act)

(₹ in Lakh)

Particulars	2015-2016	2014-2015
Principal amount due to suppliers under MSMED Act at the year end.	551.51	4.18
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	18.76	0.24
Payment made to suppliers (other than interest) beyond the appointed date during the year	304.94	27.06
Interest paid to suppliers under Section 16 of MSMED Act during the year	0.02	0.00
Interest due and payable to suppliers under MSMED Act for payments already made.	13.38	0.53
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	36.89	4.84

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

54. EMPLOYEE BENEFITS:

a) Defined Contribution Plans: Contribution to Provident Fund of ₹ 1059.79 Lakh (previous year ₹ 932.97 Lakh) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss.

b) Defined Benefit Plans: In respect of Gratuity and Leave Encashment – as per actuarial valuation.

(₹ in Lakh)

Particulars	Gratuity		Leave Benefits	
	2015-2016	2014-2015	2015-2016	2014-2015
1. Change in Benefit Obligation				
Liability at the beginning of the year	**1580.06**	1141.10	**655.93**	515.34
Addition on acquisition	**-**	45.21	**-**	21.89
Interest Cost	**119.80**	101.05	**45.46**	41.56
Current Service Cost	**393.39**	403.38	**424.34**	375.00
Benefit paid	**(134.33)**	(136.83)	**(175.3)**	(139.06)
Actuarial (Gain)/Loss	**17.70**	26.15	**(42.75)**	(158.80)
Sub total	**1976.62**	1580.06	**907.68**	655.93
Add : Short term leave liability			**510.89**	353.09
Liability at the end of the year	**1976.62**	**1580.06**	**1418.57**	**1009.02**
2. Expenses recognized in the Profit and Loss Account				
Current Service Cost	**393.39**	403.38	**424.34**	375.00
Interest Cost	**119.80**	101.05	**45.46**	41.56
Actuarial (Gain)/Loss	**17.70**	26.15	**(42.75)**	(158.80)
Expenses recognized in the Profit and Loss Account	**530.89**	**530.58**	**427.05**	**257.76**
3. Actuarial Assumptions				
Discount Rate	**7.46%-7.70%**	7.77%	**7.46%-7.70%**	7.77%
Salary Escalation Rate	**7.00%-8.00%**	8.00%	**7.00%-8.00%**	8.00%
Retirement Age	**60 years**			
Withdrawal Rates	**5%**			
Mortality	IALM (2006-08) Ultimate Mortality table			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakh)

4. Other disclosures : Experience Adjustment	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
(i) Gratuity					
Present value of Defined benefit obligations	**1976.62**	**1580.06**	**1141.1**	**979.55**	**703.93**
Experience (Gain)/Loss on obligation	**50.81**	**9.82**	**(803.88)**	**(108.80)**	**(17.53)**
(ii) Leave Benefits					
Present value of Defined benefit obligations	**907.68**	**655.93**	**499.74**	**454.65**	**306.36**
Experience (Gain)/Loss on obligation	**39.94**	**(41.35)**	**49.45**	**(113.12)**	**(44.58)**

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

55. Inox Leisure Limited ("ILL") has, in May 2015, detected a fraud perpetrated by one of its employees in respect of travel bills from travel agencies, who were otherwise booking air tickets for bona-fide travel undertaken by employees and other persons for and on behalf of ILL. A confession statement has been given by the said employee. ILL has filed a First Information Report (FIR) with the Police Station and terminated the services of the employee immediately. At present the matter is under further investigation by the Police. The estimate of amount involved, as assessed by the Company, is ₹ 418.30 Lakh which has already been charged to the statement of profit and loss in respective years.

56. CORPORATE SOCIAL RESPONSIBILITY (CSR)

(a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is ₹ 1127.37 Lakh (previous year ₹1275.71 Lakh).

(b) Amount spent during the year on:

(₹ in lakh)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any fixed assets	Nil	Nil	Nil
		Nil	Nil	Nil
(ii)	On purposes other than (i) above Donations	387.00	Nil	387.00
		(45.31)	Nil	(45.31)

Note: Figures in brackets pertain to previous year.

57. CALCULATION OF EARNINGS PER SHARE (EPS):-

(₹ in Lakh)

	Particulars	2015-2016	2014-2015
a)	Profit for the year as per Statement of Profit and Loss -numerator for calculating basic EPS (₹ in Lakh)	**39387.07**	58526.53
b)	Equity shares outstanding at the beginning & end of the year – (Nos. in Lakh)	**1098.50**	1098.50
c)	Nominal value of each share – (Re)	**1.00**	1.00
d)	Basic and Diluted Earnings per share (₹)	**35.85**	53.28

As per our report of even date attached

For PATANKAR & ASSOCIATES
Chartered Accountants

M. Y. KULKARNI
Partner

Place : Pune
Dated : 16th May, 2016

For GUJARAT FLUOROCHEMICALS LIMITED

V. K. JAIN
Managing Director

B. V. DESAI
Company Secretary

Place: Noida
Dated: 16th May, 2016

DEEPAK ASHER
Director & Group Head
(Corporate Finance)

MANOJ AGRAWAL
Chief Financial Officer

PROXY FORM

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

GUJARAT FLUOROCHEMICALS LIMITED
(CIN: L24110GJ1987PLC009362)
Registered office: Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal
Telephone: 02678-248153, Fax: 02678-248153
Website: www.gfl.co.in, Email id: contact@gfl.co.in

29th Annual General Meeting – 26th September, 2016

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No./ Client ID	:	
DP ID	:	

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

Name: _____ _____ E-mail ID: _____

Address: _____

_____ Signature: _____

Or failing him/ her

Name: _____ E-mail ID: _____

Address: _____

_____ Signature: _____

Or failing him/ her

Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the Company, to be held on Monday, the 26th September 2016, at 12.00 noon at Survey Number 16/3, 26 & 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal and at any adjournment thereof in respect of such Resolutions as are indicated below.

Resolution Number	Resolution	Vote (Optional see Note 2)(Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1	Adoption of the a. Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2016, the report of Auditors thereon and the report of the Board of Directors for the said year; and b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2016 and the report of the Auditors thereon.			
2	Re-appointment of Director in place of Shri Pavan Jain, (DIN: 00030098) who retires by rotation and, being eligible, seeks re-appointment.			
3	Ratification of appointment of Independent Auditors of the Company and to authorize the Board of Directors of the Company to fix their remuneration.			
Special Business				
4	Re-appointment of Shri Dinesh Kumar Sachdeva as Whole-time Director of the Company and payment of Remuneration to him.			
5	Re-appointment of Shri Anand Rambhau Bhusari as Whole-time Director of the Company and payment of Remuneration to him.			
6	Ratification of approval of payment of Remuneration to the Cost Auditors.			
7	Appointment of Shri Chandra Prakash Jain (DIN: 00011964) as an Independent Director of the Company for a term upto 31st March, 2019.			

Signed this _____day of _____2016.

Affix Revenue Stamp

_____
Signature of Member

_____
Signature of Proxy Holder(s)

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

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GUJARAT FLUOROCHEMICALS LIMITED
Registered Office
Survey Number16/3, 26 & 27
Village Ranjitnagar 389380
Taluka Ghoghamba
District Panchmahal
Gujarat