

***INOX LEASING AND
FINANCE LIMITED***



**ANNUAL REPORT
2015 - 2016**



INOX LEASING AND FINANCE LIMITED

ANNUAL REPORT 2015 – 2016

BOARD OF DIRECTORS

D.K. Jain	Chairman
P.K. Jain	Managing Director
V.K. Jain	Director
Siddharth Jain	Director

21ST ANNUAL GENERAL MEETING

Friday, 30th September, 2016 at
10.00 a.m. at Ceejay House, 7th Floor,
Dr. Annie Besant Road, Worli,
Mumbai - 400018.

AUDIT COMMITTEE

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

CIN : U65910MH1995PLC085703

Web site: www.ilfl.co.in

E Mail : ilfl.co.in

COMPANY SECRETARY

Vijay Saxena

AUDITORS

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

BANKERS

HDFC Bank Limited
Axis Bank Limited

REGISTERED OFFICE

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

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INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

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

CIN: U65910MH1995PLC085703 . Web site: www.ilfl.co.in. E-mail: info@ilfl.co.in.

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **INOX LEASING AND FINANCE LIMITED** will be held on Friday , the 30th day of September, 2016 at 10.00 a.m. at Ceejay House, 7th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 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. To confirm the payment of interim dividend on equity shares for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Shri V.K. Jain (DIN: 00029968) who retires by rotation and being eligible offers himself for reappointment.
4. To ratify the appointment of M/s. S.C. Bandi & Co., Chartered Accountants, (Firm Registration No. 130850W) as Independent Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the 22nd Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. 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 Pavan Kumar Jain (DIN: 00030098) be and is hereby re-appointed as Managing Director of the Company for a period of five years commencing from 1st October, 2016 on NIL remuneration.”
6. To consider and, if, thought fit, to pass, with or without modification, the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to Section 14, 114 and 117 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and other applicable provisions of the Companies Act, 2013, Article 45 of the Articles of Association of the Company be amended and substituted by the following:

Article 45 - Quorum of Board Meetings

The quorum for the meeting of directors shall be one-third of the then total existing strength of Directors (any fraction contained in that one third being rounded off as one).

By Order of the Board of Directors

Vijay Saxena
Company Secretary

Mumbai, 8th August, 2016

REGISTERED OFFICE:

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



NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN TEN (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
- 3) The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business as set out above is annexed hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2016 to 30th September, 2016 (both days inclusive).
- 5) Members who have not received /encashed interim dividend and / or final dividend for 2009-10 or any of the subsequent years , are requested to make their claim to the company for issue of duplicate dividend warrants.
- 6) In compliance with provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide e-voting facility to all members through the e-voting platform of CDSL. In this regard, your demat account/folio number has been enrolled by the Company for your participation in e-voting on the resolutions placed by the Company on the e-voting system. Instructions and manner of e-voting process can be downloaded from the link <https://www.evotingindia.com>. E-voting is optional. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 20th September, 2016.

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

In case of Members receiving e-mail:

- (i) The voting period begins on 27th September, 2016 at 9.00 a.m. and ends on 29th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (20th September, 2016) , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter their six digit Folio Number registered with the Company, prefixed by ILFL e.g. ILFL000001.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

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

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

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the EVSN for Inox Leasing and Finance Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - 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 to helpdesk.evoting@cdslindia.com.
- I. The voting period begins on 27th September, 2016 at 9:00 am and ends on 29th September, 2016 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - II. The voting rights of Shareholders shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of 20th September, 2016.
 - III. A copy of this Notice has been placed on the website of the Company and the website of CDSL.
 - IV. M/s P. Naithani & Co. , Practicing Company Secretary (Certificate of Practice Number 3389) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
 - V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting , thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
 - VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ilfl.co.in and on the website of CDSL .
 7. Members holding shares in physical form are requested to intimate to the company changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.
 8. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.
 9. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
 10. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.
 11. The relevant documents referred to in the accompanying Notice of Meeting and in the Explanatory Statement are open for inspection by the Members of the Company at the Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 01.00 p.m. upto the date of this Meeting and copies thereof shall also be available for inspection in physical form at the Registered Office of the Company situated at 69, Jolly Maker Chambers No. 2, Nariman Point, Mumbai - 400021.
 12. The Chairman, shall, at the Meeting, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.



INOX LEASING AND FINANCE LIMITED

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

Item No. 5.

At the Sixteenth Annual General Meeting of the Company, the Members had re-appointed Shri Pavan Kumar Jain (DIN 00030098) as Managing Director of the Company for a period of five years from 1st October, 2011 to 30th September, 2016. Keeping in view his vast experience and vast knowledge in Corporate Management it is desirable that the Company should continue to avail the services of Shri Pavan Kumar Jain as Managing Director of the Company.

In compliance of Section 196, 197,203 read with Schedule V of the Act and Rules framed thereunder, the re-appointment of Shri Pavan Kumar Jain as Managing Director of the Company for a period of five years with effect from 1st October, 2016 is being placed before the Members for their approval.

Shri Pavan Kumar Jain is interested in the resolution set out respectively at Item No 5 of the Notice with regard to his appointment. All the other Directors, the relatives of Shri Pavan Kumar Jain 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.

None of the Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution.

Item No. 6.

Article 45 of the Articles of Association of the company prescribes the quorum for the meeting of directors as one-third of the total existing strength of Directors (any fraction contained in that one third being rounded off as one) or three whichever is higher.

The proposed amendment is in line with as prescribed under Section 174 of the Companies Act, 2013.

All the Directors may be deemed to be interested in the resolution. None of the Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution.

By Order of the Board of Directors

Vijay Saxena
Company Secretary

Mumbai, 8th August, 2016

REGISTERED OFFICE:

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

**BOARDS' REPORT**

To

The Members of
Inox Leasing and Finance Limited

Dear Member,
Your Directors have pleasure in presenting to you their Twenty First Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31st March 2016.

Amount (Rs. in lacs)

	Consolidated		Standalone	
	2015-2016	2014-2015	2015-2016	2014-2015
Net Sales/Income from Operations	712969.42	527976.83	4590.81	2390.02
Other Operating Income	7447.75	6365.62	—	—
Total Income from Operations	720417.17	534342.45	4590.81	2390.02
Less: Total Expenses	622501.43	459226.10	208.12	237.26
Profit from operations before other income and finance cost and exceptional items	97915.74	75116.35	4382.69	2152.76
Add: Other Income	8808.64	5345.62	374.65	429.20
Less: Finance Costs	23227.85	21768.44	—	—
Profit from ordinary activities after finance costs but before exceptional items	83496.53	58693.53	4757.34	2581.96
Exceptional items	(496.02)	24432.50	—	—
Profit from ordinary activities before taxation	83000.51	83126.03	4757.34	2581.96
Provision for taxation	22626.91	16030.36	213.94	178.31
Profit / (Loss) for the year	60373.60	67095.67	4543.40	2403.65
Less: Share of Minority Interest in Profit / (Loss)	39223.73	35974.45	—	—
Net Profit / (Loss) for the year	21149.87	31121.22	4543.40	2403.65
Profit brought forward from earlier years	10745.75	4744.57	4621.71	4970.57
On account of Amalgamation	(197.80)	(2262.64)	—	—
Profit available for appropriations	31697.82	33603.15	9165.11	7374.22
Appropriations				
Transferred to General Reserves	3607.40	17747.48	455.00	250.00
Transferred to Statutory Reserves	910.00	485.00	910.00	485.00
Interim Dividend	5834.63	1061.85	4009.92	1061.85
Final Dividend	—	2780.37	—	955.66
Tax on Dividend	782.70	782.70	—	—
Tax on Buy back of shares	194.67	—	194.67	—
Balance Carried forward to Balance Sheet	20368.42	10745.75	3595.52	4621.71

2. CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements prepared in accordance with the requirements of the Companies Act, 2013, 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.



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3. DIVIDEND

Your directors have paid an Interim Dividend of Rs. 39.50 per share (395%). The total dividend pay out for the financial year will be Rs. 4009.92 lacs. 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, your Company has transferred Rs. 455.00 lacs to General Reserves.

5. DIRECTORS

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

Re-appointment of Shri Vivek Kumar Jain (DIN: 00029968) who retires by rotation and being eligible, offers himself for re-appointment.

Re-appointment of Shri Pavan Kumar Jain (DIN: 00030098) as Managing Director of the Company for a further period of five years with effect from 1st October, 2016.

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

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

6. BOARD MEETINGS AND ANNUAL GENERAL MEETINGS

During the year under review, six meetings of the Board were convened and held on 28th May, 2015, 13th August, 2015, 26th October, 2015, 25th January, 2016, 10th February, 2016 and 18th March, 2016. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013.

The 20th Annual General Meeting of the company was held on 28th September, 2015.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

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

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no departures from the requirements of the Accounting Standards.
- ii. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the Annual Accounts on a going concern basis;
- v. the Directors have laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

8. KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Companies Act, 2013, the Company has designated Mr. Pavan Kumar Jain, Managing Director, Mr. Balkrishan Das Maheshwari, Chief Financial Officer and Mr. Vijay Saxena, Company Secretary as Key Managerial Personnel of the Company.

9. LOANS, GUARANTEES AND INVESTMENTS

Details of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement of the Company. Please refer to Note 13, 18, 27 and 34 to the Standalone Financial Statement of the Company.



10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

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

Your Directors draw attention of the members to Note no 34 to the Standalone Financial Statement which sets out related party disclosures.

11. DEPOSITS

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

12. SUBSIDIARY COMPANIES INCLUDING JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has 1 subsidiary company and 16 step-down subsidiaries and 2 joint ventures. In accordance with Section 129(3) of the Companies Act, 2013 the Company has prepared consolidated financial statements of the company and its subsidiaries, which form part of the Annual Report.

The Report on the highlights of the performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies of the Company is annexed to this report in Form 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 alongwith the contribution of the Subsidiaries Associates and Joint Venture Companies to overall performance of the Company during the year in terms of Rules 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 the provisions of the Companies Act, 2013.

13. INTERNAL FINANCIAL CONTROLS

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

14. INDEPENDENT AUDITORS' REPORT

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

15. INDEPENDENT AUDITORS

Members at the 20th Annual General Meeting held on 28th September, 2015 had appointed M/s S.C. Bandi & Co, Chartered Accountants, as Independent Auditors of the Company from the conclusion of 20th Annual General Meeting until conclusion of 22nd Annual General Meeting. The Board of Directors at their Meeting held on 8th August, 2016 recommended to the Members to ratify appointment of M/s S.C. Bandi & Co., Chartered Accountants, as Statutory Auditors of the Company from the conclusion of the 21st Annual General Meeting until the conclusion of 22nd Annual General Meeting and to fix, or authorise the Board to fix, their remuneration. The Statutory Auditors, M/s. S.C. Bandi & Co., Chartered Accountants, have confirmed that their appointment, if made, will be in accordance with Section 139 of the Companies Act, 2013 read with Rule 4 of The Companies (Audit and Auditors) Rules, 2014 and they satisfy the criteria laid down in Section 141 of the Companies Act, 2013.

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

16. SHARE CAPITAL

During the year under review, the company made an open offer to acquire 6,25,000 equity shares @ Rs. 135/- per equity share. After acquisition the paid up capital of the company is now reduced to 99,93,467 equity shares of Rs. 10/- each.

17. EXTRACT OF ANNUAL RETURN

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

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

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



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

19. PARTICULARS OF EMPLOYEES

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

20. CORPORATE SOCIAL RESPONSIBILITIES ACTIVITIES

The report on CSR activities as per companies (Corporate Social Responsibility) Rules 2014 is annexed to this Report as Annexure 'D'.

21. INSURANCE

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

23. RISK MANAGEMENT

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

24. 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.

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

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

26. VOTING RIGHTS

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

27. ACKNOWLEDGEMENT

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

By Order of the Board of Directors

P.K. JAIN
Managing Director

D.K.JAIN
Chairman

Mumbai, 8th August, 2016


**Annexure B
AOC 1**
**Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture
Part A – Subsidiaries**

(Rupees in Lacs)

Name of Subsidiaries																		
	Gujarat Fluoro-Chemicals Limited	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	Vinirmaa Energy Generation Private Limited	Inox Infrastructure Limited	Gujarat Fluoro-chemicals Americas LLC	Gujarat Fluoro-chemicals Singapore Pte Limited	GFL GM Fluorspar (SA)	Gujarat Fluoro-chemicals GmbH	Shouri Properties Private Limited	
Reporting period, if different from the holding Company																		
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries															USD @Rs.66.25	USD @Rs.66.25	INR @Rs.6.8563	EUR @Rs.75.39
Share Capital	1098.50	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	290162.41	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	386609.61	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	95348.70	43578.55	251531.35	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	58196.02	1759.03	56,226.67	10,605.00	—	1756.13	—	—	—	—	—	5398.17	—	991.54	—	—	—	
Turnover	139066.75	133268.58	387976.31	11595.26	5177.93	59166.81	1784.11	—	—	—	—	—	8209.25	20.83	—	11794.93	354.69	
Profit/(Loss) before taxation	14775.61	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	4360.16	708.04	18790.08	(450.33)	132.87	(1235.61)	(0.55)	0.06	0.07	0.16	0.50	(0.04)	0.00	4.22	—	104.13	—	
Profit/(Loss) after taxation	10415.45	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	Nil	
% of Shareholding	52.54	48.09	63.09	99.98	100.00 by Inox Renewables Limited	100.00 by Inox Wind Infrastructure Services Limited	100.00 by Marut-Shakti Energy India Limited	100.00 by Sarayu Wind Infrastructure Services Limited	100.00 by Sarayu Wind Infrastructure Services Limited	100.00 by Satviki Energy Private Limited	100.00 by Vinirmaa Energy Generation Private Limited	100.00 by Inox Infrastructure Limited	100.00 by Gujarat Fluoro-chemicals Americas LLC	100.00 by Gujarat Fluoro-chemicals Singapore Pte Limited	74.00	100.00	99.29 by Inox Leisure Limited	

Name of subsidiaries which are yet to commence operations:

1) GFL GM Fluorspar (SA).

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

Nil

Contribution of each of the Subsidiaries to the overall performance of the Company																	
	Gujarat Fluoro-Chemicals Limited	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	Vinirmaa Energy Generation Private Limited	Inox Infrastructure Limited	Gujarat Fluoro-chemicals Americas LLC	Gujarat Fluoro-chemicals Singapore Pte Limited	GFL GM Fluorspar (SA)	Gujarat Fluoro-chemicals GmbH	Shouri Properties Private Limited
Total Revenues contribution (%)	18.96	18.33	54.63	1.67	0.73	8.21	0.25	0.00	—	0.00	0.00	0.00	1.13	0.00	0.00	1.62	0.05
EBIDTA contribution (%)	26.88	16.58	57.73	9.79	4.87	(0.13)	(0.21)	(0.05)	(0.01)	(0.02)	(0.01)	(0.04)	(0.19)	0.05	(0.05)	0.33	(0.01)
Net Profit	25.87	18.58	148.70	(12.52)	1.05	(13.72)	(1.63)	(0.28)	(0.05)	(0.02)	(0.05)	(0.13)	(1.51)	0.18	(0.41)	0.97	(0.07)
Contribution (%)																	
Gross Block contribution (%)	44.10	17.34	7.40	22.95	5.91	2.79	0.02	0.00	—	—	—0.00	0.28	—	0.20	0.00	—	
Net Worth contribution (%)	52.14	10.58	34.34	8.88	2.34	(1.33)	(0.05)	(0.01)	(0.00)	0.01	(0.00)	0.97	0.17	0.32	0.04	0.05	0.01

**INOX LEASING AND FINANCE LIMITED****Part B – Associates and Joint Ventures**
Statement related to Associate Companies and Joint Ventures

Rupees in lakhs

Sr. No.	Particulars	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		
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	NA	NA
6	Net worth attributable to Shareholding as per latest balance sheet	365.56	95.54
7	Profit/Loss for the year considered in consolidation Not considered in consolidation	(455.38)	(2.20)

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

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

1) Swarnim Gujarat Fluorspar Private Limited

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

Nil

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	31/12/2008	19/06/2012
Total Revenue contribution (%)	0.63	0.00
EBIDTA contribution (%)	(0.01)	0.00
Net Profit (%)	(1.14)	(0.01)
Contribution (%)		
Gross Block contribution (%)	0.18	0.00
Net Worth Contribution (%)	0.07	0.02

**Form No AOC – 2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

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

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

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

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

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

**ANNEXURE 'C' TO THE BOARDS' REPORT
MGT -9****Extract of Annual Return as on the financial year ended on 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

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1	Investment activities	6430	98.46


INOX LEASING AND FINANCE LIMITED
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of company and CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable Section
1	L24110GJ1987PLC009362 (Gujarat Fluorochemicals Limited)	Subsidiary	52.54%	2 (87)
2	L92199GJ1999PLC044045 (Inox Leisure Limited)	Step-down Subsidiary	0.61%	2 (87)
3	U31901HP2009PLC031083 (Inox Wind Limited)	Step-down Subsidiary	63.09% held by Gujarat Fluorochemicals Ltd.	2 (87)
4	U40100GJ2010PLC062869 (Inox Renewables Limited)	Step-down Subsidiary	99.98% held by Gujarat Fluorochemicals Ltd.	2 (87)
5	U45201GJ2012PLC071264 Inox Renewables (Jaisalmer) Limited	Step-down Subsidiary	100.00% held by Inox Renewables Limited	2 (87)
6	U45207GJ2012PLC070279 (Inox Wind Infrastructure Services Limited)	Step-down Subsidiary	100.00% held by Inox Wind Limited	2 (87)
7	U45200DL2007PLC159796 Inox Infrastructure Limited	Step-down Subsidiary	100.00%	2 (87)
8	U45201MH2002PTC134393 Shouri Properties Private Limited	Step-down Subsidiary	99.29% held by Gujarat Fluorochemicals Ltd.	2 (87)
9	U04010GJ2000PLC083233 Marut - Shakti Energy India Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
10	U40100AP2013PTC089795 Satviki Energy Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
11	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
12	U40109TG2007PTC056146 Vinirrrmaa Energy Generation Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
13	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited	Step-down Subsidiary	100.00% held by Inox Wind Infrastructure Services Limited	2 (87)
14	Swarnim Gujarat Fluorspar Private Limited	Joint Venture Company of Step-down subsidiary	49.93% held by Gujarat Fluorochemicals Ltd.	2 (6)
15	Gujarat Fluorochemicals Singapore Pte Limited	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
16	Gujarat Fluorochemicals LLC, USA	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
17	Gujarat Fluorochemicals, GmbH	Foreign Step down Subsidiary	100.00% held by Gujarat Fluorochemicals Ltd.	2 (87)
18	GFL GM Fluorspar SA	Step-down Subsidiary	74.00% held by GFL Singapore Pte Limited	2 (6)
19	XHCT Limited	Joint Venture Company of Step-down subsidiary	33.77% held by Gujarat Fluorochemicals Ltd.	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				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter									
(1) Indian Individual /HUF	17548	10208030	10225578	96.30	17548	9586330	9603878	96.09	0.21
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp. and LLP	-	142567	142567	1.34	-	142567	142567	1.44	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) 1	17548	10350597	10368145	97.64	17548	9728897	9726445	97.53	0.03
Foreign NRIs - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) 2	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=A1+A2	17548	10350597	10368145	97.64	17548	9728897	9726445	97.53	-0.11
(B) Public Share Holding Institutions									
Mutual Funds	-	4500	4500	0.04	-	4500	4500	0.04	0
Banks / FI	-	500	500	0	-	500	500	0.01	0
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Venture Capital Fund	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIS	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (Foreign Co.)	-	-	-	-	-	-	-	-	-
Sub Total B 1	-	5000	5000	0.04	-	5000	5000	0.05	0


INOX LEASING AND FINANCE LIMITED
IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of Total Equity)
i. Category-wise Shareholding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
(a) Bodies Corporate									
(Indian)	8100	2400	10500	0.11	7900	2400	10300	0.10	-0.01
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 Lakh	32353	202469	234822	2.21	32153	199569	231722	2.32	0.11
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Non Resident Indian (REPAT)	-	-	-	-	-	-	-	-	-
Non Resident Indian (NON REPAT)	-	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-	-
Sub Total B2	40453	204869	245322	2.32	40053	201969	242022	2.42	0.10
Total Public Shareholding B=B1 + B2	40453	209869	250322	2.36	40053	206969	247022	2.47	0.11
Total (A)+(B)	58001	10560466	10618467	100	57601	9935866	9993467	100	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	58001	10560466	10618467	100.00	57601	9935866	*9993467	100.00	0.00

*6,25,000 shares cancelled being shares acquired under open offer for buyback of shares.


(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Devendra Kumar Jain	69896	0.66	0	69896	0.70	0	0.04
2	Pavan Kumar Jain	1279878	12.05	0	1132219	11.33	0	-0.72
3	Nayantara Jain	1172832	11.05	0	1080032	10.81	0	-0.24
4	Siddharth Jain	2666113	25.11	0	2342586	23.44	0	-1.67
5	Ishita Jain	125000	1.18	0	125000	1.25	0	0.07
6	Shreyasi Goenka	42247	0.40	0	42247	0.40	0	0
7	Vivek Kumar Jain	1379505	12.99	0	1321791	13.23	0	0.24
8	Nandita Jain	1031644	9.72	0	1031644	10.32	0	0.60
9	Devansh Jain	2303218	21.69	0	2303218	23.05	0	1.36
10	Avarna Jain	50000	0.47	0	50000	0.50	0	0.03
11	Devika Chaturvedi Chaturvedi	35080	0.33	0	35080	0.35	0	0.02
12	Kapoorchand Jain	36672	0.35	0	36672	0.36	0	0.01
13	Hemkumari Jain	12160	0.11	0	12160	0.12	0	0.01
14	Sulakshna Badjate	10666	0.10	0	10666	0.11	0	0.01
15	Manju Jain	10667	0.10	0	10667	0.11	0	0.01
16	Inox Chemicals LLP	46650	0.44	0	46650	0.47	0	0.03
17	Siddhomal Trading LLP	46667	0.44	0	46667	0.47	0	0.03
18	Siddhapavan Trading LLP	24750	0.23	0	24750	0.25	0	0.02
19	Devansh Trade Mart LLP	24500	0.23	0	24500	0.25	0	0.02
	TOTAL	10368145	97.64	0	*9746445	97.53	0	0.11

*6,23,000 shares surrendered under offer for buyback of shares and 1300 shares acquired from public.

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in holding	Reason	Cumulative shareholding during the year	
		No. Of shares	% of total shares of the company				No. Of shares	% of total shares of the company
1	Siddharth Jain	2666113	25.11	17.03.2016	(323527)	Shares submitted in Buyback Offer of the company	2666113 2342586	25.11 23.44
	Total	2342586	23.44					
2	Pavan Kumar Jain	1279878	12.05	17.03.2016	(147659)	Shares submitted in Buyback Offer of the company	1279878 1132219	12.05 11.33
	Total	1132219	11.33					
3	Vivek Kumar Jain	1379505	12.99	15.06.15 28.08.15 17.03.16	400 900 (59014)	Transfer Transfer Shares submitted in Buyback Offer of the company	1379905 1379505 1380805 1321791	12.99 12.99 13.00 13.23
	Total	1321791	13.23					
4	Nayantara Jain	1172832	11.05	17.03.2016	(92800)	Shares submitted in Buyback Offer of the company	1172832 1080032	11.05 10.81
	Total	1080032	10.81					


INOX LEASING AND FINANCE LIMITED
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase/Decrease in holding	Reason	Cumulative shareholding during the year	
		No. Of shares at the beginning/end of the year	% of total shares of the company				No. Of shares	% of total shares of the company
1	Hitesh Ramji Jhaveri	7836 7836	0.07 0.07			Nil movement during the year	7836 7836	0.07 0.07
2	Arms Securities Pvt. Ltd.	5700	0.05	28.04.15 15.06.15 03.08.15	600 300 200	Transfer Transfer Transfer	5700 6300 6600 6800	0.05 0.06 0.06 0.06
	Total	6800	0.06					
3	Suman Ajmera	5500 5500	0.05 0.05			Nil movement during the year	5500 5500	0.05 0.05
4	IDBI as Principle Trustee A/c. IDBI MF	4300 4300	0.04 0.04			Nil movement during the year	4300 4300	0.04 0.04
5	Ravindra Jagjivan Gokal	1900 1900	0.02 0.02			Nil movement during the year	1900 1900	0.02 0.02
6	Dhoot Industrial Finance Ltd.	1900 1900	0.02 0.02			Nil movement during the year	1900 1900	0.02 0.02
7	Kirit Vassa	1500 1500	0.02 0.02			Nil movement during the year	1500 1500	0.02 0.02
8	Sucharitra R Bhatia	1067 1067	0.01 0.01			Nil movement during the year	1067 1067	0.01 0.01
9	Kiran Mehta	1000 1000	0.01 0.01			Nil movement during the year	1000 1000	0.01 0.01
10	Sangita Jain	900 900	0.01 0.01			Nil movement during the year	900 900	0.01 0.01

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/Decrease in holding	Reason	Cumulative shareholding during the year	
		No. Of shares at the beginning/end of the year	% of total shares of the company				No. Of shares	% of total shares of the company
Directors								
1	Devendra Kumar Jain	69896	0.66				69896	0.70
2	Pavan Kumar Jain	1279878	12.05	17.03.2016	147659	Shares Submitted in Buyback Offer of the company	1279878 1132219	12.05 11.33
3	Vivek Kumar Jain	1379505	12.99	15.06.15 28.08.15 17.03.16	400 900 (59014)	Transfer Transfer Shares submitted in Buyback Offer of the company	1379905 1379505 1380805 1321791	12.99 12.99 13.00 13.23
4	Siddharth Jain	2666113	25.11	17.03.2016	(323527)	Shares submitted in Buyback Offer of the company	2666113 2342586	25.11 23.44
Key Managerial Personnel (KMP)								
1	Vijay Saxena	0	0		0		0	0
2	B.D. Maheshwari	0	0		0		0	0

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

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

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Amount Rs. In lakhs

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

B. Remuneration to Other Directors

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

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

Amount Rs. in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Vijay Saxena Company Secretary	Mr. B.D. Maheshwari Chief Financial Officer
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14.89	6.49
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission- as % of profit- others, specify...	0	0
5.	Others, please specify-Company contribution to PF	1.02	0.45
	Total (A)	15.91	6.94



INOX LEASING AND FINANCE LIMITED

VI. Penalties /Punishments / Compounding of Offences

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



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

Sr. No.		
1.	A brief outline of the Company's CSRPolicy, including overview of projects orprogrammes proposed to be undertakenand a reference to the web-link to theCSR policy and projects 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.ilfl.co.in/ILFL/CSR-Policy.pdf
2.	Composition of CSR Committee	Shri D.K. Jain, Chairman Shri P.K. Jain, Managing Director Shri Siddharth Jain Director
3.	Average net profit of the Company for last three financial years	Rs. 685.93 lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 13.72 lakhs
5.	Details of CSR spent during the financial year :	
6.	a. Total amount to be spent for the financial year;	Rs. 13.72 lakhs
7.	b. Amount unspent, if any;	Rs. 13.72 lakhs
8.	c. Manner in which the amount spent during the financial year	NIL
9.	In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	The Company has unspent amount of Rs. 13.72 lakhs. During the year the company was in the process of identifying appropriate/ meaningful CSR Projects for its CSR activities. On identifying the project, company has contributed the entire amount of Rs. 13.72 lakhs to Inox Group CSR Trust on 17th June, 2016 in the current Financial Year 2016-17.
10.	A responsibility statement of the CSRCommittee that the implementation andmonitoring of CSR Policy, is in compliancewith CSR objectives and Policy of the Company.	The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Mumbai
8th August, 2016

P.K. JAIN
Managing Director

D.K. JAIN
Chairman-CSR Committee



INOX LEASING AND FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT

To the members of Inox Leasing and Finance Limited

Report on the Standalone Financial Statements

I have audited the accompanying financial statements of Inox Leasing and Finance Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 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 Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 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 my separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
- The Company does not have any pending litigations;
 - The Company does not have any long-term contracts including derivative contracts;
 - No amount was due to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the said Order.

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

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 8th August, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

I have audited the internal financial controls with reference to financial statements over financial reporting of Inox Leasing and Finance Limited ("the Company") as of 31st March 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

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



INOX LEASING AND FINANCE LIMITED

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

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

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 8th August, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. The title deeds of all immovable properties are held in the name of the company.
2. The stock of shares have been physically verified by the management during the year. In my opinion the frequency of verification is reasonable. The procedures of physical verification of stocks of shares followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. I am informed that no material discrepancies have been noticed on physical verification of stocks of shares as compared to the book records.



3. The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In my opinion and according to the information and explanations given to me, the company has not granted any loans, made investments or provide guarantees which requires compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the CARO 2016 is not applicable.
5. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.
6. The maintainance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause (vi) of the CARO 2016 is not applicable to the company.
7. According to the information and explanations given to me, in respect of statutory dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, wealth tax, service tax, cess and other material statutory dues applicable to it to the appropriate authorities.

Considering the nature of business that the Company is engaged in, sales tax, customs duty, excise duty and value added tax are not applicable to the company.
 - (b) There were no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31st March 2016 for a period of more than six months from the date they become payable.
 - (c) There are no dues of service tax, income tax, wealth tax or cess, as on 31st March, 2016 on account of disputes.
8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the company.
9. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to me, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. The company has not paid any managerial remuneration and hence the provisions of clause 3(xi) of the order are not applicable to the company.
12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The company has obtained the requisite registration under section 45-I of the Reserve Bank of India Act, 1934.

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

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 8th August, 2016



INOX LEASING AND FINANCE LIMITED

STAND ALONE BALANCE SHEET AS ON 31ST MARCH, 2016

Amount (Rs. In lacs)

	Note No.	As at 31st March, 2016		As at 31st March, 2015	
		Rupees	Rupees	Rupees	Rupees
EQUITY AND LIABILITIES					
Shareholders' funds:					
(a) Share Capital	4		999.35		1,061.85
(b) Reserves and Surplus	5		12,755.55		13,197.99
			13,754.90		14,259.84
Non-current liabilities					
(a) Other Long-term liabilities	6		38.17		50.89
(b) Long-term Provisions	7		17.97		14.76
			56.14		65.65
Current liabilities					
(a) Trade Payables	8		2.82		2.56
(b) Other Current Liabilities	9		179.40		100.01
(c) Short-term Provisions	10		13.01		966.69
			195.23		1,069.26
TOTAL			14,006.27		15,394.75
ASSETS					
Non-current Assets					
(a) Fixed assets					
Tangible assets	11		37.32		37.49
(b) Capital work-in-progress			1,794.18		1,794.18
(c) Deferred Tax Asset	26		17.82		19.42
(d) Non-current investments	12		5,306.74		6,030.44
(e) Long-term Loans and advances	13		1,567.08		1,567.51
(f) Other non-current assets	14		52.13		137.78
Current Assets					
(a) Current investments	15		3,298.25		2,982.34
(b) Trade receivables	16		12.61		4.73
(c) Cash and cash equivalents	17		1,744.14		2,628.89
(d) Short-term loans and advances	18		73.64		94.68
(e) Other current assets	19		102.36		97.29
TOTAL			14,006.27		15,394.75

The accompanying notes are an integral part of the financial statements

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director

**STAND ALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

Amount (Rs. In lacs)

	Note No.	2015-2016		2014-2015	
		Rupees	Rupees	Rupees	Rupees
Revenue from Operations (Gross)	20		4,590.81		2,390.02
Other Income	21		374.65		429.20
Total Revenue			4,965.46		2,819.22
Employee benefits expense	22		69.11		67.12
Depreciation and amortization	23		39.84		53.74
Other expenses	24		99.17		116.40
Total Expenses			208.12		237.26
Profit before tax			4,757.34		2,581.96
Tax Expense					
a) Current Tax		210.00		183.00	
b) Deferred Tax		1.60		(4.17)	
c) Taxation for earlier years		2.34		(0.52)	
			213.94		178.31
Profit for the year			4,543.40		2,403.65
Basic & diluted earning per equity share			42.87		22.64

The accompanying notes are an integral part of the financial statements

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director



INOX LEASING AND FINANCE LIMITED

Standalone Cash Flow Statement for the year ended 31st March, 2016

Amount (Rs. In lacs)

Particulars	2015-16	2014-15
A Cash flow from operating activities		
Profit before tax	4,757.34	2,581.96
Adjustments for :		
Depreciation and Amortisation	39.84	53.74
Income in respect of investing activities (Net)	(4,767.21)	(2,711.09)
	(4,727.37)	(2,657.35)
Operative profit before working capital changes	29.97	(75.39)
Adjustments for :		
Long-term provisions	3.21	4.04
Long-term liabilities	(12.72)	(12.72)
Trade payables	0.26	(2.82)
Other current liabilities	79.38	8.33
Short-term provisions	(953.67)	426.27
Long-term loans and advances	0.43	(394.22)
Trade receivables	(7.88)	4.60
Other current assets	(5.06)	(30.63)
Short-term loans and advances	(180.58)	(4.21)
	(1,076.63)	(1.36)
Cash generated from operations	(1,046.66)	(76.75)
Income-tax paid (Net)	(119.75)	(97.34)
Net cash used in operating activities	(1,166.41)	(174.09)
B Cash flow from investing activities		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(18.98)	(5.57)
Purchase of investments	(222.79)	(1,614.21)
Redemption/Sale of Investments	902.55	3,604.23
Buyback of shares	(843.75)	—
Sale of fixed assets	13.00	—
Interest and Dividend received (Net of expenses)	4461.55	2,346.38
Net cash from investment activities	4,291.58	4,330.83
C Cash flow from financing activities		
Dividend paid (Including Tax on Dividend)	(4,009.92)	(2,017.51)
Net cash used in financing activities	(4,009.92)	(2,017.51)
Net increase/(decrease) in cash and cash equivalent^q	(884.75)	2,139.23
Cash and cash equivalents as at the beginning of the year	2,628.89	489.66
Cash and cash equivalents as at the end of the year	1,744.14	2,628.89
Notes: (a) Components of cash and cash equivalents are as per note no. 17.		
(b) Cash Flow is prepared and presented under 'Indirect Method'.		
(c) The accompanying notes are an integral part of the financial statements		

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director



Notes to the Standalone Financial Statements for the year ended 31st March 2016

1. CORPORATE INFORMATION

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

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

3. SIGNIFICANT ACCOUNTING POLICIES:

(a) Revenue Recognition

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

Dividend income is accounted for when the right to receive the same is established. Income from interest on deposits and interest-bearing securities is recognised on time proportionate basis.

(b) FIXED ASSETS AND DEPRECIATION

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

(c) INVESTMENTS

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

Current investments are carried at lower of cost and fair value are determined on the basis of each category of Investments.

(d) EMPLOYEE BENEFITS

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered. Company's contribution towards Provident and Pension Funds vis-a-vis defined contribution plan paid/payable during the year are charged to the Statement of Profit and Loss. Post employment benefits in the form of Gratuity and Leave encashment are recognised as expenses in the Statement of Profit and Loss at present value of the amounts payable determined on the basis of actuarial value technique, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(e) TAXES ON INCOME

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

Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax within the period prescribed for utilisation of such credit.

(f) IMPAIRMENT OF ASSETS

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.



INOX LEASING AND FINANCE LIMITED

(g) PROVISIONS & CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

(h) USE OF ESTIMATES

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

(i) LEASE

1. Assets taken on operating lease
Lease rentals in respect of assets acquired on operating lease are charged to the Statement of Profit and Loss as per the terms of respective lease agreement.
2. Assets given on operating lease
Assets given under operating lease are capitalised and included in the fixed assets. Lease income arising there from is recognised as income in the Statement of Profit and Loss as per the terms of respective lease agreement.

(j) BORROWING COST

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

4. SHARE CAPITAL	As at 31st March, 2016		Amount (Rs. In lacs)	
	Rupees	Rupees	As at 31st March, 2015	Rupees
Authorised capital				
11,000,000 Equity Shares of Rs.10/- Each		1,100.00		1,100.00
1,500,000 Redeemable Cumulative Preference Shares of Preference Shares of Rs.100/- each		1,500.00		1,500.00
Total		2,600.00		2,600.00
Issued, Subscribed and fully paid up capital				
9,993,467 Equity shares of Rs.10/- each (previous year 10,618,467 Equity shares of Rs. 10/- each)*		999.35		1,061.85
Total		999.35		1,061.85

*Note: 6,25,000 equity shares acquired in the Open Offer for buy back of shares.

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

	As at 31-03-2016		As at 31-03-2015	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	10618467	106184670	10618467	106184670
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	625,000	6,250,000	----	----
Shares outstanding at the end of the year	9993467	99934670	10618467	106184670

Note: Refer Note No. 25.

**b. Terms/rights attached to equity shares**

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

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

During the financial year company has paid an interim dividend of Rs. 39.50p per equity share (previous year Rs. 10/- per equity share). No final dividend is proposed to be paid (previous year Rs. 9/- per equity share). The total distribution of dividend to the equity shareholders is Rs. 39.50p per equity share (previous year Rs. 19/- per equity share).

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

	31-03-2016		31-03-2015	
	Number	% holding*	Number	% holding
Mr. Pavan Kumar Jain	1,132,219	11.33	1,279,878	12.05
Mr. Vivek Kumar Jain	1,321,791	13.23	1,379,505	12.99
Mr. Devansh Jain	2,303,218	23.05	2,303,218	21.69
Mrs. Nayantara Jain	1,080,032	10.81	1,172,832	11.05
Mrs. Nandita Jain	1,031,644	10.32	1,031,644	9.72
Mr. Siddharth Jain	2,342,586	23.44	2,666,113	25.11

* On reduced capital of 9993467 equity shares

5. RESERVES AND SURPLUS

	As at 31st March, 2016		Amount (Rs. In lacs)	
	Rupees	Rupees	As at 31st March, 2015	Rupees
Reconstruction Reserve				
Balance as per last Balance Sheet		639.52		639.52
Amalgamation Reserve				
Balance as per last Balance Sheet		75.76		75.76
Capital Redemption Reserve				
Balance as per last Balance Sheet	1,400.00		1,400.00	
Add: Transferred from Free Reserves nominal value of shares bought back	62.50		—	
		1,462.50		1,400.00
Statutory Reserve Fund*				
Balance as per last Balance Sheet	4,771.00		4,286.00	
Add: Transferred from Profit and Loss Account	910.00		485.00	
*Pursuant to Reserve Bank of India (Amendment) Act, 1947.		5,681.00		4,771.00
General Reserve				
Balance as per last Balance Sheet	1,690.00		1,440.00	
Less: Amount transferred on buyback of shares	(843.75)		-	
Add: Transferred from Profit and Loss Account	455.00		250.00	
Balance at the end of the year		1,301.25		1,690.00
Surplus in the statement of Profit & Loss				
Balance as per last Balance Sheet	4,621.71		4,970.57	
Add: Profit for the year	4,543.40		2,403.65	
	9,165.11		7,374.22	
Less: Appropriations				
Interim Dividend	4,009.92		1,061.85	
Proposed dividend	—		955.66	
Tax on Buyback of shares	194.67		-	
Transfer to Statutory Reserve Fund	910.00		485.00	
Transfer to General Reserve	455.00		250.00	
Total Appropriations	5,569.59		2,752.51	
Balance at the end of the year		3,595.52		4,621.71
Total		12,755.55		13,197.99


INOX LEASING AND FINANCE LIMITED

	As at 31st March, 2016 Rupees	Amount (Rs. In lacs) As at 31st March, 2015 Rupees
6. LONG TERM LIABILITIES		
For lease hold land	38.17	50.89
Total	38.17	50.89
7. LONG TERM PROVISIONS		
Provision for employee benefits		
— For Gratuity	11.99	9.74
— For Leave benefits	5.98	5.02
Total	17.97	14.76
8. TRADE PAYABLES		
Dues to		
Micro and Small Enterprises	—	—
Others	2.82	2.56
Total	2.82	2.56
9. OTHER CURRENT LIABILITIES		
Unclaimed dividend (see note below)	157.69	79.20
Other current liabilities	20.65	19.39
Statutory dues and taxes	1.06	1.42
Total	179.40	100.01
In respect of unpaid dividends, the actual amount to be transferred to the Investor Protection Fund shall be determined on the due date.		
10. SHORT TERM PROVISIONS		
Provision for employee benefits		
— Gratuity	11.16	9.46
— Leave benefits	1.85	1.57
Proposed Dividend	—	955.66
Total	13.01	966.69

11. TANGIBLE ASSETS

		Amount (Rs. In lacs)									
Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.15	Addition during the year	Deletion during the year	As at 31.03.16	As at 01.04.15	Addition during the year	Deletion during the year	As at 31.03.16	As at 31.03.16	As at 31.03.15
1	BUILDINGS:	31.28	—	—	31.28	22.93	0.33	—	23.26	8.02	8.35
2	FURNITURE & FIXTURES	51.77	—	—	51.77	29.73	6.38	—	36.11	15.66	22.04
3	VEHICLES	109.78	—	109.09	0.69	103.84	0.12	103.49	0.47	0.22	5.94
4	OFFICE EQUIPMENTS	24.56	13.00	—	37.56	23.40	0.74	—	24.14	13.42	1.16
	TOTAL	217.39	13.00	109.09	121.30	179.90	7.57	103.49	83.98	37.32	37.49
	PREVIOUS YEAR:	211.82	5.57	—	217.39	159.65	20.26	—	179.91	37.49	—


INOX LEASING AND FINANCE LIMITED

12. NON CURRENT INVESTMENTS (Long term, non-trade, at cost, unless otherwise stated)	Face Value	As at 31st March, 2016		As at 31st March, 2015	
		Nos.	Rs. in lacs	Nos.	Rs. in lacs
QUOTED					
i) In Subsidiary Company					
Gujarat Fluorochemicals Limited (face value of Rs. 1/- each fully paid up)	1	57,715,310	1,921.18	57,715,310	1,921.18
Inox Leisure Limited (subsidiary of Gujarat Fluorochemicals Limited)	10	587,461	257.20	587,461	257.20
ii) In Other Companies					
Damania Capital Market Limited	10	124,200	37.26	124,200	37.26
Eastern Mining Limited	10	10,300	3.30	10,300	3.30
Konar Organics Limited	10	41,100	4.11	41,100	4.11
Rajinder Pipes Limited	10	8,300	3.32	8,300	3.32
Unified Agro Industries (India) Limited	10	1,800	0.45	1,800	0.45
W S Telesystem Limited	10	8,300	3.32	8,300	3.32
Orient Fabritex Limited	10	140,000	14.00	140,000	14.00
BOC India Limited	10	200	0.21	200	0.21
Ahmedabad Gases Limited	10	200	0.02	200	0.02
Bombay Oxygen Corpn. Limited	100	5	0.06	5	0.06
			2,244.43		2,244.43
Less: Provision for dimunition in value of investments			60.99		60.99
			2,183.44		2,183.44
iii) Investments in Mutual Funds					
Birla Sunlife FTP Series KG-Growth	10	2,263,469	226.35	2,263,469	226.35
UTI FTIF Series XVII-XIII (369D)-Growth	10	2,181,540	218.15	2,181,540	218.15
Birla Sunlife FTP Series HQ-Growth	10	0	—	1,000,000.000	100.00
Birla Sunlife FTP Series HS-Growth	10	0	—	1,211,029.000	121.10
DSP BR FMP Series 105-12M-Growth	10	0	—	1,997,894.136	199.79
IDFC FTP Series-24 366D-Growth	10	0	—	2,193,728.910	219.37
TATA FMP Series 43 Plan A-Growth	10	0	—	2,000,000.000	200.00
			444.50		1,284.76
UNQUOTED					
i) In Equity shares					
Ideas & U Limited	10	500,000	50.00	500,000	50.00
			50.00		50.00
Less: Provision for dimunition in value of investments			50.00		50.00
			—		—
iii) Investments in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	250.00	250	250.00
HUDCO 8.14% Tax Free Bond	1,000	20,000	200.00	20,000	200.00
IIFCL 8.01% Tax Free Bonds	1,000,200	20	200.04	20	200.04
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	250.00	250	250.00
NHAI 8.27% Tax Free Bonds	1,000	20,000	200.00	20,000	200.00
NHAI 7.14% Tax Free Bonds	1,000	14,285	142.85	-	-
PFC 8.20% Tax Free Bonds	1,000	8,544	85.44	8,544	85.44
REC 7.93% Tax Free Bond	1,000	12,248	122.48	12,248	122.48
PFC 7.19% Tax Free Bonds	1,000	10,000	100.00	10,000	100.00
REC 8.01% Tax Free Bond 2013	1,000	30,000	300.00	30,000	300.00
			1,850.81		1,707.96
Aggregate value of quoted investments			2,688.93		3,529.20
Market value of quoted investments			300,510.19		409,793.16
Aggregate value of unquoted investments			1,900.81		1,757.96
Aggregate provision for dimunition in value of investments			110.99		110.99
Total Investments			4,478.75		5,176.16



INOX LEASING AND FINANCE LIMITED

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

(Amount Rs. in lacs)

Particulars	Gross Block (at cost)				Depreciation/Amortization				Net Block	
	As at 01.04.15	Addition during the year	Deletion during the year	As at 31.03.16	As at 01.04.15	Addition during the year	Deletion during the year	As at 31.03.16	As at 31.03.16	As at 31.03.15
Leasehold Land	204.05	0	0	204.05	0.61	0.20	0	0.81	203.24	203.44
Buildings:	746.98	5.98	0	752.96	96.14	32.07	0	128.21	624.75	650.84
TOTAL	951.03	5.98	0	957.01	96.75	32.27	0	129.02	827.99	854.28
PREVIOUS YEAR:	951.03	-	-	951.03	63.27	33.48	-	96.75	854.28	0

Total Non Current Investments [1+2]

5306.74 6030.44

Amount (Rs. In lacs)

**As at 31st March, 2016
Rupees**

**As at 31st March, 2015
Rupees**

13. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Prepaid Expenses

0.81

—

Loans to employees

0.27

1.51

Advances recoverable in cash or in kind

66.00

66.00

— Considered Good

Inter corporate Deposits - Others

1,500.00

1,500.00

Total

1,567.08

1,567.51

14. OTHER NON-CURRENT ASSETS

MAT Credit entitlement

52.13

137.78

52.13

137.78


15. CURRENT INVESTMENTS

	Value Rs.	As at 31st March, 2016		As at 31st March, 2015	
		Nos.	Rs. in lacs	Nos.	Rs. in lacs
A Current Portion of Long Term Investment					
BSL INT Income Fund Annual Plan IX-Growth	10	2248303.000	224.83	2248303.000	224.83
Birla Sunlife FTP Series HQ-Growth	10	1000000.000	100.00	—	—
Birla Sunlife FTP Series HS-Growth	10	1211029.000	121.10	—	—
DSP BR Short Term Fund -Growth	10	1014223.064	240.60	1014223.064	240.60
DSP BR FMP Series 105-12M-Growth	10	1997894.136	199.79	—	—
DSP BR Income Oppurtunities Fund-Growth	10	1447860.314	274.59	1447860.314	274.59
Franklin Templeton India Short Term Income Plan-Growth	1,000	28141.789	741.40	28141.789	741.40
IDFC FTP Series-24 366D-Growth	10	2,193,728.910	219.37	—	—
ICICI PRU Short Term Plan Growth	10	—	—	648497.141	183.32
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	2768899.000	327.09	2768899.000	327.09
ICICI PRU Regular Savings Fund Growth	10	1437224.104	210.00	1437224.104	210.00
IDFC YS Interval Fund Series III-Growth	10	—	—	2002192.170	200.22
TATA FMP Series 43 Plan A-Growth	10	2,000,000.000	200.00	—	—
TATA FMP Series 47 Scheme E(371D) Growth	10	—	—	2207540.000	220.75
TATA Short Term Bond Fund-Growth	10	734,845.646	200.00	462941.493	120.06
UTI Short Term Income Fund Growth	10	1431342.788	239.48	1431342.788	239.48
Total			3,298.25		2,982.34

	Amount (Rs. In lacs)	
	As at 31st March, 2016 Rupees	As at 31st March, 2015 Rupees

16. TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated)

Outstanding for a period exceeding six months

Others

Total
12.61

—

4.73
17. CASH AND CASH EQUIVALENTS

Balances with banks in current accounts

Cash on hand

In Liquid fund of Mutual Funds

Other bank balances

Unpaid dividend account

Deposits with original maturity of more than 3 months but less than 12 months

Total
82.21
4.24
150.00
236.45
157.69
1,350.00
1,507.69
1,744.14

54.45

7.63

1,437.61

1,499.69

79.20

1,050.00

1,129.20

2,628.89

**INOX LEASING AND FINANCE LIMITED**

	As at 31st March, 2016 Rupees	Amount (Rs. In lacs) As at 31st March, 2015 Rupees
18. SHORT TERM LOANS AND ADVANCES (Unsecured, considered good, unless otherwise stated)		
Prepaid Expenses	2.08	2.67
Loans to employees	1.24	1.82
Security Deposits	67.89	61.40
Advance Income tax (net of provision)	2.43	28.79
Total	73.64	94.68
19. OTHER CURRENT ASSETS		
Interest accrued on Bank deposits	46.51	43.77
Interest accrued on Tax Free Bonds	55.85	53.52
Total	102.36	97.29
	2015-16	2014-15
20. REVENUE FROM OPERATIONS		
Brokerage received	129.26	43.64
Dividend Income on long term investments		
i) from subsidiary company	4,040.07	2,020.03
ii) from others	0.16	0.16
on current investments	14.43	—
Interest income on inter corporate deposits	165.45	127.57
on bank deposits	100.45	63.92
on tax free bonds	136.99	134.70
others	4.00	—
Total	4,590.81	2,390.02
21. OTHER INCOME		
Profit on sale of investments — on long term investments	60.54	20.75
— on current investments	237.71	343.95
Rent received	69.00	64.50
Profit on sale of assets	7.40	—
Total	374.65	429.20
22. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	60.77	57.91
Contribution to Provident fund and other fund	3.94	3.75
Gratuity	3.94	4.25
Staff Welfare expenses	0.46	1.21
Total	69.11	67.12

**INOX LEASING AND FINANCE LIMITED**

	Amount (Rs. In lacs)	
	2015-16	2014-15
23. DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Tangible assets	7.57	20.26
Depreciation on Investment property	32.07	33.28
Amortization of Investment property	0.20	0.20
Total	39.84	53.74
24. OTHER EXPENSES		
Rates & Taxes	2.75	1.70
Legal & Professional Expenses	4.91	9.10
Rent paid	12.00	12.00
Insurance	0.83	0.98
General Repairs	5.46	30.88
Repairs & Maint Building	10.41	—
Miscellaneous Expenses	62.81	61.74
Total	99.17	116.40

25. Buy back of shares

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

26. Change in the estimate of useful life of fixed assets

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

27. Disclosure required under section 186(4) of Companies Act, 2013**a. Commitments**

The Company has agreed to provide Equity Shares of Gujarat Fluorochemicals Limited held by it, for an amount equal to Rs. 75 crores (previous year Rs. 107.50 crores) to Standard Chartered Private Equity (Mauritius) II Limited (SC) in terms of an Amendment Agreement dated 19th December, 2013 executed between Inox India Ltd. (IIL), Promoters of IIL, the Company and (SC), in case IIL fails to fulfil its obligations under the referred Agreement.

b. Contingent Liabilities

Corporate guarantee given to Bank in respect of loan taken by a Associate company for general business purpose, USD 18.50 million (previous year USD 18.50 million).

c. Inter Corporate Deposit

Inter Corporate Deposit of Rs. 1500 lakhs (previous year Rs. 1500 lakhs) given to Inox India Private Limited. The ICD carried interest @ 11% p.a. was given for general business purposes.

**INOX LEASING AND FINANCE LIMITED****28. The major components of the net deferred tax liability are as under:**

Particulars	Amount (Rs. In lacs)	
	2015-16	2014-15
Deferred Tax Liability -	—	—
Deferred Tax Assets:		
Provision for retirement benefits	10.25	8.53
Depreciation (on account of difference between tax depreciation and depreciation charged in the books)	5.56	8.97
Expenses allowable on payment basis	2.01	1.92
Total assets	17.82	19.42

29. Payments to the firm of auditors:

Particulars	2015-16	2014-15
Audit Fees	1.30	1.20
Tax Audit Fees	0.75	0.70
For Other services	1.23	1.18
Service Tax	0.47	0.38
Total	3.75	3.46

30. Basic and diluted Earning per share:

Basic and Diluted Earnings have been calculated as follows:		
Profit after taxation (Rs. in lacs)	4,543.40	2,403.65
No. of equity shares outstanding at the beginning of the year	10618467	10618,467
No. of equity shares outstanding at the end of the year	9993467	10618467
Nominal value of each share (Rs).	10	10
Basic and diluted Earnings per Share (Rs)	42.87	22.64

31. Earnings and expenditure in foreign currency:

2015-16	—	—
2014-15	—	—

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

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

33. Segment Reporting

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



Amount (Rs. In lacs)

2014-15	2013-14
---------	---------

34. Disclosure as required by Accounting Standard - AS 19 on "Leases"

In respect of Assets given on Operating Lease:

Gross carrying amount of asset given on operating lease included in Buildings of Fixed Assets

14.86	14.86
--------------	-------

Accumulated Depreciation as at the end of the year

11.80	11.66
--------------	-------

Depreciation for the year

0.16	0.17
-------------	------

Future minimum lease payments-

(a) Not later than one year

34.50	69.00
--------------	-------

(b) Later than one year and not later than five years

—	34.50
---	-------

Later than five years

—

General description

Asset given on operating lease is Office Premises.

The non-cancellable initial tenure is for five years, which can be further extended at the mutual option of both the parties.

In respect of assets taken on operating lease:

Payable in future

Not later than one year

12.00	12.00
--------------	-------

Later than one year and not later than five years

—

Later than five years

—

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

Names of Related Parties:

A) Where control exists:

Subsidiary Company:

Gujarat Fluorochemicals Limited

Inox Leisure Limited

(Subsidiary Company of Gujarat Fluorochemicals Limited)

B) Key Management Personnel

Mr. P.K. Jain (Managing Director)

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

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

— Rajni Farms Private Limited

— Inox India Private Limited (Previously Inox India Limited)


INOX LEASING AND FINANCE LIMITED

(ii) Particulars of Transactions:

Amount Rs. In lacs

Particulars	Subsidiary Company and sub-subsidiary company	Enterprises over which KMP has significant influence	Key Management Personnel	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(A) Transactions during the year				
Rent received				
Gujarat Fluorochemicals Ltd	69.00 (64.50)			69.00 (64.50)
Dividend received				
Gujarat Fluorochemicals Ltd	4,040.07 (2,020.04)			4,040.07 (2,020.04)
Reimbursement of expenses (paid)				
Gujarat Fluorochemicals Ltd	— (0.05)			— (0.05)
Reimbursement of expenses (received)				
Gujarat Fluorochemicals Ltd	— (0.37)			— (0.37)
Rent paid				
Rajni Farms Pvt Ltd.		12.00 (12.00)		12.00 (12.00)
Inter-Corporate Deposit paid				
Inox India Private Limited		— (1,500.00)		— (1,500.00)
Interest received				
Inox India Private Limited		165.45 (18.99)		165.45 (18.99)
Inox Leisure Limited	— (108.58)			— (108.58)
Inter-Corporate Deposit received back				
Inox Leisure Limited	— (1,100.00)			— (1,100.00)
(B) Amounts outstanding				
Deposit paid				
Rajni Farms Pvt Ltd.		60.00 (60.00)		60.00 (60.00)
Inter-corporate Deposit paid				
Inox India Private Limited		1,500.00 (1,500.00)		1,500.00 (1,500.00)
(C) Amounts payable				
	—	—	—	—

**35 Corporate Social Responsibility (CSR)**

- a) The gross amount required to be spent by the company during the year towards Corporate Social Responsibility (CSR) is Rs. 13.72 lakhs (previous year Rs. 14.17 lakhs)
- b) Amount spent during the year : NIL

36 Employee Benefits

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 3.94 lacs (Previous year Rs. 3.75 lacs is recognised as an expense and included in Contribution to Provident and Other Funds in the Profit and Loss.
- b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Encashment - as per Acturial Valuation as on 31st March, 2016.

(Amount Rs. In lacs)

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Change in Benefit Obligation				
Liability at the beginning of the year	19.20	14.95	4.88	3.84
Interest Cost	1.49	1.37	0.38	0.35
Current Service Cost	1.74	3.26	0.58	1.84
Benefit paid		—	—	—
Acturial (Gain)/Loss	0.71	(0.38)	(0.12)	(1.15)
Liability at the end of the year	23.14	19.20	5.72	4.88
Expenses recognized in the Profit and Loss Account				
Current Service Cost	1.74	3.26	0.58	1.84
Interest Cost	1.49	1.37	0.38	0.35
Acturial (Gain)/Loss	0.71	(0.38)	(0.12)	(1.15)
Expenses recognized in the Profit and Loss Account	3.94	4.25	0.84	1.04
Acturial Assumptions				
Discount Rate	7.46%	9.19%	7.46%	9.19%
Salary Escalation Rate	10%	10%	10%	10%
Retirement Age		58 years		58 years
Mortality - Previous year		LIC (1994-96) published table of rates		
- Current year		IALM (2006-08) Ult		

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

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director


INOX LEASING AND FINANCE LIMITED
Schedule appended to the Balance Sheet of a non -deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

(Rs. in Lacs)

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

(Rs. in Lacs)

Assets Side	Current year Amount outstanding	Previous year Amount outstanding
(2) Break-up of Loans and Advances including bills receivables (other than those included in 3 below:		
(a) Secured	—	—
(b) Unsecured	1,650.90	1,638.12
(3) Break up of Leased assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	—	—
(b) Operating Lease	—	—
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	—	—
(b) Repossessed Assets	—	—
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		



Assets Side	Amount outstanding	Amount outstanding
(4) Break -up of Investments: (net of provision for dimunition) (as per AS 13)		
Current Investmentmts		
1. Quoted:		
(I) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds*	3298.25	2982.34
(iv) Government Securities	—	—
(v) Others (Please specify)	—	—
* Current portion of long term investments		
2. Unquoted:		
(I) Shares :		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	—	—
(iv) Government Securities	—	—
(v) Others (Please specify)	—	—
Long Term investments:-		
1. Quoted:		
(I) Shares		
(a) Equity	2178.66	2178.66
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	444.50	1284.76
(iv) Government Securities	—	—
(v) Others (please specify)	—	—
2. Unquoted:		
(I) Shares		
(a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	—	—
(iv) Government Securities	—	—
(v) Others - Tax free Bonds	1850.81	1707.96
TOTAL	<u>9423.12</u>	<u>9791.84</u>


INOX LEASING AND FINANCE LIMITED
(5) Borrower group-wise classification of loans and advances (including other Current Assets)

(Rs. in Lacs)

Category				Previous year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	—	—	—	—	—	—
b) Companies in the same group**	—	1560.00	1560.00	—	1560.00	1560.00
c) Other related parties	—	—	—	—	—	—
2. Other than related parties	—	90.90	78.13	—	78.13	78.13
Total		1650.90	1638.13		1638.13	1638.13

**Includes inter corporate deposit and Security deposit paid for lease of property.

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

(Rs. in Lacs)

Category			Previous year	
	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries (including their subsidiaries)	299976.89	2178.38	408316.55	2178.38
b) Other related parties	—	—	—	—
2. Other than related parties	6350.17	5598.62	6,578.71	5,980.73
Total			306,327.06	7,777.00

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

(7) Other information

Current year

Previous year

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

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

B.D. MAHESHWARI
Chief Financial Officer

P. K. JAIN
Managing Director

 Place: Mumbai
Date: 8th August, 2016



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

CONSOLIDATED ANNUAL ACCOUNTS

2015-2016



INOX LEASING AND FINANCE LIMITED

Independent Auditor's Report on the Consolidated Financial Statements

To the members of Inox Leasing and Finance Limited

Report on the Consolidated Financial Statements

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

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

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

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

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

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

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group its associate and jointly controlled entities as at 31st March 2016, its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

I did not audit the financial statements of two subsidiaries and two jointly controlled companies whose financial statements reflect total assets of Rs. 184252.10 lakh as at 31st March, 2016, total revenues of Rs. 21907.17 Lakh and net cash outflows amounting to Rs. 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 Rs. 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 me. These financial statements have been audited by other auditor whose report has been furnished to me by the Management and my 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 my 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. My opinion on the consolidated financial statements, and my report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to my 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, I report that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- (b) In my opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from my examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In my opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 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 my separate report in Annexure.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me and based on the consideration of the report of the other auditors on separate financial statement of subsidiary companies an associate and jointly controlled entities, as noted in the 'Other matters' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group its associate and jointly controlled entities – see note no. 43 to the consolidated financial statements;
 - ii. The Group its associate and jointly controlled entities has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, associate company and jointly controlled entities incorporated in India.

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

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 8th August, 2016



INOX LEASING AND FINANCE LIMITED

Annexure to Independent Auditor's Report to the members of Inox Leasing and Finance Limited on the consolidated financial statements for the year ended 31st March 2016 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of my report of even date.

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

In conjunction with my audit of the consolidated financial statements of Inox Leasing and Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2016, I have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, its associate and jointly controlled entities which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other matters

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

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

S.C. BANDI
Proprietor
M. No: 16932

Place: Mumbai
Date : 8th August, 2016



INOX LEASING AND FINANCE LIMITED

Consolidated Balance Sheet of Inox Leasing and Finance Limited and its Subsidiary Companies as at 31st March, 2016

		Amount (Rs. in Lacs)	
	Note No.	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	4	999.35	1061.85
(b) Reserves and surplus	5	242123.66	233082.34
		243123.01	234144.19
		315448.20	288,408.10
(2) Minority interest			
(3) Non-current liabilities			
(a) Long-term borrowings	6	106250.61	113582.32
(b) Deferred tax liabilities (net)	47(i)	34812.14	31522.35
(c) Other long-term liabilities	7	3586.54	3541.86
(d) Long-term provisions	8	2456.53	1812.06
		147105.82	150458.59
(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	134337.73	86444.60
(c) Other current liabilities	11	56,916.24	59,272.16
(d) Short-term provisions	12	6759.55	11054.95
		373939.61	278797.26
		1079616.64	951803.96
TOTAL			
II. ASSETS			
(1) Non-current assets			
(a) Goodwill on consolidation (net)	1(C)	1604.66	16,508.24
(b) Fixed assets			
(i) Tangible assets	13	457345.27	396,707.01
(ii) Intangible assets	14	12498.81	9,896.85
(iii) Capital work-in-progress		25695.48	42,130.21
(c) Deferred tax assets (net)	47(ii)	3492.27	2,258.26
(d) Non-current investments	15	31817.71	17,503.47
(e) Long-term loans and advances	16	64632.40	55666.36
(f) Other non-current assets	17	2697.58	1000.92
		599784.18	541671.32
(2) Current assets			
(a) Current investments	18	12520.09	5,250.77
(b) Inventories	19	92224.48	87,039.88
(c) Trade receivables	20	290045.07	186,356.50
(d) Cash and bank balances	21	58224.13	114356.92
(e) Short-term loans and advances	22	21809.86	15423.99
(f) Other current assets	23	5008.83	1704.58
		479,832.46	410,132.64
		1079616.64	951,803.96
TOTAL			

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

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

On behalf of the Board of Directors

S.C. BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

B.D. MAHESHWARI
Chief Financial Officer

P. K. JAIN
Managing Director

Place: Mumbai
Date: 8th August, 2016



Consolidated Statement of Profit and Loss of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2016

	Note No.	Amount (Rs. in Lacs)	
		2015-2016	2014-2015
I. Revenue from operations	24	730,499.20	543411.85
Less: Excise Duty		10082.03	9,069.40
		720417.17	534342.45
II. Other income	25	8808.64	5345.62
III. Total Revenue (I + II)		729225.81	539688.07
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	28013.42	22607.63
Finance costs	30	23227.85	21768.44
Depreciation and amortization expense	31	32792.63	28528.34
Goodwill on consolidation written off	35	164.62	0
Other expenses	32	247990.78	189840.68
Total expenses		664728.36	480994.54
V. Less: Expenditure capitalized		(18999.08)	0
VI. Net Expenditure		645729.28	480994.54
VII. Profit before exceptional items and tax (III-VI)		83496.53	58693.53
VIII. Exceptional items	38	(496.02)	24432.50
IX. Profit before tax (VII+VIII)		83000.51	83126.03
X. (A) Tax expense:			
(1) Current tax		23,371.02	21417.14
(2) MAT credit entitlement		(1,569.67)	(9,600.27)
(3) Deferred tax		3,542.55	5251.45
		25,343.90	17068.32
(B) Taxation pertaining to earlier years	42(b)	(2,716.99)	(1,037.96)
		22,626.91	16030.36
XI Profit for the year (IX-X)		60,373.60	67095.67
XII Less : Share of minority interest in profit		(39,224.14)	(35,974.45)
XIII Add: Share in profit of associates	1(A)(j)	0.41	0.00
XIV Net Profit (XI-XII+XIII)		21,149.87	31121.22
XV Basic & diluted Earnings Per Share of Re 10 each (in Rs.)	58	200.00	293.08

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

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director



Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2016

Amount (Rs. in Lacs)

	2015-2016	2014-2015
A Cash flow from operating activities		
Profit before tax	83,000.51	83,126.03
Adjustments for :		
Depreciation and Amortisation	32792.63	28,528.34
Loss on retirement/disposal of fixed assets (Net)	328.03	1,802.94
Provision for diminution in value of assets held for sale	14.98	17.03
Provision for diminution in value of investments	—	—
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 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
Reversal of MTM loss on derivative	(218.34)	(72.56)
MTM loss on derivative	—	—
Unrealised Foreign exchange Loss (Net)	(861.33)	(2,027.00)
Profit for the period of temporary cessation of control over subsidiary and treated as 'associate'.	—	—
Income in respect of investing activities (Net)	(6241.37)	(30,877.80)
Finance Costs	23227.84	21,876.79
	50,572.10	19,610.13
Operative profit before working capital changes	133,572.61	102,736.16
Adjustments for :		
Other Long term liabilities	217.16	341.26
Long-term provisions	646.08	316.60
Trade payables	44547.52	33,131.12
Other current liabilities	(3424.25)	8,282.50
Short-term provisions	(3955.53)	472.02
Long-term loans and advances	(1913.27)	(3,398.59)
Inventories	(24,011.50)	—
Trade receivables	(99963.27)	(85,533.79)
Other non current assets	(5.06)	(52.16)
Other current assets	—	2,329.04
Short-term loans and advances	(5922.61)	(2,677.63)
	(74492.13)	(70,801.13)
Cash generated from operations	59,080.48	31,935.03
Income-tax paid (Net)	(20043.04)	(17,198.31)
Net cash from operating activities	39,037.44	14,736.72



Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31st March, 2016

	Amount (Rs. in Lacs)	
	2015-2016	2014-2015
B Cash flow from investing activities		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(79789.32)	(42,764.98)
Acquisition of intangible assets		(112.88)
Sale of fixed assets	36.93	957.41
Purchase of other investments	(99722.00)	(34,419.73)
Redemption/Sale of Investments	94191.50	39,488.08
Buyback of shares	(843.75)	
Proceeds from sale of shares through trust		27,033.18
Inter-corporate and other loans given (Net)	(1150.00)	(500.00)
Inter-corporate deposit received back	300.00	350.00
Investment in subsidiary company	(451.57)	(18,390.38)
Purchase/redemption of other non-current investments	(19977.92)	(63,407.05)
Sale of non-current investments	5087.59	115,420.70
Interest and Dividend received (Net of expenses)	6631.27	5,238.06
Movement in bank fixed deposits with original maturity of more than three months and margin money deposits (Net)		(663.56)
Net cash used in investment activities	(138,598.99)	28,228.85
C Cash flow from financing activities		
Shares issued under ESOP	—	2.49
Proceeds from issue of share capital	—	70,000.00
Share issue expenses	—	(769.88)
Proceeds from long term loans	29343.03	9,280.50
Repayment of long term loans	(41589.90)	(25,101.83)
Proceeds from short term loans (net)	56302.50	41,874.73
Proceeds from Cash Credit/Overdraft(Net)	(1798.08)	(309.20)
Inter-corporate deposits paid	0.00	(1,100.00)
Finance costs	(24981.43)	(23,508.91)
Dividend paid (Including Tax on Dividend)	(13264.82)	(6,515.68)
Net cash from /(used in) financing activities	4,011.30	63,852.22
D Adjustment on accounts of Foreign Currency Translation Reserve	(439.93)	614.52
Net increase/(decrease) in cash and cash equivalent	(95990.18)	107,432.28
Cash and cash equivalents as at the beginning of the year	111052.51	3,298.59
Add: Cash received on account of subsidiary acquired during the year	83.88	321.64
Cash and cash equivalents as at the end of the year	15146.21	111,052.51

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016****1. Corporate Information:-**

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

The company is the holding company of Gujarat Fluorochemicals Limited. (GFL) .

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

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

(a) Subsidiary of the Company:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st March 2015
Gujarat Fluorochemicals Limited (GFL)	India	52.54%	52.54%
Inox Leisure Limited (ILL) subsidiary of GFL	India	0.61%	0.61%

Gujarat Fluorochemicals Limited ("GFL" or the "subsidiary company") is a public company engaged in the business of manufacturing and trading of Refrigeration Gases, Anhydrous Hydrochloric Acid, Caustic Soda, Chlorine, Chloromethane, Polytetrafluoroethylene (PTFE) and Post-treated Polytetrafluoroethylene (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.

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

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

(b) Subsidiaries of Gujarat Fluorochemicals Limited :-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st 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, (GFL GmbH)	Germany	100%	100%

Proportion of ownership interest in Inox Leisure Limited is computed on the total paid-up capital of ILL viz. including Treasury shares held by ILL through Inox Benefit Trust (see note no. 40).

(c) Subsidiary of GFL Singapore Pte. Limited

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

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

(d) Subsidiary of Inox Wind Limited:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st 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 for Wind Turbine Generators.

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

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st 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.
Vinirraa Energy Generation Private Limited (VEGPL) – see note (B)(iii)	India	100%	N.A.
Sarayu Wind Power (Kondapuram) Private Limited (SWPKPL) – see note (B)(iii)	India	100%	N.A.

- MSEIL is engaged in the business of development of Wind Farm.
- SEPL is engaged in the business of development of Wind Farm.
- SWPTPL is engaged in the business of development of Wind Farm.
- VEGPL is engaged in the business of development of Wind Farm.
- SWPKPL is engaged in the business of development of Wind Farm.

(f) Subsidiary of Inox Renewables Limited:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st March 2015
Inox Renewables (Jaisalmer) Limited	India	100%	100%

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

(g) Subsidiaries of Inox Leisure Limited:-

Name of the Company	Country of incorporation	Proportion of ownership interest	
		As at 31 st March 2016	As at 31 st March 2015
Satyam Cineplexes Limited - see note B(i)(a) below	India	N.A.	100%
Shouri Properties Private Limited - see note B(i)(b) below	India	99.29%	93.75%

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

(h) Joint Ventures of the Company:-

- GFL 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 Rs.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.
- GFL 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 Rs. 108.25 Lakh in the share capital of this Joint

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

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

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

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

(j) Associate of Inox Infrastructure Limited (IIL):-

IIL holds 50% of the total equity capital of Megnasolace City Private Limited (Megnasolace). Megnasolace is an 'Associate Company' and the investment is accounted under the equity method in accordance with AS 23 – 'Accounting for Investments in Associates in consolidated financial statements'. The Group's share of the post-acquisition profits is included in the carrying cost of the investment as under:-

(Rs. in Lakh)

S. No.	Particulars	2015-16	2014-15
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 Rs. 16800.00 Lakh (Previous year Rs. 16800.00 Lakh).

(C) Acquisitions and disinvestment during the year

i) Acquisitions by Company's subsidiary Inox Leisure Limited ('ILL')

a) During the 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.39).

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. 34 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.


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016
(D) Breakup of goodwill and capital reserve on consolidation:

(Rs. in lakh)

Breakup of net goodwill on consolidation	31.3.2016	31.3.2015
Goodwill on consolidation	1785.62	16685.60
Capital reserve on consolidation	(180.96)	(177.36)
Net goodwill on consolidation	1604.66	16508.24

(Rs. 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

(E) 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	As % of consolidated profit	Amount
Parent – Inox Leasing and Finance Limited	2.46%	13754.90	21.48%	4543.40
Indian Subsidiaries				
Gujarat Fluorochemicals Limited	52.14%	291260.91	49.25%	10415.45
Inox Infrastructure Limited	0.97%	5401.45	(-)0.14%	(26.93)
Inox Wind Limited	34.34%	191825.63	227.56%	48129.11
Inox Wind Infrastructure Services Limited	(-)1.33%	(7431.93)	(-)13.727%	(2902.65)
Marut Shakti Energy India Limited	(-)0.05%	(289.60)	(-)1.63%	(345.14)
Satviki Energy Private Limited	0.01%	80.27	(*)	-0.33
Sarayu Wind Power (Tallimadugula) Private Limited	(-)0.01%	(56.05)	(-)0.04%	(7.57)
Vinirmaa Energy Generation Private Limited		(9.00)	(*)	(1.79)
Sarayu Wind Power (Kondapuram) Private Limited		(9.55)	(*)	(0.39)
Inox Renewables Limited	8.88%	49628.60	(-)12.52%	(2647.36)
Inox Renewables Jaisalmer Limited	2.34%	13064.04	1.05%	221.70
Inox Leisure Limited	10.58%	59110.32	36.71%	7764.45
Shouri Properties Private Limited	0.01%	69.55	(-)0.07%	(14.44)
Foreign Subsidiaries				
Gujarat Fluorochemicals GmbH	0.05%	267.72	0.97%	204.32
Gujarat Fluorochemicals Americas LLC	0.17%	954.30	(-)1.51%	(319.12)
Gujarat Fluorochemicals Singapore Pte. Ltd.	0.32%	1772.69	0.03%	6.45
GFL GM Fluorspar SA	0.04%	206.24	(-)0.55%	(116.77)
Minority Interest in all subsidiaries	56.84%	317466.42	(-)185.46%	(39224.14)

**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	As % of consolidated profit	Amount
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	(-)2.15%	(455.38)
Sub total				
Intercompany eliminations / adjustments	(-)67.84%	(378950.97)	(-)19.25%	(4070.21)
Total	100.00%	558571.21	100.00%	21149.87

Note: Investment in Megnasolace City Private Limited ('Megnasolace'), an associate of Inox Infrastructure Limited 'IIL' is accounted as per equity method.

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

3. Significant accounting Policies

a) Revenue recognition

Chemicals business: Revenue from sale is when the significant risks and rewards of ownership of the goods have passed to the customers, which is generally at the point of dispatch of goods. Gross sales include excise duty but are exclusive of sales tax. Income from sale of Renewable Energy Certificate (REC) is recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer.

Power business: Revenue from generation and sale of electricity is recognised on the basis of actual power sold (net of reactive energy consumed) in accordance with the terms of the power purchase agreements entered with the respective customers and when no significant uncertainty exists regarding the amount of consideration that will be derived.

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

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

Other income: Interest on deposits, loans and interest bearing securities is recognised on a time proportion basis, except in cases where interest is doubtful of recovery. Dividend income is recognised when the unconditional right to receive the dividend is established. Insurance claims are recognised to the extent there is a reasonable certainty of the realisability of the claim amount.

b) Fixed assets and Intangible assets

Fixed assets and intangible assets, other than revalued assets, are stated at historical cost, less accumulated depreciation/amortisation and impairment, except freehold land which is carried at cost. Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization. Revalued assets are stated at revalued amounts less accumulated depreciation. The cost of leasehold land comprises of lease premium and expenses on acquisition thereof as reduced by accumulated depreciation. Cost comprises of purchase price / cost of construction, including non-refundable taxes and levies, and any expenses attributable to bring the assets to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period of multiplexes are capitalized to various eligible assets in respective multiplexes. Borrowing costs directly attributable to acquisition or construction of qualifying fixed assets are capitalised. In respect of accounting period commencing on or after 1st April 2011, consequent to the insertion of para 46 of AS 11, 'The Effects of Changes in Foreign Exchange Rates', the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items.

c) Depreciation and amortization

- i) On tangible fixed assets: Cost of leasehold land is amortised over the period of the lease. Depreciation on other fixed assets, excluding freehold land, is provided on straight line method at the rates and in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on leasehold improvements, electrical installations & air 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

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.

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

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.

l) Accounting for hedges and derivatives-Continued

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.

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) 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.

o) 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.

p) 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'.

q) 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.

r) Use of estimates

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

4 SHARE CAPITAL

Authorised capital

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

Total

As at 31st March, 2016	As at 31st March, 2015
1,100.00	1,100.00
1,500.00	1,500.00
2,600.00	2,600.00
999.35	1061.85
999.35	1,061.85

4.1 Issued, Subscribed and fully paid up capital

99,93,467 Equity Shares of Rs.10/- each
(Previous year 10,618,467 Equity Shares of Rs.10/- each)

Total

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

At the beginning of the year
Less: Shares acquired and cancelled under Open Offer for Buyback of shares
At the end of the year
(see note no. 33)

2015-16		2014-15	
Nos	Amount	Nos	Amount
10618467	106184670	10618467	106184670
625000	6250000	—	—
9993467	99934670	10618467	106184670

4.3 Terms/rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any.

During the financial year company has paid an interim dividend of Rs. 39.50 p. per equity share (previous year Rs. 10/- per equity share). Further, dividend of Rs.NIL per equity share (previous year Rs. 9/- per equity share) is proposed to be distributed to the equity shareholders. The total distribution of dividend to the equity shareholders is Rs.39.50p per equity share (previous year Rs. 19/- per equity share).

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

	As at 31st March, 2016		As at 31st March, 2015	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	1,132,219	11.33	1,279,878	12.05
Mr. Vivek Kumar Jain	1,321,791	13.23	1,379,505	12.99
Mr. Devansh Jain	2,303,218	23.05	2,303,218	21.69
Mrs. Nayantara Jain	1,080,032	10.81	1,172,832	11.05
Mrs. Nandita Jain	1,031,644	10.32	1,031,644	9.72
Mr. Siddharth Jain	2,342,586	23.44	2,666,113	25.11

Note: Change in holding is due to shares submitted under Open Offer for Buyback of shares and change in percentage holding is due to reduction of paid up capital.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

5 Reserves and surplus

Capital Reserves	
As per last Balance Sheet	6,653.58
On account of change in Minority Interest	—
	6,653.58
Reconstruction Reserve	
As per last Balance Sheet	639.52
Capital Redemption Reserve	
As per last Balance Sheet	1,459.30
Add: Nominal value of shares bought back	62.50
	1,521.80
Securities Premium Account	
As per last Balance Sheet	23,955.44
Premium received during the year (net of IPO expenses)	—
Add: Addition on Amalgamation	621.23
On account of change in Minority Interest	—
Adjustment on account grant of stock options to employees in subsidiaries	—
	24,576.67
Revaluation Reserve	
As per last Balance Sheet	2,926.11
On account of change in Minority Interest	—
Less: On account of asset scrapped during the year	(13.07)
	2,913.04
Amalgamation Reserve	
As per last Balance Sheet	154.55
On account of change in Minority Interest	—
Less: Deduction on account of Amalgamation	(78.79)
	75.76
Statutory Reserve Fund	
As per last Balance Sheet	4,771.00
Transfer from the Statement of Profit and Loss	910.00
	5,681.00
Consolidation Reserve	
As per last Balance Sheet	24,555.76
General Reserve	
As per last Balance Sheet	153,097.84
On account of change in Minority Interest	—
Add: Addition on Amalgamation	26.54
Less: Deduction on account of Amalgamation	(893.19)
Adjustment on account of carrying amount of fixed assets as at 1st April 2014, net of deferred tax (see note no. 35)	—
Less: Transferred on buyback of shares	(843.75)
Transfer from the Statement of Profit and Loss	3,607.40
	154,994.84
Other Reserves	
Reserve on sale of treasury shares	
As per last Balance Sheet	3,765.71
Movements during the year	—
Less: Deduction on account of Amalgamation	(3,765.71)
	—

As at 31st March, 2016	As at 31st March, 2015
6,653.58	6,655.46
—	(1.88)
6,653.58	6,653.58
639.52	639.52
1,459.30	1,459.30
62.50	—
1,521.80	1,459.30
23,955.44	3,898.94
—	21,464.07
621.23	—
—	(1,399.82)
—	(7.75)
24,576.67	23,955.44
2,926.11	2,925.74
—	0.37
(13.07)	—
2,913.04	2,926.11
154.55	195.33
—	(40.78)
(78.79)	—
75.76	154.55
4,771.00	4,286.00
910.00	485.00
5,681.00	4,771.00
24,555.76	24,555.76
153,097.84	135,941.91
—	(293.36)
26.54	—
(893.19)	—
—	(298.19)
(843.75)	—
3,607.40	17,747.48
154,994.84	153,097.84
3,765.71	(279.04)
—	4,044.75
(3,765.71)	—
—	3,765.71



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
Hedging Reserve		
As per last Balance Sheet	(655.71)	(275.56)
Movements during the year	(38.88)	(380.15)
	(694.59)	(655.71)
Foreign currency translation reserve		
As per last Balance Sheet	1,023.88	1,415.08
Movements during the year	(154.82)	(391.20)
	869.06	1,023.88
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	10,745.75	4,744.57
Profit for the year	21,149.87	31,121.21
On account of change in Minority Interest	—	(2,262.63)
Less: On account of Amalgamation	(197.80)	—
	31,697.82	33,603.15
Less : Appropriations		
General Reserve	3,607.40	17,747.48
Statutory Reserve	910.00	485.00
Interim Dividend	5,834.63	1,061.85
Proposed Dividend	—	2,780.37
Tax on Dividend	782.70	782.70
Tax on buyback of shares	194.67	—
	20,368.42	10,745.75
Sub-total	242,154.86	422,437.84
Group Share in Joint Ventures	(31.20)	(10.39)
Total	242,123.66	233,082.34
6 Long-term borrowings		
Term Loans		
Secured Loans		
From Banks		
- Rupee Loans	21,924.81	27,225.12
- Foreign Currency Loans	76,815.58	79,131.98
Sub Total	98,740.39	106,357.10
From Other Parties		
- Rupee Loans	26,542.00	28,168.12
Total	125,282.39	134,525.22
Less: Current maturities of Long-term borrowings (disclosed under note no. 11: Other current liabilities)	19,031.78	20,942.90
	106,250.61	113,582.32
6.1 For nature of securities and terms of repayment please refer to note no. 37		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
7 Other long-term liabilities		
Security deposits	399.17	558.42
Retention money	76.20	45.70
Income received in advance	3,071.83	2,627.33
Creditors for capital expenditure	—	257.56
Statutory dues and taxes payable	1.17	1.96
For leasehold land	38.17	50.89
Total	3,586.54	3,541.86
8 Long-term provisions		
Provision for employee benefits (see note no. 55)		
- for Gratuity	1,673.76	1,284.52
- for Leave benefits	782.77	527.54
Total	2,456.53	1,812.06
9 Short-term borrowings		
9.1 (i) Secured Loans		
From Banks		
- Cash Credit/Overdraft	7,669.02	3,208.14
- Short Term Working Capital Demand Loans	2,000.00	12,116.78
- Rupee Loans	10,000.00	6,000.00
- Foreign Currency Loans	103,049.15	52,833.17
Sub Total	122,718.17	74,158.09
From Other Parties		
- Short Term Working Capital Demand Loans	—	5,000.00
9.2 (ii) Unsecured Loans		
From Banks		
- Rupee Loan	—	4,900.00
- Foreign Currency Loans	18,239.14	20,075.69
Sub Total	18,239.14	24,975.69
From Other Parties		
- Commercial papers	32,168.35	15,814.84
- Inter-corporate deposit	—	59.85
	32,168.35	15,874.69
Sub Total	173,125.66	120,008.47
Group Share in Joint Ventures	2,248.92	2,008.72
Total	175,374.58	122,017.19
9.3 For nature of securities and terms of repayment please refer to note no. 37		
10 Trade payables		
Trade payables		
- dues to Micro and Small Enterprises (see note no. 54)	551.51	4.18
- dues to others	133,053.22	85,461.25
Group Share in Joint Ventures	1,284.51	983.35
Total	134,337.73	86,444.60



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
11 Other current liabilities		
Current maturities of long-term debt (from note no. 6)	19,031.78	20,942.90
Interest accrued but not due on borrowings	2,032.50	2,140.54
Interest accrued and due on borrowings	72.75	227.07
Creditors for capital expenditure	8,346.36	7,600.95
Derivative financial liabilities	1,586.70	1,522.09
Security deposits	675.25	550.80
Income received in advance	4,690.17	2,408.82
Advances from customers	2,542.79	12,043.84
Unclaimed dividends (see note below)	431.41	288.19
Retention money	310.25	264.97
Statutory dues and taxes payable	7,653.65	3,402.16
Payable towards purchase of shares of subsidiaries	1,732.70	425.22
Dues to employees	3,007.74	2,690.80
Expense payables	2,164.22	1,922.36
Other Payables	2,082.82	1,810.51
	56,361.09	58,241.21
Group Share in Joint Ventures	555.15	1,130.95
Total	56,916.24	59,272.16
<p>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.</p>		
12 Short-term provisions		
(a) Provision for employee benefits (see note no. 55)		
- for Gratuity	326.01	314.74
- for Leave benefits	643.63	488.07
	969.64	802.81
(b) Other provisions		
- for Municipal tax - (see note no 49a)	235.80	183.00
- for Service tax - (see note no 49c)	1,042.44	1,042.44
- for MVAT / sales tax- (see note no 49b)	30.43	69.81
- for IPO Expenses	—	3,178.54
- for taxation (net of taxes paid)	4,430.20	2,164.23
- for Proposed Dividend	—	2,780.38
- for Tax on Proposed Dividend	—	782.70
	6,708.51	11,003.91
Group Share in Joint Ventures	51.04	51.04
Total	6,759.55	11,054.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

13 TANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block								Depreciation/Amortization						Net Block		
	As at 01.04.2015	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	As at 31.03.2016	As at 01.04.2015	Translation Difference	Acquisition (see note below)	Adjustment	For the year	Deductions	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
(a) Tangible Assets																	
Land																	
- Freehold Land	3774.35	5.69	0	661.72	0	0	0	4441.76			0		0		4441.76	3774.35	
- Leasehold Land	5847.69	0	0	3286.55	0	0	0	9134.24	435.82		0	0	175.59	0	611.41	8522.83	5411.87
Buildings	46621.76	46.72	0	11497.07	0	0	267.11	58432.66	7330.39	4.37	0		1766.23	0	9100.99	49331.67	39291.37
Lease hold improvements	28249.61	3.38	0	2425.59	349.19	0	22.02	30351.41	11299.01	0.72	0		2066.34	227.53	13138.54	17212.87	16950.6
Plant and Equipments	405244.92	39.71	8.37	66286.68	269.41	3740.73	511.8	475562.8	85561.71	20.23	0.24		23922.04	171.41	109332.81	366229.99	319683.21
Furniture and Fixtures	11281.88	1.67	0	1746.05	358.47	0	10.94	12682.07	5709.61	1	0		1476.03	249.2	6937.44	5744.63	5572.27
Vehicles	852.29	1.99	0	125.81	116.44	0	0	863.65	549.02	1.04	0		97.56	105.93	541.69	321.96	303.27
Office Equipment	9059.21	1.23		1326.78	216.81	18.18	0	10188.59	5171.01	0.72	0		1244.56	209.02	6207.27	3981.32	3888.2
Total (a)	510931.71	100.39	8.37	87356.25	1310.32	3758.91	811.87	601657.18	116056.57	28.08	0.24	0	30748.35	963.09	145870.15	455787.03	394875.14
Share in Joint Venture	3670.87	0	0	0.01	0	0	0	3670.88	1839	-61.19	0		334.83	0	2112.64	1558.24	1831.87
Grand Total (a + b)	514602.58	100.39	8.37	87356.26	1310.32	3758.91	811.87	605328.06	117895.57	-33.11	0.24	0	31083.18	963.09	147982.79	457345.27	396707.01
Previous year	449627.63	20.70	7314.72	59419.38	4793.13	2639.37	373.90	514602.58	89267.12	-19.54	2220.85	1214.95	27244.81	2032.61	117895.58		

14 INTANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block								Depreciation/Amortization						Net Block		
	As at 01.04.2015	Translation Difference	Acquisition (see note below)	Additions	Deductions	Exchange differences	Borrowing Costs	As at 31.03.2016	As at 01.04.2015	Translation Difference	Acquisition (see note below)	Adjustment	For the year	Deductions	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Technical Know How	10383.16	0.00	0.00	1335.98	0.00	0.00	0.00	11719.14	2906.99	0.00	0.00	0.00	1089.58	0.00	3996.57	7722.57	7476.17
Software	1477.72	0.42	0.00	1098.16	28.15	0.00	0.00	2548.15	1068.20	0.13	0.00	0.00	135.82	28.13	1176.02	1372.13	409.52
Film Distribution Rights & Prints Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mining Rights	1192.74	109.32	0.00	0.00	0.00	0.00	0.00	1302.06	216.40	20.50	0.00	0.00	87.94	0.00	324.84	977.22	976.34
Negative rights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product Development	734.20	0.00	0.00	0.00	0.00	0.00	0.00	734.20	38.39	0.00	0.00	0.00	173.96	0.00	212.35	521.85	695.81
Goodwill	0.00	0.00	0.00	1750.00	0.00	0.00	0.00	1750.00	0.00	0.00	0.00	0.00	127.54	0.00	127.54	1622.46	0.00
Movie Production	155.50	0.00	0.00	0.00	0.00	0.00	0.00	155.50	101.07	0.00	0.00	0.00	32.41	0.00	133.48	22.02	54.43
Total (b)	13943.32	109.74	0.00	4184.14	28.15	0.00	0.00	18209.05	4331.05	20.63	0.00	0.00	1647.25	28.13	5970.80	12238.25	9612.27
Share in Joint Venture	555.69	0.00	0.00	0.00	0.00	0.00	0.00	555.69	271.11	(3.97)	0.00	0.00	27.99	0.00	295.13	260.56	284.58
Grand Total (a + b)	14499.01	109.74	0.00	4184.14	28.15	0.00	0.00	18764.74	4602.16	16.66	0.00	0.00	1675.24	28.13	6265.93	12498.81	9896.85
Previous year	10112.83	(202.38)	118.94	4469.61	0.00			14499.01	3302.07	19.33	0.00	32.63	1248.13	0.00	4602.16		





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

	Face Value Rs.	Nos. As at 31st March, 2016	Nos. As at 31st March, 2015	As at 31st March, 2016 Amount (Rs. in Lacs)	As at 31st March, 2015 Amount (Rs. in Lacs)
15 NON CURRENT INVESTMENTS (Long term, non-trade, at cost, unless otherwise stated)					
[I] INVESTMENTS IN SECURITIES					
A] UNQUOTED					
i) Investment in Equity instrument In Associate companies					
Megnasolace City Private Limited - Equity shares of Rs.10/- each	10	5000000	5000000	3201.88	3201.47
- paid up Rs. 1.60 per share (previous year Rs. 1.60 per share)					
In Other companies					
Kaleidoscope Entertainment Private Limited	1	562500	562500	60.75	60.75
Ideas & U Limited	10	500000	500000	50.00	50.00
				3312.63	3312.22
				110.75	110.75
				3201.88	3201.47
Less: Provision for diminution in value of Investment					
ii) Investment in Government or Trust Securities					
National Saving Certificate (Held in the name of Directors & pledged with Government Authorities)				118.23	110.31
Less : Current portion of Long Term Investments (Disclosed under note no. 18 : Current Investments)				7.50	39.48
				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 Arbitrage Fund-Regular -Dividend	10	7237596	0	999.59	0.00
Kotak Equity Arbitrage-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
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
Birla Sunlife FTP Series KG-Growth	10	2263469	2263469	226.35	226.35
UTI FTIF Series XVII-XIII (369D)-Growth	10	2181540	2181540	218.15	218.15
Birla Sunlife FTP Series HQ-Growth	10	0	1,000,000	0	100.00
Birla Sunlife FTP Series HS-Growth	10	0	1,211,029	0	121.10
DSP BR FMP Series 105-12M-Growth	10	0	1,997,894	0	199.79
IDFC FTP Series-24 366D-Growth	10	0	2,193,729	0	219.37
TATA FMP Series 43 Plan A-Growth (Disclosed under note no. 18 : Current Investments)	10	0	2,000,000	0	200.00
				23069.09	8909.78



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

	Face Value Rs.	Nos. As at 31st March, 2016	Nos. As at 31st March, 2015	As at 31st March, 2016		As at 31st March, 2015	
				Amount (Rs. in Lacs)		Amount (Rs. in Lacs)	
15 NON CURRENT INVESTMENTS (Cond.....)							
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 (Disclosed under note no. 18 : Current Investments)				1136.33		1266.38	
v) Investment in Bonds							
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	250	250.00		250.00	
HUDCO 8.14% Tax Free Bond	1,000	20,000	20,000	200.00		200.00	
IIFCL 8.01% Tax Free Bonds	1,000,200	20	20	200.04		200.04	
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	250	250.00		250.00	
NHAI 8.27% Tax Free Bonds	1,000	20,000	20,000	200.00		200.00	
NHAI 7.14% Tax Free Bonds	1,000	14,285	—	142.85		-	
PFC 8.20% Tax Free Bonds	1,000	8,544	8,544	85.44		85.44	
REC 7.93% Tax Free Bond	1,000	12,248	12,248	122.48		122.48	
PFC 7.19% Tax Free Bonds	1,000	10,000	10,000	100.00		100.00	
REC 8.01% Tax Free Bond 2013	1,000	30,000	30,000	300.00		300.00	
Total Unquoted Investments							
					1,850.81		1,707.96
					28232.51		13890.04
B] QUOTED							
Investment in Equity instrument							
Tata Global Beverages Limited (persuant to merger of Mount Everest Mineral Water Ltd)	10	1630944	—	2,489.33		—	
Mount Everest Mineral Water Ltd.	10	—	2,174,592	—		2489.33	
Damania Capital Market Limited	10	124,200	124,200	37.26		37.26	
Eastern Mining Limited	10	10,300	10,300	3.30		3.30	
Konar Organics Limited	10	41,100	41,100	4.11		4.11	
Rajinder Pipes Limited	10	8,300	8,300	3.32		3.32	
Unified Agro Industries (India) Limited	10	1,800	1,800	0.45		0.45	
W S Telesystem Limited	10	8,300	8,300	3.32		3.32	
Orient Fabritex Limited	10	140,000	140,000	14.00		14.00	
BOC India Limited	10	200	200	0.21		0.21	
Ahmedabad Gases Limited	10	200	200	0.02		0.02	
Bombay Oxygen Corpn. Limited	100	5	5	0.06		0.06	
Less: Provision for diminution in value of Investment							
Total Quoted Investment					2555.38		2555.38
Total Investments					60.99		60.99
Aggregate amount of quoted investments					2494.39		2494.39
Market value of quoted investments					30726.90		16384.43
Aggregate amount of unquoted investments					2555.38		2555.38
Aggregate provision for diminution in value of investments					2082.72		2392.05
					27636.28		13598.69
					171.74		171.74

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

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 01.04.15	Additions	As at 31.03.16	As at 01.04.15	For the year	As at 31.03.16	As at 31.03.16	As at 31.03.15
Leasehold Land	373.43	—	373.43	1.54	0.37	1.92	371.52	371.89
Building	852.62	5.98	858.60	105.47	33.84	139.31	719.29	747.15
Total	1,226.05	5.98	1,232.03	107.01	34.21	141.23	1,090.81	1,119.04
Previous Year	1,226.05	—	1,226.05	71.59	35.42	107.01		

Total Non Current Investments (I+II)

31817.71 **17503.47**



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

	As at 31st March, 2016	Amount Rs. in Lacs As at 31st March, 2015
16 Long-term loans and advances (Unsecured, considered good, unless otherwise stated)		
Capital advances	11,549.34	5,749.74
Security deposits		
— Considered good	12,554.43	11,738.99
— Considered doubtful	311.88	311.88
	<u>12,866.31</u>	<u>12,050.87</u>
Less: Provision for doubtful deposits	311.88	311.88
	<u>12,554.43</u>	<u>11,738.99</u>
Advances recoverable in cash or in kind		
— Considered good	1,245.52	795.08
— Considered Doubtful	84.77	—
	<u>1,330.29</u>	<u>795.08</u>
Less: Provision for doubtful advances	84.77	—
	<u>1,245.52</u>	<u>795.08</u>
Inter corporate deposits	1,500.00	1,500.00
Prepaid expenses	129.05	24.50
Loans to employees	0.27	1.51
Electricity charges refund claimed	389.83	389.83
Balances in Excise, Service Tax and VAT Accounts	224.74	95.71
Entertainment tax refund claimed	3,335.01	2,998.37
Income tax paid (net of provisions)	13,001.15	10,990.57
MAT credit entitlement	20,686.71	21,365.71
	<u>64,616.05</u>	<u>54,082.50</u>
Group Share in Joint Ventures	16.35	16.35
Total	<u>64,632.40</u>	<u>55,666.36</u>
17 Other non-current assets		
Non-current bank balances (from note no. 21)	1,473.47	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
MAT credit entitlement	52.13	137.78
	<u>2,697.58</u>	<u>1,000.92</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

	Face Value Rs.	Nos. As at 31st March, 2016	Nos. As at 31st March, 2015	As at 31st March, 2016 Amount (Rs. in Lacs)	As at 31st March, 2015 Amount (Rs. in Lacs)
18 CURRENT INVESTMENTS (Non-trade, at cost, unless otherwise stated)					
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
ii) Investment in Government or Trust Securities					
National Saving Certificate (Held in the name of Directors & pledged with Government Authorities)				7.50	39.48
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
Taurus Liquid Fund -Growth Plan	1000	15320	39945	250.00	0.00
HDFC Liquid Fund-Growth	1000	8414	0	250.00	0.00
Birla Sun Life Cash Plus-Growth-Regular Plan	10	414681	0	1001.00	601.89
IDFC Arbitrage Fund Dividend -(Direct Plan)	10	24946339	0	3221.67	0.00
Relinace 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
BSL INT Income Fund Annual Plan IX-Growth	10	2248303	2248303	224.83	224.83
Birla Sunlife FTP Series HQ-Growth	10	1000000	0	100.00	0.00
Birla Sunlife FTP Series HS-Growth	10	1211029	0	121.10	0.00
DSP BR Short Term Fund -Growth	10	1014223	1014223	240.60	240.60
DSP BR FMP Series 105-12M-Growth	10	1997894	0	199.79	0.00
DSP BR Income Oppurtunities Fund-Growth	10	1447860	1447860	274.59	274.59
Franklin Templeton India Short Term Income Plan-Growth	1,000	28142	28142	741.40	741.40
IDFC FTP Series-24 366D-Growth	10	2193729	0	219.37	0.00
ICICI PRU Short Term Plan Growth	10	0	648497	0.00	183.32
ICICI PRU INT Fund Annual INT Plan 1-Growth	10	2768899	2768899	327.09	327.09
ICICI PRU Regular Savings Fund Growth	10	1437224	1437224	210.00	210.00
IDFC YS Interval Fund Series III-Growth	10	0	2002192	0.00	200.22
TATA FMP Series 43 Plan A-Growth	10	2000000	0	200.00	0.00
TATA FMP Series 47 Scheme E(371D) Growth	10	0	2207540	0.00	220.75
TATA Short Term Bond Fund-Growth	10	734846	462941	200.00	120.06
UTI Short Term Income Fund Growth	10	1431343	1431343	239.48	239.48
				11331.26	3944.91
Group Share in Joint Venture				45.00	0.00
Total current investments				12520.09	5250.77
Aggregate amount of unquoted current investments				11376.26	3944.91

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015**

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
19 Inventories		
(For basis of valuation see note no. 3(f))		
Raw materials	23,759.69	16,634.46
Work-in-progress	28,525.26	34,632.59
Finished goods	20,642.82	23,752.22
Stock-in-trade	128.90	107.04
Stores and spares	5,813.03	5,140.64
Others		
— Fuel	1,649.49	1,220.89
— Packing Material	381.65	329.03
— By products	379.70	375.12
— Food and Beverages	422.09	503.63
— Construction Materials	10,140.53	3,781.96
	<u>12,973.46</u>	<u>6,210.63</u>
Sub-total	91,843.16	86,477.58
Group Share in Joint Ventures	381.32	562.30
Total	92,224.48	87,039.88
20 Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	29,509.97	12,794.88
Others	259,460.31	172,044.83
	<u>288,970.28</u>	<u>184,839.71</u>
Considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	1,099.42	100.74
	<u>290,069.70</u>	<u>184,940.45</u>
Less: Provision for doubtful Trade receivables	(1,099.42)	(100.74)
	<u>288,970.28</u>	<u>184,839.71</u>
Group Share in Joint Ventures	1,074.79	1,516.79
Total	290,045.07	186,356.50
21 Cash and bank balances		
21.1 Cash & cash equivalents		
Balances with banks in current accounts	12,401.48	5,866.52
Cheques on hand	14.15	29.72
In liquid funds of mutual funds	150.00	1,437.61
Bank deposits with original maturity for less than 3 months	112.24	156.47
Public Issue accounts (see note below)	—	101,988.45
Cash in hand	269.71	226.01
Group Share in Joint Ventures	690.93	218.53
Total cash and cash equivalents	13,638.51	109,923.31



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
21.2 Other Bank Balances		
— In unpaid dividend accounts	431.41	288.19
— Deposit with original maturity for more than 3 months but less than 12 months	43,758.00	3,829.85
— Bank deposits with original maturity of more than 12 months	1,866.20	963.20
	<u>46,055.61</u>	<u>5,081.24</u>
Less: Amount disclosed under note no. 17 - Other non-current assets	1,473.47	652.91
	<u>44,582.14</u>	<u>4,428.33</u>
Sub-total	58,220.65	114,351.64
Group Share in Joint Ventures	3.48	5.28
Total	58,224.13	<u>114,356.92</u>
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	1,778.94	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.	20,411.00	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
22 Short-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Advance to suppliers		
— Considered good	9,412.32	7,339.26
— Considered doubtful	68.10	20.05
	<u>9,480.42</u>	<u>7,359.31</u>
Less: Provision for doubtful advances	68.10	20.05
	<u>9,412.32</u>	<u>7,339.26</u>
Others		
Prepaid expenses	1,765.35	1,605.15
Advances recoverable in cash or in kind	617.66	489.63
Other receivables	63.41	90.84
Security deposits	1,647.45	2,272.82
Advance Income tax (net of provisions)	2.43	28.79
Inter-corporate deposits (see note no. 50)	2,286.95	1,436.95
Electricity duty and Custom duty refund claimed	3,191.07	—
Balances in Excise, Service Tax and VAT accounts	<u>2,322.71</u>	<u>1,663.56</u>
	<u>21,309.35</u>	<u>14,927.00</u>
Group Share in Joint Ventures	<u>500.51</u>	<u>496.99</u>
Total	<u>21,809.86</u>	<u>15,423.99</u>
23 Other current assets		
Assets held for disposal	116.15	131.14
Insurance claims lodged	1,335.04	755.57
Unbilled revenue	415.07	—
Un amortised premium on forward contract	1,139.40	448.04
Interest accrued	2,003.16	355.73
WCT receivable	—	14.09
	<u>5,008.82</u>	<u>1,704.57</u>
Group Share in Joint Ventures	<u>0.01</u>	<u>0.01</u>
Total	<u>5,008.83</u>	<u>1,704.58</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
24 Revenue from operations		
Sale of products	562,407.47	431,141.31
Sale of services	155,684.65	99,833.48
Other operating revenues	<u>7,447.75</u>	<u>6,365.62</u>
	725,539.87	537,340.41
Less:		
Excise duty	<u>10,082.03</u>	<u>9,069.40</u>
	715,457.84	528,271.01
Dividend Income		
on long term investments		
from others	0.16	0.16
on current investments	14.43	—
Interest income		
on inter corporate deposits	165.45	18.99
on bank deposits	100.45	63.92
on tax free bonds	136.99	134.70
others	4.00	—
Group Share in Joint Ventures	4,537.85	5,853.67
Total	<u>720,417.17</u>	<u>534,342.45</u>
25 Other income		
Interest income		
— on bank deposits	3,334.65	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
	<u>3,749.55</u>	<u>714.53</u>
Dividend income		
— on long term investments	632.18	—
— on current investments	42.64	24.96
	<u>674.82</u>	<u>24.96</u>
Profit on sale of investments (net)		
— on long term investments [net of reversal of provision for diminution of Rs. Nil (previous year Rs. 2545.97)]	25.05	1,837.50
— on current investments	1,399.35	1,313.67
	<u>1,424.40</u>	<u>3,151.17</u>
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)	12.55	—
Rental income from operating leases	568.00	662.99
Bad debts recovered	18.00	8.43
Miscellaneous income	139.89	135.29
	<u>8,780.35</u>	<u>5,299.10</u>
Group Share in Joint Ventures	28.29	46.52
Total	<u>8,808.64</u>	<u>5,345.62</u>
26 Cost of materials consumed		
Raw materials consumed	306,632.18	224,378.49
Packing materials consumed	5,277.99	6,186.30
Cost of food and beverages	6,610.68	4,954.91
	<u>318,520.85</u>	<u>235,519.70</u>
Group Share in Joint Ventures	4,223.78	5,741.97
Total	<u>322,744.63</u>	<u>241,261.67</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
27 Purchases of stock-in-trade		
Purchases of stock-in-trade	223.94	171.18
	<u>223.94</u>	<u>171.18</u>
28 Changes in inventories of finished goods, work-in-progress and stock-in-trade & by-products		
Opening stock		
Finished goods	23,752.22	17,206.39
Stock-in-trade	107.04	148.83
Material-in-process	8,678.12	6,202.73
Erection and commissioning work-in-progress	25,954.47	11,751.07
By-products	375.12	367.37
	<u>58,866.97</u>	<u>35,676.39</u>
Add: On account of subsidiaries acquired during the year	293.40	—
	<u>59,160.37</u>	<u>35,676.39</u>
Less : Closing stock		
Finished goods	20,642.82	23,752.22
Stock-in-trade	128.90	107.04
Material-in-process	5,965.23	8,678.12
Erection and commissioning work-in-progress	22,560.03	25,954.47
By-products	379.70	375.12
	<u>49,676.68</u>	<u>58,866.97</u>
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	<u>9570.49</u>	<u>(23,183.40)</u>
29 Employee benefits expense		
Salaries and wages	24,786.95	19,981.97
Contribution to provident and other funds	1,190.30	1,040.67
Expense on ESOP (net)	—	1.36
Gratuity	547.47	533.19
Staff welfare expenses	1,430.66	978.40
	<u>27,955.38</u>	<u>22,535.59</u>
Group Share in Joint Ventures	58.04	72.04
Total	<u>28,013.42</u>	<u>22,607.63</u>
30 Finance costs		
Interest expenses	17,578.39	19,931.31
Interest on Income tax	517.98	363.09
Interest on deferred credit	68.10	182.54
Other borrowing costs	2,315.59	1,356.80
Loss on foreign currency transactions and translation	4,443.14	1,400.69
	<u>24,923.20</u>	<u>23,343.01</u>
Less: Capitalized	1,803.82	1,743.29
	<u>23,119.38</u>	<u>21,599.72</u>
Group Share in Joint Ventures	108.47	168.72
Total	<u>23,227.85</u>	<u>21,768.44</u>
31 Depreciation and amortization expense		
Depreciation and amortization of tangible assets	30,748.35	26,932.22
Amortization of intangible assets	1,647.25	1,185.35
Depreciation on investment property	33.84	35.05
Amortization of investment property	0.37	0.37
	<u>32,429.81</u>	<u>28,152.99</u>
Group Share in Joint Ventures	362.82	375.35
Total	<u>32,792.63</u>	<u>28,528.34</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Amount Rs. in Lacs

	As at 31st March, 2016	As at 31st March, 2015
32 Other expenses		
Stores and spares consumed	5,575.53	5,469.78
Power and fuel	41,334.55	41,874.41
Entertainment tax	17,380.94	12,145.12
EPC, O & M, Common Infrastructure Facility and Site Development Expenses	54,450.63	37,289.30
Exhibition cost	32,529.99	24,932.44
Freight and octroi	16,405.80	10,645.94
Insurance	1,102.84	915.86
Excise duty, custom duty and sales tax	415.30	977.52
Production labour charges	1,809.49	1,635.54
Processing charges	12,946.85	5,593.76
Outsourced personnel cost	3,599.45	2,616.23
Property rent and conducting fees	15,855.57	13,426.91
Common facility charges	4,850.91	4,151.29
Factory expenses	559.42	737.76
Repairs to		
— Buildings	834.84	488.16
— Plant and Equipments	5,237.23	3,660.93
— Others	1,170.62	796.03
	<u>7,242.69</u>	<u>4,945.12</u>
Directors' sitting fees	46.80	42.40
Commission to directors	169.25	148.39
Rent	284.95	423.76
Rates and taxes	1,994.00	1,482.93
Service tax	3,825.05	3,049.90
Travelling and conveyance	3,136.54	2,807.71
Communication expenses	581.61	509.69
Legal and professional fees and expenses	4,259.63	3,220.51
Lease rentals and hire charges	899.30	727.07
Loss on retirement /disposal of fixed assets (net)	183.76	15.55
Net loss on foreign currency transactions and translation	1,067.83	(3,468.99)
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	1,004.19	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	1,222.09
Royalty	1,430.01	2,328.02
Corporate Social Responsibility (CSR) expenditure (see note no. 57)	387.00	45.31
Miscellaneous expenses	10,543.21	8,871.35
	<u>247,719.18</u>	<u>189,538.25</u>
Group Share in Joint Ventures	271.60	302.43
Total	<u>247,990.78</u>	<u>189,840.68</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

33. Buy back of shares

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

34. 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 Rs. 10 each, comprising of 2,19,18,226 fresh issue of equity shares by IWL and 1,00,00,000 equity shares offered for sale by the Company. The equity shares were issued at a price of Rs. 325 per share (including premium of Rs. 315 per share) subject to discount of Rs. 15 per share to the eligible employees of IWL and retail investors. The total proceeds from the IPO were Rs. 102,053.45 Lakh. The total expenses in connection with the IPO were shared between IWL and Company. After considering consolidation effect: (a) the gain of Rs. 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.

35. 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 Rs. 164.62 Lakh in respect of MSEIL is written off during the year.

36. 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 Rs. 567.54 Lakh (net of deferred tax credit and effect of minority interest), was recognized in the opening balance of retained earnings.

37. 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 Rs. Nil (previous year Rs. 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 of USD 25 million was hedged at the rate of 11.26% p.a.

Foreign currency term loan in form of ECB of Rs. 9738.46 Lakh (previous year Rs. 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 Rs. 9738.46 Lakh (previous year Rs. 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 Rs.7638.00 Lakh (previous year Rs. 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

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

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 Rs. Nil (previous year Rs. 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 Rs. Nil (previous year Rs. 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 Rs. Nil (previous year Rs. 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 Rs. 2572.16 Lakh (previous year Rs. 7618.16 Lakh with ING Vysya bank Ltd, 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 Rs. Nil (Previous year Rs. 4900.00 Lakh) carried interest @ 9.35% pa was repayable in 29 days.

Foreign currency working capital loan from BNP Paribas in form of PCFC of Rs. 8889.37 Lakh (Previous year Rs. 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% pa and is repayable in 180 days.

Unsecured foreign currency working capital loan from Citibank N.A. in form of FCNR of Rs. Nil (previous year Rs. 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 Rs. 975.40 Lakh (previous year Rs. 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 Rs. 5802.19 Lakh (Previous year Rs. 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 Rs. 2490.01 Lakh (previous year Rs. 10893.49 Lakh), net of unamortised interest of Rs. 9.99 Lakh (previous year Rs. 106.51 Lakh) is repayable in 60 days. Discount on commercial paper is @ 8.70% p.a. Maximum balance during the year is Rs. 11000 Lakh (previous year Rs.13500 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) Rs. 27859.82 Lakh (previous year Rs. 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) Rs.10925.42 Lakh (previous year Rs.11784.80 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

- 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 Rs. 1794.48 Lakh (previous year Rs. 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 Rs. 12482.25 Lakh (previous year Rs. 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 Rs. 4186.50 Lakh (previous year Rs. 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 Rs. 10000.00 Lakh (previous year Rs. 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 Rs. 22261.50 Lakh (previous year Rs. 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):

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016****(a) Secured Loans:**

Foreign Currency Term Loan amounting to Rs. 5333.33 Lakh (previous year Rs. 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 Rs. 1500.00 Lakh (previous year Rs. 2125.00 Lakh) carries interest @ 11.30% p.a. and is repayable in 20 quarterly instalments starting from 30th September 2014. Term loan of Rs. Nil (previous year Rs. 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.

Term Loan amounting to Rs. 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 Rs. 1,500.74 Lakh (previous year Rs. 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 Rs. 101548.41 Lakh (Previous year Rs. 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%.

WC DL of Rs. 2000.00 Lakh (previous year Rs. Nil) carries interest @ 9.10% p.a. and is secured by first pari-passu charge on the current assets of the Company.

WC DL of Rs. Nil (previous year Rs. 2000.00 Lakh) carried interest rate in the range of 11.75% - 12% p.a. and WC DL of Rs. Nil (previous year Rs. 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 Rs. 5156.37 Lakh (previous year Rs. 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 Rs. Nil (previous year Rs. 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 Rs. 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 - Rs. 39295.32 Lakh (previous year Rs. 4921.35 Lakh).

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

(a) Secured loans:

- a) Term loans from Axis Bank amounting to Rs. 3942.56 Lakh (previous year Rs. 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 Rs. Lakh)	Repayment terms
Term Loan 1	1498.56	Repayable in 16 equal quarterly instalments of Rs.374.64 Lakh each beginning from 30th June 2013
Term Loan 2	2444.00	Repayable in 16 equal quarterly instalments of Rs.250.00 Lakh each beginning from 1st October 2014

- b) Term loans from HDFC Bank amounting to Rs. 4000.00 Lakh (previous year Rs. 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.

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

(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 Rs. 3000.00 lakh (previous year Rs. 32000.00 lakh).

In respect of loan taken by GFL GM Fluorspar SA:

Foreign Currency Term Loan of Rs. 3787.62 Lakh (previous year Rs. 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.

38. Exceptional Items:

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 Rs. 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 Rs. 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

39. 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.
- 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.

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

The effect of the Scheme as given in the accounts, in accordance with the Scheme, is summarized as under:

Particulars		Rs. 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

40. 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 Rs. 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.

41. Employees' Stock Option Plan by Inox Leisure Limited (ILL):

During the year ended 31st March 2006, the ILL had issued 500,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to Inox Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the ILL under the scheme of ESOP framed by ILL in this regard. The Company has provided finance of Rs. 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 500,000 equity shares allotted to the Trust, 204,999 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 Rs. Nil (previous year Rs. 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 Rs. 0.97 Lakh, profit before tax lower by Rs. 0.97 Lakh and the basic and diluted earnings per share would have been lower by less than Re. 0.01.

42. 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.

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

- b) In view of the assessment and appellate orders received by ILL, the tax liability for earlier years and the written down value of fixed assets as per the Income-tax Act, 1961 is recomputed and consequential reduction in taxation of earlier years is recognized in the Statement of Profit and Loss. The amount included under 'Taxation pertaining to earlier years' is as under:
(Rs. in 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)

43. Contingent liabilities :-

- (a) Claims against the Group not acknowledged as debt – Rs. 8968.10 Lakh (previous year Rs. 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 Rs. 932.44 Lakh. The party has made a counter claim of Rs. 6943.44 Lakh (previous year Rs.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 Rs. 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 Rs 116.36 Lakh towards rent for the lock in period, which is included in the amount above. Further, the arbitrator has also directed ILL to pay the amount of difference between the rent payable by ILL as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable.ILL has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.
 - c) Other claims are by owners of the multiplex premises which are under negotiations with the respective parties.
 - ii. In respect of Inox Renewables Limited
Claim of Rs 870.00 Lakh (previous year Rs 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 - Rs. 502.29 Lakh (previous year Rs. 502.29 Lakh), pending in court and Rs. 165.59 Lakh (previous year Rs. Nil), which are under negotiations.
 - b) In respect of claims made by two customers for non-commissioning of WTGs, the amount is not ascertainable.
 - iv. In respect of Inox Leasing and Finance Limited
Corporate guarantee given to Bank in respect of loan taken by a Associate company for general business purposes, USD 18.50 million (previous year USD 18.50 million).
- (b) In respect of Income tax Matters Rs. 9776.03 Lakh (previous year Rs. 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 Rs. 8093.33 Lakh (previous year Rs. 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 Rs. 216.16 Lakh (previous year Rs. Nil) and penalty levied for assessment year 2010-11 of Rs. 19.48 Lakh (previous year Rs. 19.48 Lakh), which is being contested by ILL before appellate authorities.
 - iii. In respect of Inox Renewables Limited

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

Income tax Demands of Rs. 1441.46 Lakh (previous year Rs. 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 – Rs 5.60 Lakh (previous year Rs 5.60 Lakh)
- (c) In respect of excise duty & service tax matters - Rs. 21327.28 Lakh (previous year Rs. 10404.41 Lakh). This includes:
 - i. In respect of Gujarat Fluorochemicals Limited
 - a) Amount of Rs. 573.68 Lakh (previous year Rs. 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 Rs. 2357.02 Lakh (previous year Rs. 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 Rs. 155.19 Lakh (previous year Rs. 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 Rs. 10.05 Lakh (previous year Rs. Nil) has been paid in respect of above Excise duty demand and not charged to the Statement of Profit and Loss.
 - d) Amount of Rs. 849.18 Lakh (previous year Rs. 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 Rs. 15027.63 Lakh (previous year Rs. 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 Rs. 2360.45 Lakh (previous year Rs. 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 Rs 1091.89 Lakh (previous year Rs 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 Rs. 87.60 Lakh (previous year Rs. 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 Rs. 4.36 Lakh (previous year Rs. 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 Rs 388.29 Lakh (previous year Rs. 320.96 Lakh). This includes:
 - i. In respect of Gujarat Fluorochemicals Limited

The Company has received VAT & CST assessment order of VAT demand of Rs. 18.00 Lakh & CST demand of Rs. 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 Rs. 237.06 Lakh (previous year Rs. 237.06 Lakh) pursuant to reassessment order for the year 2008-09. ILL has filed an appeal and stay is granted on payment of Rs.2.00 Lakh.
 - iii. In respect of Inox Wind Limited (IWL)

IWL had received orders for the financial years 2012-13 and 2013-14, in respect of Himachal Pradesh VAT, levying penalty of Rs. 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 Rs. 53.78 Lakh and provision for the same is made during the previous year. After adjusting the amount of Rs. 23.35 Lakh paid against the demands, the balance amount of Rs. 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

- (f) In respect of property tax matters Rs. 605.08 Lakh (previous year Rs. 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 Rs. 2937.69 Lakh (previous year Rs. 2448.10 Lakh). This includes:
- i. In respect of Inox Leisure Limited
 - a) Demand of Rs. 2199.71 Lakh (previous year Rs. 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 Rs. 602.37 Lakh (previous year Rs. 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 Rs. 263.81 Lakh (previous year Rs. 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 Rs. 389.83 lakh (previous year Rs. 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.
44. 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 Rs. 4.56 Lakh (Previous Year Rs. 18.24 Lakh). Total amount of interest receivable upto 31st March, 2016 is Rs. 170.91 Lakh (Previous Year Rs. 166.30 Lakh). The said award has been challenged before the District Court and the matter is pending.
45. Commitments:
- (a) Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances, is Rs. 33461.99 Lakh (previous year Rs. 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 - Rs. 1997.83 Lakh (previous year Rs. 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 - Rs. 14292.47 Lakh (previous year Rs. 15889.77 Lakh). Out of this, an amount of Rs. 1112.67 Lakh (previous year Rs. 1012.64 Lakh) is included in para 42(g) above, being entertainment tax disputes pertaining to exemption period.
 - (d) Capital commitment towards party paid shares - Rs. 16800.00 Lakh (previous year Rs. 16800.00 Lakh).
 - (e) The Company has agreed to provide Equity Shares of Gujarat Fluorochemicals Limited held by it, for an amount equal to Rs. 75 crores (previous year Rs. 107.50 crores) to Standard Chartered Private Equity (Mauritius) II Limited (SC) in terms of an Amendment Agreement dated 19th December, 2013 executed between Inox India Ltd. (ILL), Promoters of ILL, the Company and (SC), in case ILL fails to fulfil its obligations under the referred Agreement.
46. 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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

has not charged Rs. 1184.00 Lakh to the Statement of Profit and Loss for the year ended 31st March, 2016 (previous year Rs. 923.57 Lakh) being the Entertainment Tax in respect of such Multiplexes and cumulative amount as on 31st March 2016 is Rs. 5281.89 Lakh (previous year Rs. 4575.19 Lakh).

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

i. Deferred Tax Liabilities (net):

		(Rs. 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):

		(Rs. In Lakh)	
Sr. No.	Particulars	2015-2016	2014-2015
(i)	Expenditure allowable on payment basis	76.17	37.80
(ii)	Unabsorbed depreciation and business losses	3416.10	2220.46
	Deferred Tax Assets (net)	3492.27	2258.26

Inox Wind Infrastructure Services Limited ('IWISL') has recognized deferred tax asset of Rs. 3410.54 Lakh (previous year Rs. 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.

48. 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:

		(Rs. 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.	929.38	929.38
(ii)	Accumulated Depreciation as at the end of the year	163.50	147.92
(iii)	Depreciation for the year	15.60	15.61
(iv)	Future minimum lease payments -		
	(a) Not later than one year	447.04	648.14
	(b) Later than one year and not later than five years	69.43	516.47
	(c) Later than five years	—	—



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

(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:

Sr. No.	Particulars	(Rs. in Lakh)	
		2015-2016	2014-2015
a)	Not later than one year	83.46	92.28
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 Rs.15760.60 Lakh (previous year Rs. 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:

Sr. No.	Particulars	(Rs. in Lakh)	
		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.

49. The Group has recognised following provision towards expenses:

Particulars	(Rs. in Lakh)	
	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

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

50. Related Party Disclosures :

(i) Names of Related Parties

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

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

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

Swarnim Gujarat Fluorspar Private Limited

Associate of a subsidiary

Megnasolace City Private Limited

Key Management Personnel (KMP)

Mr. P K Jain (Managing Director)

Mr. V K Jain (Managing Director of GFL)

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

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

Mr. Alok Tandon-Manager of Inox Leisure Limited

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

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

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

Mr. 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. D K Jain and Mr. VK Jain)

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

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

Devansh Gases Private Limited

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

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

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

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

Refron Valves Limited

Rajni Farms Private Limited

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

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



INOX LEASING AND FINANCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

(ii) Particulars of transactions

Amount Rs. in Lacs

Particulars	Subsidiary and Step-down Sub-subsidiary		Joint Ventures		Key Management Personnel (KMP)		Relatives of key Management Personnel (KPM)		Enterprises over which KMP or his relative has 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 received back												
Inox Leisure Limited	—	1100.00									—	1100.00
Total	—	1100.00									—	1100.00
Inter Corporate Deposit paid												
Inox India Private Limited									—	1500.00	—	1500.00
Total									—	1500.00	—	1500.00
Interest Received												
Inox Leisure Limited	—	108.58									—	108.58
Inox India Private Limited									165.45	18.99	165.45	18.99
Total	—	108.58							165.45	18.99	165.45	127.57
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
Gujarat Fluorochemicals Limited	—	0.05							—	—	—	0.05
Devansh Gases Private Limited									7.32	7.32	7.32	7.32
Total	—	0.05							7.32	14.54	7.32	14.59
Reimbursement of expenses (received)												
Gujarat Fluorochemicals Limited	—	0.37									—	0.37
Swarnim Gujarat Fluorspar Pvt.Ltd			—	4.21							—	4.21
Total	—	0.37	—	4.21							—	4.58
Rent Received												
Inox Air Products Private Limited									144.90	144.90	144.90	144.90
Gujarat Fluorochemicals Limited	69.00	64.50							0.72	0.72	69.00	64.50
Others									0.72	—	0.72	—
Total	69.00	64.50							145.62	145.62	214.62	210.12



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Particulars	Subsidiary and Step-down Sub-subsidiary		Joint Ventures		Key Management Personnel (KMP)		Relatives of key Management Personnel (KPM)		Enterprises over which KMP or his relative has 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
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
Rajni Farms Pvt. Ltd.									12.00	12.00	12.00	12.00
Others					1.20	1.20					1.20	1.20
Total					1.20	1.20			38.40	38.40	39.60	39.60
O&M Charges & Lease Rents paid												
Inox Air Products Private Limited									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	412.69					450.62	412.69
Total					1183.29	1133.99					1183.29	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. Vivek Kumar 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	265.78	177.72	265.78
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	345.49	778.47	867.69
C) Amounts receivable												
Trade receivable												
Inox India Private Limited									0.27	0.37	0.27	0.37

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

Inter-corporate deposit to other parties:

(Rs. 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	-
Inox India Limited	11%	1500.00	1500.00

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

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

a) Outstanding derivatives as at Balance Sheet date:

(Foreign currencies in Lakh)

S.No	Nature of Contract	Foreign Currency	Buy/Sell	2015-16	2014-15	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	0	—	—
b)	Payables	375.12	65.82	10.92	0.11	0.2	357.4	123.51	1.35	0.09	0.2
c)	ECB/FCNRB	124.45	—	—	—	—	301.02	37.62	—	—	—
d)	PCFC	20	113.27	—	—	—	0	98.23	—	—	—
e)	Buyers Credit	529.01	122.55	—	—	—	515.51	131.31	—	—	—
f)	Interest Payable	3.12	0.17	—	—	—	2.34	0.32	—	—	—

53. Segment Information :

A) Information about Primary (Business) Segments.

(Rs. in Lakh)

Particulars

**Year Ended
31.03.2016**

Year Ended
31.03.2015

[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

v. Others, un-allocable and corporate

550.74

261.40

Total Segment Revenue

741957.93

535443.29

Less : Inter Segment Revenue

-Wind Energy Business

21540.76

1100.84

Total External Revenue

720417.17

534342.45



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
[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)	7987.19	31276.83
Less: Finance Costs	23227.85	21877.02
Profit Before Tax	83000.51	83126.03
Less : Taxation (net)	22626.91	16030.36
Profit for the year	60373.60	67095.67
[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	137796.57	174512.84
Total	1079616.64	951803.96
b] Segment Liabilities		
i. Chemicals	24225.08	19687.38
ii. Wind Energy Business	139368.27	89938.87
ii. Power	1743.59	1674.18
iv. Theatrical Exhibition	15795.91	17337.18
v. Others, un-allocable and corporate	339912.58	300614.06
Total	521045.43	429251.67
c] Capital Expenditure (Including Capital Advances)		
i. Chemicals	1464.67	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	13193.60	—
Total	82472.12	42872.29



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

Particulars	(Rs. in Lakh)	
	Year Ended 31.03.2016	Year Ended 31.03.2015
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	58.67	72.04
Total	32792.63	28528.34
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:

Particulars	(Rs. In Lakh)	
	2015-2016	2014-2015
Domestic	663316.21	478450.62
Overseas	57100.96	55891.83
Total	720417.17	534342.45

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

54. The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED" Act)

(Rs. 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 determined to the extent such parties have been identified on the basis of the information available with the Group.

55. Employee Benefits:

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 1063.73 Lakh (Previous Year Rs. 936.72 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.

(Rs. in Lakh)

Particulars	Gratuity		Leave Encashment	
	As at 2014-15	As at 2013-14	As at 2014-15	As at 2013-14
1. Change in Benefit Obligation				
Liability at the beginning of the year	1599.26	1156.05	660.81	519.18
Addition on acquisition	—	45.21	—	21.89
Interest Cost	121.29	102.42	45.84	41.91
Current Service Cost	395.13	406.64	424.92	376.84
Benefit paid	(134.33)	(136.83)	(175.30)	(139.06)
Actuarial (Gain)/Loss	18.41	25.77	(42.87)	(159.95)
Sub total	1999.76	1599.26	913.40	660.81
Add : Short term leave liability			510.89	353.09
Liability at the end of the year	1999.76	1599.26	1424.29	1013.90
Employee benefits-continued				
2. Expenses recognized in the Profit and Loss Account				
Current Service Cost	395.13	406.64	424.92	376.84
Interest Cost	121.29	102.42	45.84	41.91
Actuarial (Gain)/Loss	18.41	25.77	(42.87)	(159.95)
Expenses recognized in the Profit and Loss Account	534.82	534.82	427.89	258.80
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

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	1141.10	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.

56. 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 Rs. 418.30 Lakh which has already been charged to the statement of profit and loss in respective years.

57. Corporate Social Responsibility (CSR)

(a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is Rs. 1141.09 Lakh (Previous year Rs.1289.88 Lakh).

(b) Amount spent during the year on:

(Rs. in lakh)

Sr.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any fixed assets	Nil	Nil	Nil
		Nil	Nil	Nil
(ii)	On purposes other than (i) above Donations	387.00	(45.31)	Nil
		Nil	387.00	(45.31)

Note: Figures in brackets pertain to previous year.

58. Calculation of Earnings Per Share (EPS):-

Particulars	2015-16	2014-15
a) Profit for the year as per Statement of Profit and Loss -numerator for calculating basic EPS (Rs. in Lakh)	21149.87	31121.22
b) Equity shares outstanding at the beginning of the year – (Nos. in Lakh)	106.18	106.18
Equity shares outstanding at the end of the year – (Nos. in Lakh)	99.93	106.18
c) Nominal value of each share – (Re)	10	10
d) Basic and Diluted Earnings per share (Rs.)	200.00	293.08

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

S.C.BANDI
Proprietor
Membership No. 16932

Place: Mumbai
Date: 8th August, 2016

On behalf of the Board of Directors

VIJAY SAXENA
Company Secretary

B.D. MAHESHWARI
Chief Financial Officer

D. K. JAIN
Chairman

P. K. JAIN
Managing Director



PROXY FORM

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

INOX LEASING AND FINANCE LIMITED

(CIN: U65910MH1995PLC085703)

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

Website: www.ilfl.co.in, **Email id:** contact@ilfl.co.in

21st Annual General Meeting – 30th September, 2016

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No./ Client ID :

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DP ID :

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

Name: _____ E-mail ID: _____

Address: _____

_____ Signature: _____

Or failing him/ her

Name: _____ E-mail ID: _____

Address: _____

_____ Signature: _____

Or failing him/ her

Name: _____ E-mail ID: _____

Address: _____

_____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21st Annual General Meeting of the Company, to be held on the 30th day, September 2016, at 10:00 a..m. at Ceejay House, 7th Floor,

**INOX LEASING AND FINANCE LIMITED**

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

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1.	Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2016, the report of Auditors thereon and the report of the Board of Directors for the said year; and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2016 and the report of the Auditors thereon.			
2.	To confirm the payment of interim dividend of Rs. 39.50p per equity share for the Financial Year ended 2015-16			
3.	Appointment of Director in place of Shri V.K. Jain, who retires by rotation and, being eligible, seeks re-appointment.			
4.	Appointment of Independent Auditors of the Company.			
Special Business				
5.	Re-appointment of Shri Pavan Kumar Jain as Managing Director for a period of five years.			
6.	To amend Article 45 of the Articles of Association of the Company regarding Quorum for Board Meeting.			

Signed this _____ day of _____ 2016.

Affix Re 1/- Revenue Stamp

Signature of Shareholder

Signature of Proxy Holder(s)

Notes:

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

**INOX LEASING AND FINANCE LIMITED**

(CIN: U65910MH1995PLC085703)

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

21st Annual General Meeting – 30th September, 2016**FORM MGT-12****ATTENDANCE FORM/BALLOT FORM****[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

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

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

Resolution No.	Resolutions	No. of shares	For	Against
Ordinary Business				
1.	Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2016, the report of Auditors thereon and the report of the Board of Directors for the said year; and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2016 and the report of the Auditors thereon.			
2.	To confirm the payment of interim dividend of Rs. 39.50p per equity share for the Financial Year ended 2015-16			
3.	Appointment of Director in place of Shri V.K. Jain, who retires by rotation and, being eligible, seeks re-appointment.			
4.	Appointment of Independent Auditors of the Company.			
Special Business				
5.	Re-appointment of Shri Pavan Kumar Jain as Managing Director for a period of five years.			
6.	To amend Article 45 of the Articles of Association of the Company regarding Quorum for Board Meeting.			

Place:

Date:

Signature of Shareholder/Proxy

Notes: This form is to be used for exercising attendance/voting at the time of 21st Annual General Meeting to be held on Friday, the 30 September 2016 by shareholders/Proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.



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If undelivered please return to :



**INOX LEASING AND
FINANCE LIMITED**

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