

***INOX LEASING AND
FINANCE LIMITED***



**ANNUAL REPORT
2011 - 2012**



INOX LEASING AND FINANCE LIMITED

17th ANNUAL REPORT

2011 – 2012

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Shri Deepak Asher

Shri V.K. Jain

Shri Siddharth Jain

COMPANY SECRETARY

Shri Vijay Saxena

AUDITORS

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

BANKERS

Standard Chartered Bank
HDFC Bank Limited
Axis Bank Limited

REGISTERED OFFICE

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



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of **INOX LEASING AND FINANCE LIMITED** will be held on Saturday, the 29th day of September, 2012 at 10.00 a.m. at 69, Jolly Maker Chambers II, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2012 the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report for the said year.
2. To note payment of interim dividend and declare final dividend for the year ended 31st March, 2012.
3. To appoint a Director in place of Shri V.K. Jain who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Siddharth Jain who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

D. K. JAIN
Chairman

New Delhi, 13th August, 2012

REGISTERED OFFICE:

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

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE DULY EXECUTED INSTRUMENT OF PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2012 to 29th September, 2012 (both days inclusive).

By Order of the Board of Directors

D. K. JAIN
Chairman

New Delhi, 13th August, 2012

REGISTERED OFFICE:

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



DIRECTORS' REPORT

To

The Members of
Inox Leasing and Finance Limited

Dear Member,

Your Directors have pleasure in presenting to you their Seventeenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

1. Financial Results

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31st March 2012.

	(Rupees) 2011-2012	(Rupees) 2010-2011
Total Income	340,681,475	267,794,127
Profit before Interest & Depreciation	323,722,624	255,836,810
Less: Interest	—	—
Profit before Depreciation	323,722,624	255,836,810
Less: Depreciation	1,056,072	1,354,246
Profit before Tax	322,666,552	254,482,564
Less: Provision for Taxation	8,892,141	2,794,554
Profit for the year	313,774,411	251,688,010
Add: Profit brought forward from previous year	465,517,831	395,014,491
	779,292,242	646,702,501
Appropriations		
Transferred to Statutory Reserve Fund	63,000,000	50,000,000
Transferred to General Reserve	31,500,000	25,000,000
Interim Dividend	106,184,670	—
Proposed Dividend	106,184,670	106,184,670
Balance carried to Balance Sheet	472,422,902	465,517,831
	779,292,242	646,702,501

2. Dividend

Your Company has paid an Interim Dividend of Rs. 10.00 per share (100%) and now recommend a final dividend of Rs. 10/- per share (100%) for the year ended 31st March, 2012, subject to approval of the shareholders. The total dividend pay out for the year will be Rs. 21,23,69,340/-.

3. Responsibility Statement

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

- I. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- II. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit of the Company for the year under review;
- III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the Directors have prepared the Annual Accounts on a going concern basis.



INOX LEASING AND FINANCE LIMITED

4. Fixed Deposits

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

5. Directors

Mr. V.K. Jain and Mr. Siddharth Jain, Directors retire by rotation and being eligible offer themselves for re-appointment.

6. Subsidiaries

Ministry of Corporate Affairs, New Delhi vide its General Circular No. 2/2011 dated 8th February, 2011 has granted general exemption to Holding Companies from attaching the Balance Sheet(s) of Subsidiary Company(ies) as required under Section 212 of the Companies Act, 1956. In view of the above, the Board of Directors of your company have by resolution dated 13th August, 2012 accorded consent for not attaching the balance sheets of all the Company's subsidiaries.

The financial data of the subsidiaries have been furnished under 'Statement pursuant to exemption under Section 212 (8) of the Companies Act, 1956 relating to Subsidiary Companies' and forms part of this Annual Report. The Consolidated Financial Statements of holding company and its subsidiaries prepared in accordance with applicable Accounting Standards duly audited by the Statutory Auditors of the company are provided in the Annual Report.

7. Audit Committee

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

8. Auditors' Report

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

9. Auditors

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

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

As the Company is not a manufacturing Company, matters relating to conservation of energy and technology absorption as required under the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is not applicable. Foreign exchange earnings / outgo during the year is mentioned in Note No. 27 & 28 of Notes to Financial Statements.

11. Particulars of Employees

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

12. Insurance

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

By Order of the Board of Directors

D. K. JAIN
Chairman

New Delhi, 13th August, 2012



AUDITORS' REPORT

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of INOX LEASING AND FINANCE LIMITED as at 31st March, 2012 the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of the written representations received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date, and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

S.C. BANDI
Proprietor
Mem. No. 16932

Place: Mumbai
Date : 13th August, 2012



ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE FOR THE YEAR ENDED 31ST MARCH, 2012

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

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The company has a regular programme of verification of its fixed assets at reasonable intervals. Though all the assets have not been physically verified by the management during the year, the company's programme of verification of such assets, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off substantial part of its fixed assets, which will affect the going concern status of the Company.
- (ii) (a) The stock of shares have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
- (b) The procedures of physical verification of stocks of shares followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) We are informed that no material discrepancies have been noticed on physical verification of stocks of shares as compared to the book records.
- (iii) During the year, Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company has no internal audit system. However internal controls exercised by the management of the Company commensurate with its size and nature of its business.
- (viii) Being an Investment Company the maintenance of cost records as prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax were in arrears, as at 31.03.2012 for a period of more than six months from the date they became payable.



- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty and wealth tax, which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses as at 31st March, 2012 and has not incurred any cash losses in the current financial year and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not taken any loans from Financial Institutions, Banks and debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) The Company is engaged in the business of trading in shares, securities and other investments. The Company has maintained proper records of transactions and contracts in respect of trading of shares and other securities and timely entries have been made therein. The Company's investments are held in its own name.
- (xv) The company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company has not obtained any term loan for any purpose.
- (xvii) According to information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments and vice versa.
- (xviii) According to information and explanations given to us, during the year under audit the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during the financial year covered by our audit.
- (xx) The company has not raised any money by public issue during the financial year covered by our audit.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

S.C. BANDI
Proprietor
Membership No. 16932

Place : Mumbai
Date : 13th August, 2012



INOX LEASING AND FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2012

	Note No.	As at 31st March, 2012		As at 31st March, 2011	
		Rupees	Rupees	Rupees	Rupees
EQUITY AND LIABILITIES					
Shareholders' funds:					
Share Capital	4		106,184,670		106,184,670
Reserves and Surplus	5		1,129,051,729		1,027,646,658
Non-current liabilities					
Long-term Provisions	6		1,441,415		10,21,188
Current liabilities					
Trade Payables	7		483,432		31,08,087
Other Current Liabilities	8		4,460,811		2,364,309
Short-term Provisions	9		106,544,698		107,323,863
TOTAL			<u>1,348,166,755</u>		<u>1,247,648,775</u>
ASSETS					
Non-current Assets					
Fixed assets					
Tangible assets	10		4,681,183		5,700,005
Capital work-in-progress			215,135,519		165,576,500
Deferred Tax Asset	24		1,440,941		1,378,406
Non-current investments	11		432,892,770		270,430,536
Long-term Loans and advances	12		85,833,103		203,295,462
Current Assets					
Current investments	13		495,846,481		480,295,797
Trade receivables	14		379,258		633,242
Cash and bank balances	15		89,982,680		104,670,311
Short-term loans and advances	16		6,424,781		6,156,577
Other current assets	17		15,550,039		9,511,939
TOTAL			<u>1,348,166,755</u>		<u>1,247,648,775</u>

The accompanying notes are an integral part of the financial statements

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

On behalf of the Board of Directors

S.C.BANDI
Proprietor

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Membership No. 16932

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2012**

	Note No.	2011-2012		2010-2011	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Revenue from Operations (Gross)	18		335,624,423		261,366,393
Other Income	19		5,057,052		6,427,734
Total Revenue			340,681,475		267,794,127
EXPENSES					
Employee benefits expense	20		6,789,595		5,886,055
Depreciation and amortization	21		1,056,072		1,354,246
Other expenses	22		10,169,256		6,071,262
Total Expenses			18,014,923		13,311,563
Profit before tax			322,666,552		254,482,564
(A) Tax Expense					
a) Current Tax		13,450,000		14,600,000	
b) Deferred Tax		(62,535)		(287,110)	
c) Mat Credit entitlement		(4,495,324)		(9,400,234)	
			8,892,141		4,912,656
(B) Taxation pertaining to earlier years					
a) Income tax		—		(1,158,725)	
b) Deferred Tax		—		(959,377)	
			8,892,141		(2,118,102)
Profit for the year			313,774,411		251,688,010
Basic & diluted earning per equity share			29.55		23.70

The accompanying notes are an integral part of the financial statements

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

On behalf of the Board of Directors

S.C.BANDI
Proprietor

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Membership No. 16932

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012

**Cash Flow Statement for the year ended 31st March, 2012**

Particulars	2011-12 Rupees	2010-11 Rupees
A Cash flow from operating activities		
Profit before tax	322,666,552.00	254,482,564.00
Adjustments for :		
Depreciation and Amortisation	1,056,072.00	1,354,246.00
Provision for diminution in value of investments	5,000,000.00	—
Provision for diminution in value of investments written back	—	(19,653,300.00)
Income in respect of investing activities (Net)	(333,679,323.00)	(254,867,010.00)
	(327,623,251.00)	(273,166,064.00)
Operative profit before working capital changes	(4,956,699.00)	(18,683,500.00)
Adjustments for :		
Long-term provisions	420,227.00	4,482,339.00
Trade payables	(2,624,655.00)	
Other current liabilities	2,096,502.00	343,909.00
Short-term provisions	(779,165.00)	
Long-term loans and advances	67,903,340.00	(129,402,732.00)
Trade receivables	253,984.00	2,752,577.00
Other non current assets	(1,542,776.00)	—
Short-term loans and advances	(268,204.00)	—
	65,459,253.00	(121,823,907.00)
Cash generated from operations	60,502,554.00	(140,507,407.00)
Income-tax paid (Net)	(13,450,000.00)	(12,493,424.00)
Net cash used in operating activities	47,052,554.00	(153,000,831.00)
B Cash flow from investing activities		
Purchase of fixed assets	(37,250.00)	—
Purchase of investments	(663,308,715.00)	(440,663,385.00)
Redemption/Sale of Investments	531,882,986.00	586,948,937.00
Interest and Dividend received (Net of expenses)	282,092,134.00	174,140,770.00
Net cash from investment activities	150,629,155.00	320,426,322.00
C Cash flow from financing activities		
Dividend paid (Including Tax on Dividend)	(212,369,340.00)	(106,184,670.00)
Net cash (used) in financing activities	(212,369,340.00)	(106,184,670.00)
Net increase/(decrease) in cash and cash equivalent	(14,687,631.00)	61,240,821.00
Cash and cash equivalents as at the beginning of the year	104,670,311.00	43,429,490.00
Cash and cash equivalents as at the end of the year	89,982,680.00	104,670,311.00

As per our report of even date attached

for **S.C. BANDI & CO.**
Chartered Accountants**S.C. BANDI**
Proprietor**VIJAY SAXENA**
Company Secretary**D. K. JAIN**
Chairman**P.K. JAIN**
Managing Director**Membership No. 16932**Place: Mumbai
Date: 13th August, 2012

On behalf of the Board of Directors

Place: New Delhi
Date: 13th August, 2012



Notes to Financial Statements for the year ended 31st March 2012

1. CORPORATE INFORMATION

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

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable Accounting Standards notified under the Companies Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

3. SIGNIFICANT ACCOUNTING POLICIES:

(a) Revenue Recognition

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

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

(b) FIXED ASSETS AND DEPRECIATION

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

(c) INVESTMENTS

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

(d) EMPLOYEE BENEFITS

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

(e) TAXES ON INCOME

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

(f) IMPAIRMENT OF ASSETS

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

(g) PROVISIONS & CONTINGENT LIABILITIES

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



INOX LEASING AND FINANCE LIMITED

(h) USE OF ESTIMATES

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

4. SHARE CAPITAL

Authorised capital

11,000,000	Equity Shares of Rs.10/- each	110,000,000	110,000,000
1,500,000	Redeemable Cumulative Preference Shares of Rs. 100/- each	150,000,000	150,000,000
Total		260,000,000	260,000,000

Issued, Subscribed and fully paid up capital

10,618,467	Equity Shares of Rs.10/- each*	106,184,670	106,184,670
Total		106,184,670	106,184,670

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

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

	As at 31-03-2012		As at 31-03-2011	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	10,618,467	106,184,670	10,618,467	106,184,670
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	10,618,467	106,184,670	10,618,467	106,184,670

b. Terms/rights attached to equity shares

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

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

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

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

	31-03-2012		31-03-2011	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	2,474,178	23.30	2,473,478	23.29
Mr. Vivek Kumar Jain	2,366,405	22.29	2,366,405	22.29
Mr. Devansh Jain	1,307,618	12.31	1,257,618	11.84
Mrs. Nayantara Jain	1,172,832	11.05	1,122,832	10.57
Mrs. Nandita Jain	1,031,644	9.72	981,644	9.24
Mr. Siddharth Jain	1,018,292	9.59	968,292	9.12

**5. RESERVES AND SURPLUS**

	As at 31st March, 2012	As at 31st March, 2011
	Rupees	Rupees
Reconstruction Reserve		
Balance as per last Balance Sheet	63,952,497	63,952,497
Amalgamation Reserve		
Balance as per last Balance Sheet	7,576,330	7,576,330
Capital Redemption Reserve		
Balance as per last Balance Sheet	140,000,000	140,000,000
Statutory Reserve Fund*		
Balance as per last Balance Sheet	280,600,000	230,600,000
Add: Transferred from Profit and Loss Account	63,000,000	50,000,000
*Pursuant to Reserve Bank of India (Amendment) Act, 1947.	343,600,000	280,600,000
General Reserve		
Balance as per last Balance Sheet	70,000,000	45,000,000
Add: Transferred from Profit and Loss Account	31,500,000	25,000,000
Balance at the end of the year	101,500,000	70,000,000
Surplus in the statement of Profit & Loss		
Balance as per last Balance Sheet	465,517,831	395,014,491
Add: Profit for the year	313,774,411	251,688,010
	779,292,242	646,702,501
Less: Appropriations		
Interim Dividend	106,184,670	—
Proposed dividend	106,184,670	106,184,670
Transfer to Statutory Reserve Fund	63,000,000	50,000,000
Transfer to General Reserve	31,500,000	25,000,000
Total Appropriations	306,869,340	181,184,670
Balance at the end of the year	472,422,902	465,517,831
Total	1,129,051,729	1,027,646,658
6. LONG TERM PROVISIONS		
Provision for employee benefits		
For Gratuity	978,076	632,566
For Leave benefits	463,339	388,622
Total	1,441,415	1,021,188
7. TRADE PAYABLES		
Dues to		
Micro and Small Enterprises	—	—
Others	483,432	31,08,087
Total	483,432	31,08,087



INOX LEASING AND FINANCE LIMITED

8. OTHER CURRENT LIABILITIES

Unclaimed dividend (see note below)	3,810,580	1,731,040
Other current liabilities	608,460	565,020
Statutory dues and taxes	41,771	68,249
Total	44,60,811	23,64,309

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

9. SHORT TERM PROVISIONS

Provision for employee benefits		
Gratuity	189,751	182,073
Leave benefits	26,607	9,269
Proposed Dividend	106,184,670	106,184,670
Provision for Tax (net of Income Tax paid)	143,670	947,851
Total	106,544,698	107,323,863

10. TANGIBLE ASSETS

Sr. No.	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.11	Addition during the year	Deletion during the year	As at 31.03.12	As at 01.04.11	Addition during the year	Deletion during the year	As at 31.03.12	As at 31.03.12	As at 31.03.11
1.	BUILDINGS	3,128,050	—	—	3,128,050	2,105,870	51,109	—	2,156,979	971,071	1,022,180
2.	FURNITURE & FIXTURES	1,825,800	—	—	1,825,800	1,045,074	141,311	—	1,186,385	639,415	780,726
3.	VEHICLES	10,909,116	—	—	10,909,116	8,257,335	686,546	—	8,943,881	1,965,235	2,651,781
4.	OFFICE EQUIPMENTS	2,454,864	37,250	—	2,492,114	1,209,546	177,106	—	1,386,652	1,105,462	1,245,318
	TOTAL	18,317,830	37,250	—	18,355,080	12,617,825	1,056,072	—	13,673,897	4,681,183	57,00,005
	Previous Year	18,317,830	—	—	18,317,830	1,12,63,579	1,354,246	—	1,26,17,825	57,00,005	—


INOX LEASING AND FINANCE LIMITED

11. NON CURRENT INVESTMENTS (Long term, non-trade, at cost, unless otherwise stated)	Face Value	As at 31st March, 2012		As at 31st March, 2011	
		Nos.	Rupees	Nos.	Rupees
QUOTED					
i) In Subsidiary Company					
Gujarat Fluorochemicals Limited	1	57,715,310	192,118,091	57,715,310	192,118,091
Inox Leisure Limited (subsidiary of Gujarat Fluorochemicals Limited)	10	587,461	25,720,144	213,875	9,728,658
ii) In Other Companies					
Damania Capital Market Limited	10	124,200	3,726,000	124,200	3,726,000
Eastern Mining Limited	10	10,300	329,600	10,300	329,600
Konar Organics Limited	10	41,100	411,000	41,100	411,000
Rajinder Pipes Limited	10	8,300	332,000	8,300	332,000
Unified Agro Industries (India) Limited	10	1,800	45,000	1,800	45,000
W S Telesystem Limited	10	8,300	332,000	8,300	332,000
Orient Fabritex Limited	10	140,000	1,400,000	140,000	1,400,000
BOC India Limited	10	200	21,020	200	21,020
Ahmedabad Gases Limited	10	200	2,022	200	2,022
Mount Everest Mineral Water Limited	10	255,400	18,600,692	255,400	18,600,692
Bombay Oxygen Corpn. Limited	100	5	6,316	5	6,316
			243,043,884		227,052,398
Less: Provision for dimunition in value of investments			6,099,412		6,099,412
			236,944,472		220,952,986
UNQUOTED					
i) In Equity shares					
Ideas & U Limited	10	500,000	5,000,000	500,000	5,000,000
			5,000,000		5,000,000
Less: Provision for dimunition in value of investments			5,000,000		—
			—		5,000,000
ii) Investments in Mutual Funds					
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	—	—	2031509.000	20,315,090
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	—	—	2416246.000	24,162,460
BSL FTP Series EV-Growth	10	2000000.000	20,000,000	—	—
DSP BR FMP Series 41-12.5M-Growth	10	2000000.000	20,000,000	—	—
DSP BR FMP Series 38-12.5M-Growth	10	1015629.870	10,156,299	—	—
HDFC FMP 400D March'12(1) series XXII-Growth	10	2000000.000	20,000,000	—	—
ICICI Prudential FMP Series 60-18M Plan B-Growth	10	2000000.000	20,000,000	—	—
IDFC FMP 18M Series 9-Growth	10	2000000.000	20,000,000	—	—
TATA FMP Series 39 Scheme H-Growth	10	1500000.000	15,000,000	—	—
			125,156,299		44,477,550
iii) Investments in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100,000	250	25,000,000	—	—
IRFC 7.55% Tax Free Bond Oct'11	100,000	250	25,000,000	—	—
POWER FINANCE CORP 8.20% Tax Free Bonds	1,000	8,544	8,544,000	—	—
REC 7.93% Tax Free Bond	1,000	12,248	12,248,000	—	—
			70,792,000		—
Total Investments			432,892,770		270,430,536
Aggregate value of quoted investments			243,043,884		227,052,398
Market value of quoted investments			29,702,186,621		20,727,580,543
Aggregate value of unquoted investments			75,792,000		49,477,550
Aggregate provision for dimunition in value of investments			11,099,412		6,099,412



INOX LEASING AND FINANCE LIMITED

12. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advances	18,269,883	15,688,792
Loans to employees	63,220	106,670
Advances recoverable in cash or in kind		
— Considered Good	7,500,000	7,500,000
— Inter corporate Deposits - to subsidiary companies	60,000,000	180,000,000
Total	8,58,33,103	20,32,95,462

13. CURRENT INVESTMENTS

	As at 31st March, 2012			As at 31st March, 2011	
	Face Value	Nos.	Rupees	Nos.	Rupees
A Current Portion of Long Term Investment					
Investment in Mutual Funds					
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	2031509.000	20,315,090	—	—
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	2416246.000	24,162,460	—	—
DSP Black Rock FMP 13M Series 2-Growth	10	—	—	883862.000	8,838,620
ICICI Prudential FMP Series 50-19M Plan A-Growth	10	—	—	200000.000	20,000,000
IDFC FMP 14 Months Series 1-Growth	10	—	—	100000.000	10,000,000
Reliance Fixed Horizon Fund XIII Series 6-Growth	10	—	—	200000.000	20,000,000
Tata FMP Series 25 Scheme A-Growth	10	—	—	200000.000	20,000,000
UTI Fixed Term Income Fund Series VII-II (407 Days)-Growth	10	—	—	500000.000	5,091,538
UTI Fixed Term Income Fund Series VII-II (407 Days)-Growth	10	—	—	150000.000	15,000,000
Birla Sunlife FTP Series CU-Growth	10	—	—	2008500.000	20,085,000
Fidelity FMP Series V Plan E-Growth	10	—	—	200000.000	20,000,000
Birla Sunlife FTP Series CT-Growth	10	—	—	250000.000	25,000,000
Birla Sunlife FTP Series CI-Growth	10	—	—	200000.000	20,000,000
SBI Debt Fund Series 370 Days-8-Growth	10	—	—	200000.000	20,000,000
ICICI Prudential FMP Series 53-1Yr Plan B-Growth	10	—	—	200000.000	20,000,000
Birla Sunlife FTP Series CE-Growth	10	—	—	200000.000	20,000,000
ICICI Prudential FMP Series 53-1Yr Plan A-Growth	10	—	—	200000.000	20,000,000
Fidelity FMP Series 5 Plan B-Dividend	10	—	—	825429.922	8,254,299
HDFC FMP 370D August 2010(1)-Growth	10	—	—	900000.000	9,000,000
DSP Black Rock FMP 12M Series 6-Growth	10	—	—	900000.000	9,000,000
HDFC FMP 370D July'2010 (1) Series XV-Growth	10	—	—	200000.000	20,000,000
UTI Fixed Term Income Fund Series VIII-IV (369 Days)-Growth	10	—	—	200000.000	20,000,000
UTI Fixed Term Income Fund Series VIII-II (367 Days)-Growth	10	—	—	250000.000	25,000,000
HDFC FMP 370D June'2010(1)-Growth	10	—	—	500000.000	50,000,000
Templeton India Income Opportunities Fund-Growth	10	—	—	1139723.433	11,794,200
ICICI Prudential FMP Series 55-1Yr. Plan F-Growth	10	—	—	3005665.000	30,056,650
BSL FTP Series CY-Growth	10	1001661.000	10,016,610	—	—
BSL FTP Series EW-Growth	10	2651942.000	26,519,420	—	—
BSL FTP Series FA-Growth	10	2049704.000	20,497,040	—	—
DSP BR FMP 12M Series 19-Growth	10	2250585.000	22,505,850	—	—
DSP BR FMP Series 39-12M-Growth	10	1302272.762	13,022,728	—	—


INOX LEASING AND FINANCE LIMITED

HDFC FMP 370D June'11(4) series XVIII-Growth	10	2500000.000	25,000,000	—	—
HDFC FMP 375D July'11(2) series XVIII-Growth	10	2000000.000	20,000,000	—	—
ICICI Prudential FMP Series 54-1Yr Plan C-Growth	10	750000.000	7,500,000	—	—
ICICI Prudential FMP Series 54-1Yr Plan D-Growth	10	1499939.000	14,999,390	—	—
ICICI Prudential interval Fund Annual Plan 1-Growth	10	2207245.652	30,000,000	—	—
ICICI Prudential FMP Series 60-1 Yr Plan J-Growth	10	1506316.000	15,063,160	—	—
TATA FMP Series 30 Scheme C-Growth	10	2244260.000	22,442,600	—	—
TATA FMP Series 38 Scheme D-Growth	10	2002005.000	20,020,050	—	—
TATA FMP Series 39 Scheme E-Growth	10	1003851.010	10,038,510	—	—
UTI Fixed Term Income Fund IX-II 369D -Growth	10	1619820.000	16,198,200	—	—
UTI Fixed Term Income Fund Series IX-VI 368 D-Growth	10	2684493.171	26,844,932	—	—
UTI FTIF Series X-III 370D-Growth	10	2151600.000	21,516,000	—	—
Current Investment					
Investment in Mutual Funds					
Birla Sunlife Short Term FMP Series 4-Dividend	10	—	—	1066964.000	10,669,640
DSP Black Rock FMP 3M Series 29-Dividend	10	—	—	2250585.000	22,505,850
BSL Short Term FMP Series 23-Growth	10	2171040.000	21,710,400	—	—
BSL QLY Interval Series 4-Growth	10	1519344.788	20,465,270	—	—
DSP BR FMP Series 42-3M-Growth	10	1537033.225	15,370,332	—	—
ICICI Prudential interval Fund II QLY Plan D-Growth	10	2351847.000	25,687,578	—	—
IDFC FMP QS 69-Growth	10	2068397.627	20,683,976	—	—
UTI FIIF Series II QLY Interval Plan VI-Growth	10	2241899.837	25,266,884	—	—
Total			495,846,481		480,295,797
14. TRADE RECEIVABLES					
(Unsecured, considered good, unless otherwise stated)					
Outstanding for a period exceeding six months		—	—	—	—
Others		379,258	—	633,242	—
Total			379,258		633,242
15. CASH AND BANK BALANCES					
Cash and cash equivalents					
Balances with banks in current accounts		5,453,379	—	27,752,137	—
Cash on hand		218,721	—	95,215	—
In Liquid fund of Mutual Funds		30,500,000	—	25,091,919	—
			36,172,100		52,939,271
Other bank balances					
Unpaid dividend account		3,810,580	—	1,731,040	—
Deposits with original maturity of more than 3 months but less than 12 months		50,000,000	—	50,000,000	—
			53,810,580		51,731,040
Total			89,982,680		104,670,311
16. SHORT TERM LOANS AND ADVANCES					
(Unsecured, considered good, unless otherwise stated)					
Prepaid Expenses		—	185,866	—	43,851
Loans to employees		—	177,140	—	52,100
Security Deposits		—	6,061,775	—	6,060,626
Total			6,424,781		6,156,577

**INOX LEASING AND FINANCE LIMITED****17. OTHER CURRENT ASSETS**

interest accrued on Bank deposits	24,090	111,705
interest accrued on Tax Free Bonds	1,619,425	—
MAT credit entitlement	1,38,95,558	94,00,234
Others	10,966	—
Total	1,55,50,039	95,11,939

2011-12**2010-11****18. REVENUE FROM OPERATIONS**

Brokerage received	2,202,151	9,327,117
Dividend Income		
— on long term investments		
i) from subsidiary company	259,718,895	144,288,275
ii) from others	14,910	24,044
— on current investments	852,529	20,060,390
Profit on sale of investments		
— on long term investments	38,839,253	80,406,527
— on current investments	12,747,937	319,713
Interest income		
— on inter corporate deposits	13,948,356	6,023,699
— on bank deposits	5,260,689	916,628
— on tax free bonds	2,039,703	—
Total	335,624,423	261,366,393

19. OTHER INCOME

Interest income		
— Others	257,052	2,827,734
Rent received	4,800,000	3,600,000
Total	5,057,052	6,427,734

20. EMPLOYEE BENEFIT EXPENSES

Salaries and wages	6,048,976	5,407,276
Contribution to Provident fund and other fund	276,874	253,704
Gratuity	353,188	182,073
Staff Welfare	110,557	43,002
Total	6,789,595	5,886,055

21. DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation on Tangible assets	1,056,072	1,354,246
Total	1,056,072	1,354,246

22. OTHER EXPENSES

Rates & Taxes	20,808	279,859
Legal & Professional Expenses	479,484	430,065
Rent paid	1,200,000	1,200,000
Insurance	89,328	83,591
General Repairs	128,293	378,681
Repairs & Maintenance Building	32,239	—
Miscellaneous Expenses	3,219,104	3,699,066
Provision for dimunition for value of investments	5,000,000	—
Total	10,169,256	6,071,262



	2011-12	2010-11
23 COMMITMENTS		
Estimate amounts of contacts remaining to be executed on capital account and not provided for (net of advances) Rs. 2,24,86,909/- (Previous year Rs. 3,65,06,594/-)		
24 The major components of the net deferred tax liability are as under:		
Particulars	—	—
Deferred Tax Liability -		
Deferred Tax Assets:		
Provision for retirement benefits	537,864	393,406
Depreciation (on account of difference between tax depreciation and depreciatio charged in the books)	705,662	801,679
Expenses allowable on payment basis	197,415	183,321
Total assets	1,440,941	1,378,406
25 Payments to the firm of auditors:		
Particulars		
Audit Fees	100,000	100,000
Tax Audit Fees	50,000	50,000
Taxation matters	55,000	55,000
Consolidated Accounts and NBFC Balance Sheet Certification	105,000	—
Service Tax	2,500	2,500
	35,278	21,373
Total	347,778	228,873
26 Basic and diluted Earning per share:		
Basic and Diluted Earnings have been calculated as follows:		
Profit after taxation (Rs)	313,774,411	251,688,010
No. of equity shares outstanding at the beginning and end of the year	10618467	10618467
Nominal value of each share (Rs).	10	10
Basic and diluted Earnings per Share (Rs)	29.55	23.70
27 Expenditure in foreign currency:		
Particulars		
Others - Travelling	393,629	4,67,732
Total	393,629	4,67,732
28 Earnings in foreign currency:	—	—
29 Disclosure as required by Accounting Standard - AS 19 on "Leases"	Rupees	Rupees
(a) In respect of Assets given on Operating Lease:		
(i) Gross carrying amount of asset given on operating lease included in Buildings of Fixed Asset	1,486,370	1,486,370
(ii) Accumulated Depreciation as at the end of the year	1,112,281	1,092,592
(iii) Depreciation for the year	19,689	21,816
(iv) Future minimum lease payments-		
(a) Not later than one year	6,000,000	1,800,000
(b) Later than one year and not later than five years	22,800,000	—
Later than five years	—	—

**INOX LEASING AND FINANCE LIMITED**

(v) General description

Asset given on operating lease is Office Premises. The non-cancellable initial tenure is for five years, which can be further extended at the mutual option of both the parties.

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

Payable in future

(i) Not later than one year	3,00,000	400,000
(ii) Later than one year and not later than five years		—
(iii) Later than five years		—

(iv) The company's significant leasing arrangements are in respect of operating leases for premises taken on lease. Generally, these lease arrangements are non-cancellable, for a period of 11 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals are charged as expenses in the Statement of Profit and Loss Account.

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

(i) Names of Related Parties:

A) Where control exists:

Subsidiary Company:

Gujarat Fluorochemicals Limited

Subsidiary Companies of Gujarat Fluorochemicals Limited:

Inox Leisure Limited

Inox Infrastructure Private Limited

Inox Motion Pictures Limited

Inox Wind Limited

Gujarat Fluorochemicals Americas-LLC, USA.

Inox Renewables Limited (incorporated on 11th November, 2010)

GFL Singapore Pte Ltd. (incorporated on 25th July, 2011)

GFL GM Fluorspar SA (incorporated on 16th August, 2011) and subsidiary upto 28th Sept., 2011 and subsequently subsidiary of GFL Singapore Pte Ltd.

Subsidiary Companies of Inox Leisure Limited:

Fame India Limited (w.e.f. 6th January, 2011)

Fame Motion Pictures Limited (formerly Shringar Films Limited)

Big Pictures Hospitality Services Private Limited (subsidiary of Fame India Limited)

Headstrong Films Private Limited (subsidiary of Fame India Limited w.e.f. 27th March, 2012)

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

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

— Rajni Farms Private Limited

Key Management Personnel

Mr. Pavan Kumar Jain (Managing Director)

Mr. Deepak Asher (Whole time Director)



(ii) Particulars of Transactions:

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				
i) Rent received Gujarat Fluorochemicals Ltd	4,800,000 (36,00,000)			4,800,000 (36,00,000)
ii) Dividend received Gujarat Fluorochemicals Ltd	259,718,895 (14,42,88,275)			259,718,895 (14,42,88,275)
iii) Reimbursement of expenses (paid) Gujarat Fluorochemicals Ltd	27,703 (38,688)			27,703 (38,688)
iv) Reimbursement of expenses (received) Gujarat Fluorochemicals Ltd	57,054 (76,072)			57,054 (76,072)
v) Rent paid Rajni Farms Pvt Ltd.		1,200,000 (12,00,000)		1,200,000 (12,00,000)
vi) Inter-Corporate Deposit paid Inox Leisure Limited	— (130,000,000)			— (130,000,000)
vii) Inter-Corporate Deposit received back Inox Leisure Limited	120,000,000 (—)			120,000,000 (—)
viii) Interest received Inox Leisure Limited	12,553,521 (6,023,699)			12,553,521 (6,023,699)
ix) Remuneration paid Shri Deepak Asher			1,758,810 (1,758,810)	1,758,810 (1,758,810)
(B) Amounts outstanding				
i) Deposit paid Rajni Farms Pvt Ltd.		6,000,000 (60,00,000)		6,000,000 (60,00,000)
ii) Inter-corporate Deposit paid Inox Leisure Limited	60,000,000 (18,00,00,000)			60,000,000 (18,00,00,000)
(C) Amounts payable				
iii) Reimbursement of expenses Gujarat Fluorochemicals Ltd	8,052 (4,491)			8,052 (4,491)
iv) Remuneration Shri Deepak Asher		184,860 (184,860)		184,860 (184,860)

**INOX LEASING AND FINANCE LIMITED****31 Employee Benefits**

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 2,49,540/- (Previous year Rs. 2,28,096/-) is recognised as an expense and included in Contribution to Provident and Other Funds in the Profit and Loss Account.
- b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Encashment - as per Actuarial Valuation as on 31st March, 2012.

(Amount in Rupees)

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Change in Benefit Obligation				
Liability at the beginning of the year	814,639	6,32,566	245,324	2,36,055
Interest Cost	65,171	50,605	19,626	18,884
Current Service Cost	248,584	1,70,990	172,801	1,42,807
Benefit paid	—	—	—	—
Actuarial (Gain)/Loss	39,433	(39,522)	(62,522)	(1,52,422)
Liability at the end of the year	1,167,827	8,14,639	375,229	2,45,324
Expenses recognized in the Profit and Loss Account				
Current Service Cost	248,584	1,70,990	172,801	1,42,807
Interest Cost	65,171	50,605	19,626	18,884
Actuarial (Gain)/Loss	39,433	(39,522)	(62,522)	(1,52,422)
Expenses recognized in the Profit and Loss Account	353,188	1,82,073	129,905	9,269
Actuarial Assumptions				
Discount Rate	9%	8%	9%	8%
Salary Escalation Rate	10%	7%	10%	7%
Retirement Age	58 years			
Mortality	LIC (1994-96) published table of rates			

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

As per our report of even date attached

On behalf of the Board of Directors

for **S.C. BANDI & CO.**
Chartered Accountants**S.C.BANDI**
Proprietor**VIJAY SAXENA**
Company Secretary**D. K. JAIN**
Chairman**P.K. JAIN**
Managing Director**Membership No. 16932**Place: Mumbai
Date: 13th August, 2012Place: New Delhi
Date: 13th August, 2012



AUDITORS' REPORT

The Board of Directors,
Inox Leasing and Finance Limited
Mumbai.

Dear Sirs,

We have audited the Balance Sheet of Inox Leasing and Finance Limited as at 31st March, 2012 and the Statement of Profit and Loss and the Cash Flow statements for the year ended on that date.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 as amended up to June 30, 2010 issued by Reserve Bank of India we give hereunder our report on matters specified in paragraph 3(A) and (C) of the said Directions.

1. The company is engaged in the business of Non-Banking Financial Institution and it has obtained the Certificate of Registration (CoR) from RBI u/s 45-IA of the RBI Act, 1934.
2. The asset/ income pattern of the company as on 31.03.2012 shows that financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets is more than 50 per cent of the gross income so the company continued to undertake the business of Non Banking Financial Institution (NBFI) during the year ended on 31-03-2012, there by that company is entitled to continue to hold such CoR in terms of its asset/income pattern as on March 31, 2012.
3. The Board of Directors have passed a resolution for non- acceptance of any public deposits.
4. The company has not accepted any public deposits during the relevant period/year;
5. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.
6. The capital adequacy ratio as disclosed in the return submitted to the Reserve Bank of India has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio as prescribed by the Reserve Bank of India in Directions applicable to the 'Systemically important non-deposit taking non-banking financial company' as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions, 2007. It has also furnished the statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7).

For **S. C. BANDI & Company**
Chartered Accountants
Proprietor
Membership No. 16932

Mumbai
Date : 13th August, 2012



INOX LEASING AND FINANCE LIMITED

Schedule 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, 2007)

(Rs. in Lacs)

Particulars	Amount out-standing	Amount Overdue
Liabilities Side		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	NIL	NIL
(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) Other Loans (Specify nature)	—	—
* Please see Note 1 below		

Assets Side	Amount out-standing
(2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :	
(a) Secured	—
(b) Unsecured	922.58
(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 out-standing
(4) Break -up of Investments:	
Current Investments	
1. Quoted:	
(i) Shares :	
(a) Equity	—
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of Mutual Funds	—
(iv) Government Securities	—
(v) Others (Please specify)	—
2. Unquoted:	
(a) Equity	—
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of Mutual Funds	4958.46
(iv) Government Securities	—
(v) Others (Please specify)	—
Long Term Investments:-	
1 Quoted:	
(i) Shares	
(a) Equity	2369.44
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of mutual funds	—
(iv) Government Securities	—
(v) Others (please specify)	—
2 Unquoted:	
(i) Shares	
(a) Equity	—
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of mutual funds	1,251.56
(iv) Government Securities	—
(v) Others (please specify)Tax free Bonds	707.92

**INOX LEASING AND FINANCE LIMITED**

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

Please see Note 2 below

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

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

**Security Deposit paid for lease of property.

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

Please see note 3 below

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

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

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

(7) Other information

Previous year

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

**Notes:**

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

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

1) Capital to Risk Assets Ratio (CRAR)

	Current year	Previous year
(i) CRAR (%)	95.61%	75.67%
(ii) CRAR - Tier I capital (%)	95.61%	75.67%
(iii) CRAR - Tier II capital (%)	NIL	NIL

2) Exposure to Real Estate Sector

(a) Direct Exposure

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

(b) Indirect Exposure

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

3) Maturity pattern of certain items of assets and liabilities

(Rs. in Lacs)

	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 month upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities :									
Borrowings from Banks	—	—	—	—	—	—	—	—	—
Market Borrowings	—	—	—	—	—	—	—	—	—
Assets :									
Advances (net of NPA's)	0.20	0.20	0.19	0.57	63.10	858.32	—	—	922.58
Investments (net of Provision)	953.19	852.15	867.90	1233.61	1051.61	1251.56	—	3077.36	9287.38

* includes Capital Advances

On behalf of the Board of Directors

D.K. JAIN
Chairman

VIJAY SAXENA
Company Secretary

P.K. JAIN
Managing Director

Place: New Delhi

Date: 13th August, 2012



INOX LEASING AND FINANCE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1. Name of the Company	Gujarat Fluorochemicals Limited	Inox Leisure Limited
2. Financial year ended	: 31 st March, 2012	31 st March, 2012
3. Shares held by the Holding Company in the Subsidiary Company	: 5,77,15,310 Equity Shares of Rs. 1/- each	5,87,461 Equity Shares of Rs. 10/- each
4. Holding Company's interest	: 52.54%	0.95%
5. The net aggregate of Profits or Losses for the current and previous financial periods of the Subsidiary so far as it concerns the members of the Holding Company :		
a) dealt with or provided for in the accounts of the Holding Company	: —	—
b) not dealt with or provided for in the accounts of the Holding Company	: Rs. 43,159.65 lacs (Rs. 26,362.81 lacs)	Rs. 1027.69 lacs (Rs. 695.79 lacs)

Note:

1. Inox Leisure Limited is a subsidiary of Gujarat Fluorochemicals Limited.
2. The Company has no investments in the other subsidiary companies of Gujarat Fluorochemicals Limited or Inox Leisure Limited.

By Order of the Board of Directors

D.K.JAIN
Chairman

New Delhi, 13th August, 2012



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

CONSOLIDATED ANNUAL ACCOUNTS

2011 – 2012



INOX LEASING AND FINANCE LIMITED

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF INOX LEASING AND FINANCE LIMITED ON CONSOLIDATED FINANCIAL STATEMENTS

We have audited the attached Consolidated Balance Sheet of Inox Leasing and Finance Limited (the 'Company'), its subsidiaries, joint venture and associate (collectively the 'Group') as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have not audited the financial statements of the subsidiary company, Gujarat Fluorochemicals Limited, its subsidiaries, and subsidiaries of subsidiaries, joint venture and associate which reflect total assets of Rs. 518422.34 lacs, total revenues of Rs. 287696.33 lacs and net cash inflows of Rs. 24440.20 lacs. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, joint venture and associate is based solely on the reports of the other auditors.

We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Venture, notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

Based on our audit and on consideration of reports of other auditors on separate financial statements and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
- b) in case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- c) in case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

S.C. BANDI
Proprietor
Mem. No. 16932

Place: Mumbai
Date : 13th August, 2012



Consolidated Balance Sheet of Inox Leasing and Finance Limited and its Subsidiary Companies as at 31 st March, 2012

Amount Rs. in Lacs

	Note No.	As at 31st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	4	1,061.85	1,061.85
(b) Reserves and surplus	5	161,509.48	120,176.95
		162,571.33	121,238.80
(2) Minority interest			
		135,613.71	94,716.05
(3) Non-current liabilities			
(a) Long-term borrowings	6	88,973.68	25,537.43
(b) Deferred tax liabilities (Net)	41	16,847.68	15,123.28
(c) Other Long term liabilities	7	527.29	10,283.89
(d) Long-term provisions	8	969.93	777.29
		107,318.58	51,721.89
(4) Current liabilities			
(a) Short-term borrowings	9	51,101.99	35,257.03
(b) Trade payables	10	22,284.36	21,060.44
(c) Other current liabilities	11	44,446.18	42,602.32
(d) Short-term provisions	12	5,789.47	3,324.86
		123,622.01	102,244.65
TOTAL		529,125.63	369,921.39
II. ASSETS			
(1) Non-current assets			
(a) Goodwill on consolidation		6,950.83	5,053.31
(b) Fixed assets			
(i) Tangible assets	13	258,086.33	183,137.35
(ii) Intangible assets	14	4,650.56	3,032.22
(iii) Capital work-in-progress		76,245.20	38,411.23
(c) Deferred tax assets	41	42.53	247.06
(d) Non-current investments	15	17,503.99	24,531.51
(e) Long-term loans and advances	16	32,145.62	22,231.05
(f) Other non-current assets	17	3,110.77	2,132.74
		398,735.83	278,776.47
(2) Current assets			
(a) Current investments	18	8,035.74	27,298.23
(b) Inventories	19	53,309.70	25,502.29
(c) Trade receivables	20	29,032.76	19,849.43
(d) Cash and bank balances	21	30,011.41	7,119.11
(e) Short-term loans and advances	22	9,573.66	8,347.56
(f) Other current assets	23	426.53	3,028.30
		130,389.80	91,144.92
TOTAL		529,125.63	369,921.39

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

On behalf of the Board of Directors

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

Chartered Accountants

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012



INOX LEASING AND FINANCE LIMITED

Consolidated Statement of Profit and Loss of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31 st March, 2012

		Amount Rs. in Lacs	
	Note No.	2011-2012	2010-2011
I. Revenue from operations	24	289,532.23	148,941.32
Less: Excise Duty		<u>5,897.01</u>	<u>3,439.17</u>
		283,635.22	145,502.15
II. Other income	25	4,683.26	9,473.11
III. Total Revenue (I + II)		288,318.48	154,975.26
IV. Expenses:			
Cost of materials consumed	26	75,961.13	33,385.49
Purchases of Stock-in-Trade	27	1,365.65	1,473.77
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(10,326.98)	1,473.85
Employee benefits expense	29	12,818.62	8,917.43
Finance costs	30	8,769.51	4,345.46
Depreciation and amortization expense	31	14,912.69	9,713.38
Goodwill on consolidation written off		12.85	-
Other expenses	32	130,531.74	66,262.55
Total expenses		234,045.20	125,571.92
Less: Expenditure capitalized		(50,011.91)	(6,918.42)
Net Expenditure		184,033.29	118,653.50
V. Profit before exceptional item and tax (III-IV)		104,285.19	36,321.76
VI. Exceptional item	35	1,797.51	(561.34)
VII. Profit before tax (V - VI)		102,487.68	36,883.10
VIII (A) Tax expense:			
(1) Current tax		25,351.33	7,643.79
(2) MAT credit entitlement		(2,934.33)	(696.25)
(3) Deferred tax		2,080.89	3,492.59
		24,497.89	10,440.13
(B) Taxation pertaining to earlier years			
(1) Current tax		26.46	(132.40)
(2) MAT credit entitlement		—	(1,543.39)
(3) Deferred tax		(153.92)	(9.59)
		(127.46)	(1,685.38)
IX Profit for the year (VII-VIII)		78,117.25	28,128.34
X Add : Share of minority interest in loss		(36,389.69)	(12,752.19)
XI Add: Share in profit of associates		0.29	—
XII Net Profit (IX+X+XI)		41,727.84	15,376.15
XIII Earnings per equity share:			
Basic and diluted Earnings Per Share of Re 10/- each	51	392.97	144.81

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

On behalf of the Board of Directors

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

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012



Consolidated Cash Flow Statement of Inox Leasing and Finance Limited and its Subsidiary Companies for the year ended 31 st March, 2012

Amount Rs. in Lacs

	2011-2012	2010-2011
A Cash flow from operating activities		
Profit before tax	102,487.67	36,883.08
Adjustments for :		
Depreciation and Amortisation	14,912.69	9,713.38
Loss on assets sold/scrapped (Net)	44.33	61.94
Provision for diminution in value of investments	4,239.04	(135.78)
Provision for doubtful trade receivables (Net)	160.02	98.42
Provision for doubtful advances	298.60	27.30
Bad debts and remissions	96.10	3.41
Liabilities and provisions written back	(254.03)	(199.66)
Provision for doubtful advances written back	(7.21)	(5.00)
Amounts written-off	29.52	54.83
Expenses on Abandoned Projects Written Off	119.27	28.34
Amortization of value of Stock Options	(4.78)	9.87
Amortization of goodwill on consolidation	12.85	—
Unrealised Foreign exchange Loss (Net) and exchange loss on FCCB	4,768.14	432.17
Income in respect of investing activities (Net)	(4,096.96)	(6,590.77)
Finance Costs	8,908.99	4,405.70
	29,226.58	7,904.14
Operative profit before working capital changes	131,714.25	44,787.22
Adjustments for :		
Other Long term liabilities	(8,837.27)	(11,061.45)
Long-term provisions	183.07	231.30
Trade payables	6,601.26	5,031.52
Other current liabilities	2,526.27	15,172.15
Short-term provisions	1,460.71	135.65
Long-term loans and advances	4,376.46	(19,399.81)
Inventories	(27,466.24)	(5,023.77)
Trade receivables	(18,891.29)	(12,259.30)
Other non current assets	5.43	5.22
Short-term loans and advances	(2,320.22)	15,440.12
	(42,361.82)	(11,728.35)
Cash generated from operations	89,352.43	33,058.86
Income-tax paid (Net)	(31,679.73)	(7,773.94)
Net cash from operating activities	57,672.69	25,284.93
B Cash flow from investing activities		
Purchase of fixed assets (including change in capital work in progress and capital advances)	(121,170.76)	(59,634.90)
Sale of fixed assets	160.31	7.62
Investments in subsidiary company	(483.75)	—
Purchase of investments	(100,709.42)	(93,037.98)
Redemption/Sale of Investments	123,512.47	116,394.04
Release from Escrow Account for Open Offer	—	4,221.54
Inter-corporate and other loans given (Net)	(1,330.31)	472.81
Interest and Dividend received (Net of expenses)	4,604.62	2,279.91
Movement in bank fixed deposits with original maturity of more than three months and margin money deposits (Net)	1,381.29	(2,045.09)
Adjustment for receivables on investment account	(8.16)	145.06
Net cash used in investment activities	(94,043.71)	(31,196.99)

**INOX LEASING AND FINANCE LIMITED**

	Amount Rs. in Lacs	
	2011-2012	2010-2011
C Cash flow from financing activities		
Issue of shares	—	0.06
Securities premium received on issue of shares	28.26	—
Proceeds from issue of share capital	13.83	7.16
Refund of Share application money	(12.50)	—
Right issue expenses	(169.93)	—
Proceeds from Long Term Loans (Net)	67,365.42	(9,875.48)
Proceeds from Short Term Loans (Net)	18,499.65	9,936.66
Proceeds from Cash Credit/Overdraft(Net)	(3,147.78)	5,884.71
Foreign currency convertible bond redeemed	(906.63)	—
Yield to maturity paid on redemption of Foreign Currency Convertible Bonds	(906.63)	—
Inter-corporate loans received (Net)	382.17	1,299.04
Finance costs	(9,240.24)	(4,075.34)
Dividend paid (Including Tax on Dividend)	(7,952.73)	(4,264.22)
Net cash from / (used in) financing activities	58,612.42	(1,087.41)
D Adjustment on accounts of Foreign Currency Translation Reserve	1,287.56	277.03
E Capital receipts	764.37	
(Please refer to note no. 5 of Notes to Accounts)		
Net increase/(decrease) in cash and cash equivalent	24,293.33	(6,722.45)
Cash and cash equivalents as at the beginning of the year	4,973.16	11,667.12
Adjustment on first time consolidation of subsidiary	0.34	28.48
Cash and cash equivalents as at the end of the year	29,266.83	4,973.15

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

On behalf of the Board of Directors

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2012

1. CORPORATE INFORMATION:-

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

The Subsidiary companies considered in the financial statements are:

(A) Subsidiaries of the Company:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2012	As at 31 st March 2011
Gujarat Fluorochemicals Limited	India	52.54%	52.54%
Inox Leisure Limited (ILL)	India	0.95%	0.35%
Inox Infrastructure Private Limited (IIPL)	India	NIL	NIL
Inox Motion Pictures Limited (IMPL)	India	NIL	NIL
Inox Wind Limited (IWL)	India	NIL	NIL
Gujarat Fluorochemicals Americas, LLC (GFL Americas)	USA	NIL	NIL
Inox Renewables Limited (incorporated on 11 th November 2010) (IRL)	India	NIL	NIL
GFL Singapore Pte Limited (Incorporated on 25 th July 2011) (GFL Singapore)	Singapore	NIL	NIL

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

ILL is engaged in the business of operating and managing multiplexes and cinema theatres. IIPL is engaged in the business of real estate and property development. IMPL is engaged in the business of production and distribution of movies. IWL is engaged in the business of manufacture and sale of wind turbine generators (WTGs). GFL Americas is engaged in the business of manufacture and sale of PT-PTFE Compound. IRL is engaged in the business of generation of wind energy and providing services for erection & commissioning and operations and maintenance of wind farms. GFL Singapore has been set up for the purpose of investment activities.

(B) Subsidiaries of GFL Singapore Pte Limited

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

GFL GM Fluorspar SA is in the process of setting up business of exploration of fluorspar mines. Capital commitment towards partly paid shares of GFL GM Fluorspar SA is MAD 1,66,500 i.e. Rs. 10.12 lacs.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012****(C) Subsidiaries of Inox Leisure Limited:-**

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2012	As at 31 st March 2011
Fame India Limited (see under 'changes during the year' below) ('FIL' or 'Fame')	India	73.14%*	50.27%

* Including holding of GFL in Fame

FIL is engaged in the business of operating and managing multiplexes and cinema theatres.

(D) Subsidiaries of Fame India Limited:-

Name of the Company	Country of Incorporation	Proportion of ownership interest	
		As at 31 st March 2012	As at 31 st March 2011
Fame Motion Pictures Limited (FMPL)	India	100%	100%
Big Picture Hospitality Services Private Limited (Big Pictures)	India	100%	100%
Headstrong Films Private Limited (HFPL) (see note under 'changes during the year' below)	India	99.99%	N.A.

FMPL is engaged in the business of exploitation of movie rights (including distribution) and programming.

Big Pictures was engaged in the business of operating food-courts and restaurants in India and HFPL was engaged in the business of film production and distribution in India. During the year, there are no business activities in these two companies. However, the management is reassessing the business feasibility and is exploring new initiatives/projects.

The financial statements of all subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company viz. year ended 31st March 2012.

(E) Joint Venture of GFL:-

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 on 31st March 2012 GFL has invested a sum of Rs.1263.89 lacs in the share capital of this Joint Venture.

The JVC is engaged in the business of manufacture of anhydrous hydrogen fluoride and allied activities.

The financial statements of this joint venture are drawn up to 31st December 2011.

(F) Joint Ventures of Fame India Limited:-

Joint ventures of Fame India Limited considered in these CFS are:

Name of the Company	Country of incorporation	Proportion of ownership interest of Fame India Limited as on 31 st March 2012	Proportion of ownership interest of Fame India Limited as on
			31 st March 2011
Swanston Multiplex Cinemas Private Limited	India	50%	50%
Headstrong Films Private Limited (HFPL) (see note under 'changes during the year' below)	India	NA	50%

SMCPL is engaged in the business of operating a multiplex.

The financial statements of these joint ventures are drawn up to 31st March 2012.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012****(G) Associate of Inox Infrastructure Private Limited:-**

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

S.No.	Particulars	Amount Rs. lacs	
		2011-2012	2010-2011
1	Book value of Investment on acquisition	3200.00	3200.00
2	Share of Profit – Up to Previous Year	1.18	1.18
3	Share of (Loss)/Profit – Current Year	0.29	Nil
4	Carrying amount	3201.47	3201.18

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

Changes during the year

- a) During the year ended 31st March 2010, ILL had acquired 1,50,57,751 equity shares in Fame (India) Limited ("Fame"), being the Promoters' shareholding, through a block deal carried out on the Bombay Stock Exchange. ILL had thereafter acquired another 25,07,537 equity shares in Fame, from the market, through two separate block deals carried out on the Bombay Stock Exchange. As a result of these acquisitions, ILL held 1,75,65,288 equity shares comprising of more than 50% stake in Fame. Pursuant thereto, as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, an Open Offer was made to the Shareholders of Fame for acquisition of 82,31,759 equity shares in Fame at a price of Rs 51 per share. On completion of Open Offer Inox Leisure Limited's stake in Fame stood at 50.27% of the then existing issued and paid-up capital of Fame. Accordingly, as per the provisions of Companies Act, 1956, Fame had become a subsidiary of Inox Leisure Limited w.e.f. 6th January 2011.

The consolidated results for previous year of Fame are included in the CFS from 6th January 2011 on the basis of the financial statements prepared by the Fame's management for the period ended on 31st December 2010, after making necessary adjustment for material events between 31st December 2010 and 6th January 2011.

During the current year ILL has subscribed and acquired 2,02,12,212 equity shares of Fame pursuant to Rights issue of Fame. ILL has thereafter acquired 6,59,737 equity shares of Fame from market. As a result of these acquisitions, ILL now holds 3,84,38,312 equity shares comprising of 69.54% stake in Fame.

During the year, GFL has acquired 19,87,200 equity shares of Fame. The combined holding of the Group is now 4,04,25,512 equity shares comprising of 73.14% stake in Fame.

- b) During the year, FIL has acquired further shares in its joint venture HFPL and consequently, HFPL has become a subsidiary of FIL w.e.f. 26th March 2012. Goodwill on consolidation of this subsidiary is written off during the year.
- c) During the year, GFL has incorporated a wholly owned subsidiary GFL Singapore Pte Limited in Singapore.
- d) During the year, GFL has invested in a newly incorporated subsidiary in Morocco viz. GFL GM Fluorspar SA. On 28th September 2011 the entire shareholding of GFL in this subsidiary was transferred to GFL Singapore Pte Limited. Consequently, GFL GM Fluorspar SA is now a subsidiary of GFL Singapore Pte Limited.

2. BASIS OF PREPARATION AND PRINCIPLES OF CONSOLIDATION :-

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of CFS. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

The CFS have been prepared on the following basis.

- a) 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.
- b) Interest in joint ventures is reported using proportionate consolidation method.
- c) 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.
- d) Financial statements of foreign subsidiaries have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the Accounting Standard-11 "Effects of Changes in Foreign Exchange Rates".
- e) 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. For this purpose, the Company share of equity is determined on the basis of the latest financial statements prepared and certified by the Management, prior to the date of acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. The Goodwill on consolidation is evaluated for impairment whenever there is any indication that its carrying amount may have been impaired.
- f) The CFS are prepared using uniform accounting policies for the like transactions and other events in similar circumstances, except where it is not practicable to do so. The CFS are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements.
- g) The Minority interest in the net assets of consolidated subsidiary consist of the amount of equity attributable to minority at the date on which investment in subsidiary is made and the minority's share of movement in equity since the date the parent subsidiary relationship comes into existence.

3. (A) CHANGES IN ACCOUNTING POLICIES

a) In respect of GFL:

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

Accordingly, the exchange difference of Rs. 5098.21 lacs, arising after 1st April, 2011 on the reporting of long term foreign currency monetary items at the rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far they relate to acquisition of depreciable capital assets, have been added to the cost of assets and shall be depreciated over the balance useful life of the assets.

Up to the last year such exchange difference were charged to Statement of Profit and Loss. Due to this change in accounting policy the profit before tax for the current year is higher by Rs. 4941.65 (net of depreciation charge of Rs. 156.56 lacs) and cost of fixed assets is higher by Rs.3662.73 lacs.

b) In respect of FIL:

Upto last year, lease rentals paid in respect of properties were charged to the Statement of Profit and Loss on a straight line basis over the lease term. During the current year, the management has reviewed the accounting policy for such lease rentals and, in the opinion of management, charging of lease rentals paid in terms of the respective lease agreement will result in more appropriate presentation of the financial statements. Accordingly, the provision of Rs. 296.01 lacs as on 31st March 2011, in respect of such lease rentals, is reversed during the current



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

year and credited to the lease rentals charged to the Statement of Profit and Loss and the lease rentals for the current year are also provided accordingly. Due to this change, the amount of lease rentals charged to the Statement of Profit and Loss is lower by Rs. 405.37 lacs and the profit before tax is higher by Rs. 405.37 lacs.

c) In respect of GFL Americas:

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

Due to the above change in method for providing depreciation, the depreciation arising on retrospective re-computation for the period up to 31st March 2011 of Rs. 26.93 lacs is debited to Statement of Profit and Loss and depreciation for the current year is higher by Rs. 30.46 lacs. Consequently, total charge for the depreciation is higher, the profit before tax for the year is lower and the net block of fixed assets is lower by Rs. 57.39 lacs.

3. (B) OTHER SIGNIFICANT ACCOUNTING POLICIES

a) FIXED ASSETS AND INTANGIBLE ASSETS

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

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

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

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

b) DEPRECIATION & AMORTIZATION

i) On tangible fixed assets:

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

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

- On other fixed assets, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Fixed Assets costing Rs 5,000 or less are fully depreciated in the year of acquisition. Based on technical opinion Windmill is considered as a continuous process plant and depreciation is provided at the rate applicable thereto.

ii) On intangible fixed assets:

Cost of technical know-how is amortized equally over a period of ten years and cost of Software is amortized @ 16.21% p.a. on straight line method.

Cost of Film Distribution Rights (and corresponding prints cost) and Negative Rights is amortized in proportion to the management's estimate of gross revenues expected to be realized over a period. Cost of movie script acquired is amortized over a period of five year from the date of acquisition.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

In respect of GFL Americas:

Depreciation on all fixed assets (except land) is provided under straight line method on the basis of the management's estimate of the useful life of a fixed asset, at the time of acquisition of the asset or of the remaining useful life on a subsequent review.

The estimated useful life is as under:

Asset Category	Estimated useful life
Buildings	30 Years
Plant & Equipment	7 Years
Furniture and Fixtures	7 Years
Vehicle	5 Years
Computers	5 Years
Leasehold Improvements	15 Years

c) IMPAIRMENT OF ASSETS

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

d) INVESTMENTS

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

e) INVENTORIES

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

f) REVENUE RECOGNITION

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

Income from Box Office and Film Distribution is recognized as and when the movie is exhibited. Income from Sale of Food & Beverages is accounted at the point of sale. Income is net of refunds and complimentary. Conducting fees are in respect of charges received from parties to conduct business from the Company's Multiplexes. Income from conducting fees and management of multiplexes / theatres is recognized on accrual basis as per the contractual arrangements. Advertisement income is recognized on the date of exhibition of the advertisement / event or over the period of the contract, as applicable. Revenue from programming is recognized as and when the movie is exhibited and comprises of proceeds from sale of tickets, net of taxes and theatre owner's share. As the Group is the primary obligor with respect to the programming activities, the share of distributor in these proceeds is disclosed as programming cost. In respect of Movie Rights, revenue from theatrical exhibition is recognized as and when the movie is exhibited and revenue from film's satellite, video and other rights are recognized from effective date of exploitation of rights or when the rights are made available to the assignee for exploitation, in terms of the agreement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

Interest income is recognised on a time proportion basis, except in cases where interest is doubtful of recovery. Dividend income is recognised when the Company's right to receive the dividend is established by the reporting date.

g) EMPLOYEE BENEFITS

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

h) BORROWING COSTS

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

i) TAXES ON INCOME

Income tax expense comprises of current tax & deferred tax charge. Deferred tax is recognised on timing differences, subject to consideration of prudence, being the differences between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. The deferred tax in respect of timing differences which reverse during the tax holiday period is not recognised to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income-tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period prescribed for utilization of such credit.

j) FOREIGN CURRENCY TRANSACTIONS AND FORWARD CONTRACTS

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

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

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

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

k) LEASE

Assets taken on operating lease

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

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.

I) 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.

m) USE OF ESTIMATES

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

4. SHARE CAPITAL

	As at 31st March 2012	As at 31st March 2011
Authorised capital 11,000,000 Equity Shares of Rs.10/- Each	1,100.00	1,100.00
1,500,000 Redeemable Cumulative Preference Shares of Preference Shares of Rs.100/- each	1,500.00	1,500.00
Total	2,600.00	2,600.00
Issued, Subscribed and fully paid up capital		
10,618,467 Equity Shares of Rs.10/- Each	1,061.85	1,061.85
Total	1,061.85	1,061.85

4.2 Terms/rights attached to equity shares

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

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

	31-03-2012		31-03-2011	
	Number	% holding	Number	% holding
Mr. Pavan Kumar Jain	2474178	23.30	2473478	23.29
Mr. Vivek Kumar Jain	2366405	22.29	2366405	22.29
Mr. Devansh Jain	1307618	12.31	1257618	11.84
Mrs. Nayantara Jain	1172832	11.05	1122832	10.57
Mrs. Nandita Jain	1031644	9.72	981644	9.24
Mr. Siddharth Jain	1018292	9.59	968292	9.12

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

5 Reserves and surplus	As at 31st March 2012	As at 31st March 2011
Capital Reserves		
As per last Balance Sheet	6,242.04	6,242.04
Additions during the year (see note below)	401.60	—
	6,643.64	6,242.04
Reconstruction Reserve		
As per last Balance Sheet	639.52	639.52
Amalgamation Reserve		
As per last Balance Sheet	206.16	206.16
Capital Redemption Reserve		
As per last Balance Sheet	1,459.30	1,459.30
Securities Premium Account		
As per last Balance Sheet	4,325.70	4,325.70
Add/(Less): Adjustment on account of FCCB premium and grant of stock options to employees in subsidiaries etc.	60.67	—
	4,386.37	4,325.70
Revaluation Reserve		
As per last Balance Sheet	—	—
Add: Addition during the year	3,274.54	—
	3,274.54	—
Statutory Reserve Fund*		
As per last Balance Sheet	2,806.00	2306.00
Add: Transfer from Profit and Loss Account	630.00	500.00
	3,436.00	2,806.00
Consolidation Reserve		
As per last Balance Sheet	24,526.50	24587.56
Add: Adjustments during the year	29.26	(61.06)
	24,555.76	24,526.50
General Reserve		
As per last Balance Sheet	58,906.18	51,656.18
Add: Transfer from Profit and Loss Account	38,815.00	7,250.00
	97,721.18	58,906.18
Foreign currency translation reserve		
Surplus in the Statement of Profit & Loss		
As per last Balance Sheet	20,765.88	16,666.99
Add: Profit for the year	41,727.85	15,376.15
	62,493.73	32,043.14
Less : Appropriations		
Interim Dividend	2,104.55	521.35
Proposed Dividend	1,843.87	2,365.22
Tax on Dividend	623.71	627.96
Statutory surplus reserve	33.31	12.72
Statutory reserve fund	630.00	500.00
General Reserve	38,815.00	7,250.00
	44,050.44	11,277.25
	18,443.29	20,765.89
Group Share in Joint Ventures	21.49	18.42
Total	161,509.47	120,176.96

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
6 Long-term borrowings		
Term Loans		
Secured Loans		
From Banks		
— Rupee Loans	1590.06	5,958.87
— Foreign Currency Loans	87383.62	19,578.56
	88,973.68	25,537.43
Total	88,973.68	25,537.43
6.1 For nature of securities and terms of repayment please refer to note no. 33		
7 Other Long-term liabilities		
Trade payables	—	296.00
Security Deposits	464.06	754.04
Retention Money	61.92	18.59
Sundry creditors for capital expenditure	—	8.00
Advances from customers	—	9,205.90
	525.98	10,282.53
Group Share in Joint Ventures	1.31	1.36
Total	527.29	10,283.89
8 Long-term provisions		
Provision for employee benefits		
— For Gratuity	668.02	528.87
— For Leave benefits	300.19	247.31
	968.21	776.18
Provision for income tax	—	0.82
	968.21	777.00
Group Share in Joint Ventures	1.72	0.29
Total	969.93	777.29
9 Short-term borrowings		
9.1 (i) Secured Loans		
From Banks		
— Cash Credit/Overdraft	3228.97	6,376.75
— Rupee Loans	1305.34	3,661.28
— Foreign Currency Loans	16135.86	7,080.10
	20,670.17	17,118.13



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
9.2 (ii) Unsecured Loans		
From Banks		
— Rupee Loan	5000.00	11,000.00
— Foreign Currency Loans	<u>23483.54</u>	<u>6,083.13</u>
	28,483.54	17,083.13
	49,153.71	34,201.26
Group Share in Joint Ventures	1,948.28	1,055.77
Total	<u>51,101.99</u>	<u>35,257.03</u>
10 Trade Payables		
Trade Payables		
— dues to Micro and Small Enterprises	17.13	12.03
— others	<u>21,512.45</u>	<u>20,246.51</u>
	21,529.58	20,258.54
Group Share in Joint Ventures	754.78	801.90
	<u>22,284.36</u>	<u>21,060.44</u>
11 Other Current Liabilities		
Bonds/Debentures		
10,00,000 7% Unsecured Fully Convertible Debentures of Rs. 100 each (optionally convertible into fully paid equity shares at par after a period of three years from the date of allotment viz. on 19.3.2013)	1,000.00	1,000.00
Others Liabilities		
Current maturities of long-term debt	13,493.61	15,368.94
Interest accrued but not due on borrowings	451.14	2,319.64
Interest accrued and due on borrowings	37.05	282.74
Creditors for capital expenditure	14,623.31	3,594.24
Security deposits	491.89	495.08
Income received in advance	598.57	566.90
Advances received from related parties	0.00	1.89
Advances from customers	9,638.10	15,731.81
Unpaid dividends (see note below)	243.63	195.19
Retention money	231.28	324.62
UI charges payable	291.42	0.00
Statutory dues and taxes payable	3,112.57	2,325.42
Other Payables	20.82	12.48
	44223.40	42218.95
Group Share in Joint Ventures	212.78	383.37
Total	<u>44446.18</u>	<u>42602.32</u>

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
12 Short-term provisions		
Provision for employee benefits		
— For Gratuity	141.74	96.24
— For Leave benefits	304.62	211.71
	446.36	307.95
Provision for Municipal tax - (see note no 43)	154.60	131.80
Provision for Service tax - (see note no 35)	1,328.72	—
Provision for MVAT- (see note no 43)	39.61	39.61
Provision for Proposed Dividend	1,843.87	2,365.22
Tax on Proposed Dividend	267.31	445.51
Provision for fringe benefit tax	—	4.50
Provision for taxation(net of taxes paid)	60.10	30.25
Provision for mark-to-market losses on derivative contracts	60.10	34.75
	1,603.68	—
	5,744.25	3,324.84
Group Share in Joint Ventures	45.22	0.02
Total	5,789.47	3,324.86

Notes to Financial Statements for the year ended 31st March, 2012

13 TANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block								Depreciation/Amortization				Net Block		
	As at 1 April 2011	Translation Difference	On Account of revaluation	Additions	Deductions	Exchange Differences	Borrowing Costs	As at 31 March 2012	As at 1 April 2011	Translation Difference	For the Year	Deductions	As at 31 March 2012	As at 31 March 2012	As at 31 March 2011
(a) Tangible Assets															
Land															
- Freehold Land	3333.32	4.03		43.98				3381.33						3381.33	3333.32
- Leasehold Land	5016.51			684.36	127.20			5573.67	166.20	63.14	2.55	226.79	5346.88	4850.31	
Buildings	27911.50			9523.45	4.38		27.37	37457.94	2742.16	0	843.41	0.08	3585.49	25169.34	
Leasehold improvements	18860.52	1.18		1121.91	188.36		70.31	19865.56	4636.71	0.08	1543.96	66.69	6114.06	14223.81	
Plant and Equipments	154870.95	33.88	6232.01	65123.30	157.19	4637.40	757.76	231498.11	27337.36	1.56	10716.98	72.00	37983.90	127533.59	
Furniture and Fixtures	6206.95	1.72	0.44	516.10	95.88		15.70	6645.03	1938.81	0.11	587.08	42.03	2483.97	4268.14	
Vehicles	693.72		0.28	151.34	51.42			793.92	289.12	0	64.54	13.02	340.64	404.6	
Office Equipments	2895.34	0.62	-0.25	432.72	25.71			3302.72	1389.37	0.11	334.54	13.7	1710.32	1505.97	
Total (a)	219788.81	41.43	6232.48	77597.16	650.14	4637.40	871.14	308518.28	38499.73	1.86	14153.65	210.07	52445.17	256073.11	181289.08
(b) Group Share in Joint Ventures	2754.33	484.15		71.49				3309.97	906.05	99.67	291.02		1296.74	2013.23	1848.28
Grand Total (a + b)	222543.14	525.58	6232.48	77668.65	650.14	4637.40	871.14	311828.25	39405.78	101.53	14444.67	210.07	53741.41	258086.33	183137.35
Previous year	166400.60	(1.05)		56202.80	242.39			222359.96	30124.23	(0.08)	9315.22	159.76	39279.61		

Note:

- Buildings includes office premises given on operating lease as under

	As at	As at
	31-03-2012	31-03-2011
Gross Block	929.38	929.38
Depreciation charge for the year	15.10	15.10
Accumulated Depreciation	102.12	87.03
Net book value	827.26	842.37
- Free hold land includes share of undivided plot of land at Anand, Gujarat
- Building includes Rs. 4681.02 lacs in respect of building at Nariman Point, Deed of Apartment of which is to be executed.
- Deductions during the year include Rs. 326.14 lacs on account of write back of provisions no longer required in respect of cost of fixed assets and adjustment of share of joint venture investor in the cost of fixed assets.

14 INTANGIBLE ASSETS

Amount Rs. in Lacs

Particulars	Gross Block					Depreciation/Amortization				Net Block		
	As at 1 April 2011	Translation Difference	Additions	Deductions	As at 31 March 2012	As at 1 April 2011	Translation Difference	For the Year	Deductions	As at 31 March 2012	As at 31 March 2012	As at 31 March 2011
(a) Intangible Assets												
Technical Know How	2866.19		1932.92		4799.11	448.38		432.50		880.88	3918.23	2417.81
Computer Software	788.48		28.39		816.87	440.91		95.33		536.24	280.63	347.57
Film Distribution Rights & Prints Cost	229.68			156.46	73.22	229.68			156.46	73.22		
Movie Script			155.50		155.50		6.46			6.46	149.04	
Movie Rights	375.01				375.01	375.01				375.01		
Total (a)	4259.36		2116.81	156.46	6219.71	1493.98		534.29	156.46	1871.81	4347.90	2765.38
(b) Group Share in Joint Venture	308.68	66.75	0.07		375.50	41.84	8.18	22.81		72.84	302.66	266.84
Grand Total (a + b)	4568.04	66.75	2116.88	156.46	6595.21	1535.82	8.18	557.10	156.46	1944.65	4650.56	3032.22
Previous year	3248.51	(10.34)	2220.07	890.20	4568.04	2044.53	(1.32)	382.78	890.17	1535.82		





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	Face Value Rs.	Nos. As at 31st March, 2012	Nos. As at 31st March, 2011	As at 31st March, 2012 Amount Rs. in Lacs	As at 31st March, 2011 Amount Rs. in Lacs
15 NON CURRENT INVESTMENTS (Long term, non-trade, at cost, unless otherwise stated)					
[1] INVESTMENTS IN SECURITIES					
A] UNQUOTED					
i) Investment in Equity instrument					
In Associate company					
Megnasolace City Private Limited - Equity shares of Rs.10/- each - paid up Rs. 1.60 per share (previous year Rs. 1.60 per share)		50,00,000	50,00,000	3201.47	3201.18
In Other company					
Kaleidoscope Entertainment Private Limited	1	5,62,500	5,62,500	60.75	60.75
Ideas & U Limited	10	500,000	500,000	50.00	50.00
Less: Provision for diminution in value of Investment				3312.22 110.75	3311.93 60.75
				3201.47	3251.18
ii) Investment in Govt. or Trust Securities					
National Saving Certificate (Held in the name of Directors & Pledged with Government Authorities)				69.83	52.56
				69.83	52.56
iii) Investment in Mutual Funds					
Birla Sunlife Midcap Fund- Plan A-Dividend-Reinvestment	10	0	457,330	0.00	108.72
DSP Blackrock Small & Midcap Fund-Regular Plan-Dividend	10	0	3,909,152	0.00	544.74
HDFC Top 200 Fund-Dividend	10	0	280,960	0.00	119.96
ICICI Prudential Infrastructure Fund - Dividend	10	0	980,689	0.00	110.09
ICICI Prudential Discovery Fund-Dividend	10	0	2,971,809	0.00	567.61
Reliance Diversified Power Sector Fund- Retail Dividend Plan	10	0	144,797	0.00	67.20
Reliance Equity Opportunities Fund Retail Plan-Dividend Plan	10	0	2,581,455	0.00	547.26
SBI- Magnum Global Fund- Dividend	10	0	1,768,991	0.00	500.00
SBI- Magnum Sector Funds Umbrella Contra-Dividend	10	0	365,187	0.00	84.83
SBNPP Select Midcap- Dividend	10	0	1,371,196	0.00	230.80
Templeton India Equity Income Fund-Dividend Reinvestment	10	0	256,370	0.00	36.00
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	0	2,031,509	0.00	203.15
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	0	2,416,246	0.00	241.62
BSL FTP Series EV-Growth	10	2,000,000	0	200.00	0.00
DSP BR FMP Series 41-12.5M-Growth	10	2,000,000	0	200.00	0.00
DSP BR FMP Series 38-12.5M-Growth	10	1,015,630	0	101.56	0.00
HDFC FMP 400D March'12(1) series XXII-Growth	10	2,000,000	0	200.00	0.00
ICICI Prudential FMP Series 60-18M Plan B-Growth	10	2,000,000	0	200.00	0.00
IDFC FMP 18M Series 9-Growth	10	2,000,000	0	200.00	0.00
TATA FMP Series 39 Scheme H-Growth	10	1,500,000	0	150.00	0.00
				1251.56	3361.99
iv) Investment in Bonds					
HUDCO 7.62% Tax Free Bond Oct'11	100000	250	0	250.00	0.00
IRFC 7.55% Tax Free Bond Oct'11	100000	250	0	250.00	0.00
POWER FINANCE CORP 8.20% Tax Free Bonds	1000	8,544	0	85.44	0.00
REC 7.93% Tax Free Bond	1000	12,248	0	122.48	0.00
				707.92	0.00
v) Investment in Venture Capital Fund					
Indiareit Fund Scheme III	100000	850.78	850.78	850.78	850.78
Kshitij Venture Capital Fund	920	250,000	250,000	2300.00	2350.00
				3150.78	3200.78
Net Unquoted Investments				8381.56	9866.51
B] QUOTED					
Investment in Equity instrument					
Advanta India Limited	10	48,590	48,590	598.39	598.39
Clarus Finance & Securities Limited	10	907,000	0	560.13	0.00
Dalmia Bharat Sugar And Industries Limited	2	0	191,881	0.00	155.15
TCS E-Serve Ltd.	10	0	200	0.00	1.92
EIH Limited	2	439,950	439,950	963.28	963.28



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	Face Value Rs.	Nos. As at 31st March, 2012	Nos. As at 31st March, 2011	As at 31st March, 2012 Amount Rs. in Lacs	As at 31st March, 2011 Amount Rs. in Lacs
Future Ventures India Limited	10	15,000,000	15,000,000	1500.00	1500.00
Garware Wall Ropes Limited	10	441,308	441,308	729.88	729.88
Housing Development & Infrastructure Limited	10	156,556	156,556	1176.02	1176.02
HEG Limited	10	116,000	116,000	500.91	500.91
K S Oils Limited	1	621,081	621,081	552.01	552.01
Kesoram Textile Mills Limited (Received pursuant to a scheme of arrangement)	10	131,893	131,893	0.00	0.00
Mount Everest Mineral Water Limited	10	2,335,592	2,335,592	2613.06	2613.06
OCL India Limited	2	0	112,950	0.00	150.05
Praj Industries Limited	2	993,630	993,630	2461.04	2461.04
Prime Focus Limited	1	772,560	772,560	989.21	989.21
Reliance Communication Limited	5	56,981	56,981	362.76	362.76
Shree Global Tradefin Limited	5	0	651,093	0.00	1601.57
Taneja Aerospace & Aviation Limited	5	365,559	365,559	738.06	738.06
Tantia Constructions Limited	10	224,774	224,774	332.94	332.94
Bajaj Finance Limited	10	640	640	4.79	4.79
Central Bank of India	10	0	2,007	0.00	4.40
City Union Bank Limited	1	9,013	9,013	4.27	4.27
Dewan Housing Finance Corporation Limited	10	1,542	1,542	4.82	4.82
Edelweiss Financial Services Limited	1	11,110	10,144	6.21	5.85
Emkay Global Finance Service Limited	10	1,976	1,976	2.10	2.10
GIC Housing Finance Limited	10	3,017	3,017	3.99	3.99
India Infoline Limited	2	4,294	4,294	4.92	4.92
Indian Bank	10	1,835	1,835	4.71	4.71
Mahindra & Mahindra Financial Services Limited	10	573	573	4.55	4.55
Motilal Oswal Financial Services Limited	1	2,496	2,075	4.43	3.82
Phoenix Mills Limited	2	1,946	1,946	4.10	4.10
Sobha Developers Limited	10	0	1,530	0.00	5.11
Geojit BNP Paribas Financial Services Limited	1	7,787	7,787	2.97	2.97
The Federal Bank Limited	10	1,019	924	4.32	3.96
LIC Housing Finance Limited	2	1,835	1,835	4.93	4.93
Shriram City Union Finance Limited	10	144	144	0.99	0.99
The South Indian Bank Limited	1	15,365	0	3.57	0.00
Sundaram Finance Limited	10	453	453	2.99	2.99
Cholamandalam Investment & Finance Limited	10	1,398	1,048	2.55	1.93
Manappuram Finance Limited	2	6,900	2,535	4.88	3.68
YES Bank Limited	10	896	1,789	2.37	5.02
Shriram Transport Finance Company Limited	10	365	309	2.59	2.22
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
Mount Everest Mineral Water Limited	10	255,400	255,400	186.01	186.01
Bombay Oxygen Corpn. Limited	100	5	5	0.06	0.06
				14410.80	15764.43
				5555.74	1368.63
				8855.06	14395.80
				8855.06	14395.80
				17236.62	24262.30
				14410.80	15764.43
				6645.33	5629.77
				11693.78	13178.44
				5666.49	1429.38
Less: Provision for diminution in value of Investment					
Net Quoted Investments					
Total Investments					
Aggregate amount of quoted investments					
Market value of quoted investments					
Aggregate amount of unquoted investments					
Aggregate provision for diminution in value of investments					

[2] INVESTMENTS IN PROPERTY

Particulars	Gross Block (at cost)			Depreciation/Amortization			Net Block	
	As at 1-Apr-11	Additions	As at 31-Mar-12	As at 1-Apr-11	For the year	As at 31-Mar-12	As at 31-Mar-12	As at 31-Mar-11
Leasehold Land	169.37	0.00	169.37	0.25	0.17	0.42	168.96	169.13
Building	102.53	0.00	102.53	2.44	1.67	4.11	98.41	100.08
Total	271.90	0.00	271.90	2.69	1.84	4.53	267.37	269.21
Previous Year	271.90	-	271.90	0.85	1.84	2.69		

Total Non Current Investments [1+2]

17,503.99

24,531.51



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
16 Long-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Capital Advances	9,076.42	6,371.21
Security Deposits	7,841.07	7,797.58
Advances recoverable in cash or in kind		
Considered Good	2,649.47	4,547.09
Considered Doubtful	67.32	10.00
	2,716.79	4,557.09
Less: Provision for Doubtful advances	67.32	10.00
	2,649.47	4,547.09
Loans to Employees	0.63	1.07
Inter corporate Deposits	536.95	536.95
Prepaid expenses	33.39	46.15
Electricity Charges refund claimed	389.83	389.83
Service Tax Credit Available	74.54	97.84
Entertainment Tax Refund Claimed	1,093.08	846.13
Income tax paid (Net of provisions)	10,378.84	1,431.03
	32,074.22	22,064.88
Group Share in Joint Ventures	71.40	166.17
Total	32,145.62	22,231.05
17 Other non-current assets		
MAT Credit Entitlement	2,480.54	1,854.81
Deposits	307.20	0.25
Non-current bank balances (bank balances with original maturity of more than 12 months)	92.43	44.70
Interest accrued		
on Investment	16.47	17.59
on bank fixed deposit	1.78	0.42
others	111.54	93.31
Other recoverables	100.81	121.66
	3,110.77	2,132.74



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	Face Value Rs.	Nos. As at 31st March, 2012	Nos. As at 31st March, 2011	As at 31st March, 2012 Amount (Rs. in Lacs)	As at 31st March, 2011 Amount (Rs. in Lacs)
18 CURRENT INVESTMENTS					
(Non-trade, at cost)					
A] CURRENT MATURITIES OF LONG TERM INVESTMENTS					
i) Investment in Mutual Funds					
Kotak FMP 24 Months Series 1-Growth	10	5,000,000	5,000,000	500.00	500.00
Birla Sunlife FMP Series.CQ-Growth	10	0	10,000,000	0.00	1000.00
Birla Sunlife FMP Series CP Growth	10	0	10,000,000	0.00	1000.00
BNP Paribas FTF Series.21B-Growth	10	0	10,000,000	0.00	1000.00
BNP Paribas FTF Series.21 E-Growth	10	0	10,000,000	0.00	1000.00
Canara Robeco FMP Series.6 13Month Plan-A	10	0	10,000,000	0.00	1000.00
DSP Blackrock FMP-12 Month Series.14-Growth	10	0	10,000,000	0.00	1000.00
DWS Fixed Term Fund-Series 68-Regular Growth	10	0	5,000,000	0.00	500.00
DWS Fixed Term Fund-Series 69-Regular Growth	10	0	5,000,000	0.00	500.00
Fortis Fixed Term Fund Series 16	10	0	5,000,000	0.00	500.00
Fidelity FMP Series.5 Plan A-Growth	10	0	5,000,000	0.00	500.00
HDFC FMP 24 Months Feb 10-Series XII - Growth	10	0	5,000,000	0.00	500.00
ICICI Prudential FMP Series.55-1Year Plan.D-Cumulative	10	0	10,000,000	0.00	1000.00
ICICI Prudential FMP Series.51-15 Months Plan. E-Cumulative	10	0	10,000,000	0.00	1000.00
ICICI Prudential FMP Series.55-1 Year.Plan.B-Cumulative	10	0	15,000,000	0.00	1500.00
ICICI Prudential FMP Series.55-1 Year Plan.C-Cumulative	10	0	10,000,000	0.00	1000.00
IDFC FMP Yearly Series.38-Growth	10	0	10,000,000	0.00	1000.00
IDFC FMP Yearly Series.37-Growth	10	0	10,000,000	0.00	1000.00
JPMORGAN India FMP 400 Days Series.1-Growth	10	0	10,000,000	0.00	1000.00
Kotak FMP 13 Months Series 6 - Growth	10	0	5,000,000	0.00	500.00
Kotak FMP Series 37 - Growth	10	0	5,000,000	0.00	500.00
Kotak FMP Series 35 - Growth	10	0	10,000,000	0.00	1000.00
Kotak FMP Series 34 - Growth	10	0	10,000,000	0.00	1000.00
L&T FMP-III(JAN 369 Days)-Growth	10	0	10,000,000	0.00	1000.00
SUNDARAM FMP AX 366 Days Growth	10	0	5,000,000	0.00	500.00
TATA FMP Series.31 Scheme A-Growth	10	0	10,000,000	0.00	1000.00
DSP Black Rock FMP 13M Series 2-Growth	10	0	883,862	0.00	88.39
ICICI Prudential FMP Series 50-19M Plan A-Growth	10	0	2,000,000	0.00	200.00
IDFC FMP 14 Months Series 1-Growth	10	0	1,000,000	0.00	100.00
Reliance Fixed Horizon Fund XIII Series 6-Growth	10	0	2,000,000	0.00	200.00
Tata FMP Series 25 Scheme A-Growth	10	0	2,000,000	0.00	200.00
UTI Fixed Term Income Fund Series VII-II (407 Days)-Growth	10	0	500,000	0.00	50.92
UTI Fixed Term Income Fund Series VII-II (407 Days)-Growth	10	0	1,500,000	0.00	150.00
Birla Sunlife FTP Series CU-Growth	10	0	2,008,500	0.00	200.85
Fidelity FMP Series V Plan E-Growth	10	0	2,000,000	0.00	200.00
Birla Sunlife FTP Series CT-Growth	10	0	2,500,000	0.00	250.00
Birla Sunlife FTP Series CI-Growth	10	0	2,000,000	0.00	200.00
SBI Debt Fund Series 370 Days-8-Growth	10	0	2,000,000	0.00	200.00
ICICI Prudential FMP Series 53-1Yr Plan B-Growth	10	0	2,000,000	0.00	200.00
Birla Sunlife FTP Series CE-Growth	10	0	2,000,000	0.00	200.00
ICICI Prudential FMP Series 53-1Yr Plan A-Growth	10	0	2,000,000	0.00	200.00
Fidelity FMP Series 5 Plan B-Dividend	10	0	825,430	0.00	82.54
HDFC FMP 370D August 2010(1)-Growth	10	0	900,000	0.00	90.00
DSP Black Rock FMP 12M Series 6-Growth	10	0	900,000	0.00	90.00
HDFC FMP 370D July'2010 (1) Series XV-Growth	10	0	2,000,000	0.00	200.00
UTI Fixed Term Income Fund Series VIII-IV (369 Days)-Growth	10	0	2,000,000	0.00	200.00
UTI Fixed Term Income Fund Series VIII-II (367 Days)-Growth	10	0	2,500,000	0.00	250.00
HDFC FMP 370D June'2010(1)-Growth	10	0	5,000,000	0.00	500.00
Templeton India Income Opportunities Fund-Growth	10	0	1,139,723	0.00	117.94
ICICI Prudential FMP Series 55-1Yr. Plan F-Growth	10	0	3,005,665	0.00	300.57
ICICI Prudential FMP Series 55-15M Plan A-Growth	10	2,031,509	0	203.15	0.00
ICICI Prudential FMP Series 55-13M Plan B-Growth	10	2,416,246	0	241.62	0.00
BSL FTP Series CY-Growth	10	1,001,661	0	100.17	0.00
BSL FTP Series EW-Growth	10	2,651,942	0	265.19	0.00
BSL FTP Series FA-Growth	10	2,049,704	0	204.97	0.00
DSP BR FMP 12M Series 19-Growth	10	2,250,585	0	225.06	0.00
DSP BR FMP Series 28 12M Growth	10	1,302,273	0	130.23	0.00
es XVIII-Growth	10	2,500,000	0	250.00	0.00
es XVIII-Growth	10	2,000,000	0	200.00	0.00



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	Face Value Rs.	Nos. As at 31st March, 2012	Nos. As at 31st March, 2011	As at 31st March, 2012 Amount (Rs. in Lacs)	As at 31st March, 2011 Amount (Rs. in Lacs)
ICICI Prudential FMP Series 54-1Yr Plan C-Growth	10	750,000	0	75.00	0.00
ICICI Prudential FMP Series 54-1Yr Plan D-Growth	10	1,499,939	0	149.99	0.00
ICICI Prudential interval Fund Annual Plan 1-Growth	10	2,207,246	0	300.00	0.00
ICICI Prudential FMP Series 60-1 Yr Plan J-Growth	10	1,506,316	0	150.63	0.00
TATA FMP Series 30 Scheme C-Growth	10	2,244,260	0	224.43	0.00
TATA FMP Series 38 Scheme D-Growth	10	2,002,005	0	200.20	0.00
TATA FMP Series 39 Scheme E-Growth	10	1,003,851	0	100.39	0.00
UTI Fixed Term Income Fund IX-II 369D -Growth	10	1,619,820	0	161.98	0.00
UTI Fixed Term Income Fund Series IX-VI 368D-Growth	10	2,684,493	0	268.45	0.00
UTI FTIF Series X-III 370D-Growth	10	2,151,600	0	215.16	0.00
				4166.62	26471.20
ii) Investment in Govt. or Trust Securities					
National Saving Certificate				0.21	0.21
(Held in the name of Directors & Pledged with Government Authorities)				0.21	0.21
B] CURRENT INVESTMENT					
Investment in Mutual Funds					
Birla Sunlife Short Term FMP Series 4-Dividend	10	0	1,066,964	0.00	106.70
DSP Black Rock FMP 3M Series 29-Dividend	10	0	2,250,585	0.00	225.06
Goldman Sachs Liquid Exchange Traded Scheme	1000	1	782	0.01	7.82
JM High Liquidity Fund Instl. Plan Daily Dividend	10	2,080,397	1,942,499	208.37	194.56
JP Morgan India Liquid Fund-Super Instl. Daily Dividend Plan	10	1,943,638	1,815,122	194.52	181.66
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	100	86,951	95,153	91.94	100.61
DSP Black Rock Liquidity Fund	1000	23,216	0	232.23	0.00
Taurus Liquid Fund - Institutional Growth	10	34,168	0	400.00	0.00
Templeton India Treasury Management Account Institutional Plan - Growth.	10	27,170	0	450.00	0.00
JM High Liquidity Fund - Super Institutional Plan - Growth	10	3,593,611	0	600.00	0.00
Peerless Liquid Fund - Super Institutional Growth	10	3,436,839	0	400.00	0.00
BSL Short Term FMP Series 23-Growth	10	2,171,040	0	217.10	0.00
BSL QLY Interval Series 4-Growth	10	1,519,345	0	204.65	0.00
DSP BR FMP Series 42-3M-Growth	10	1,537,033	0	153.70	0.00
ICICI Prudential interval Fund II QLY Plan D-Growth	10	2,351,847	0	256.88	0.00
IDFC FMP QS 69-Growth	10	2,068,398	0	206.84	0.00
UTI FIIF Series II QLY Interval Plan VI-Growth	10	2,241,900	0	252.67	0.00
				3,868.91	816.40
Total Unquoted Investments				8035.74	27287.81
Group share in Joint Ventures				0.00	10.42
Total Investments				8035.74	27298.23



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
19 Inventories		
(at cost or net realizable value whichever is lower)		
Raw materials	28,761.14	13,372.48
Work-in-progress	4,014.67	1,030.30
Finished goods	13,488.98	5,879.46
Stores and spares	3,785.25	3,672.22
Others		
— Fuel	996.34	116.00
— Packing Material	528.08	227.97
— By products	240.70	10.94
— Food and Beverages	274.16	225.74
— Carbon Credits	786.35	523.84
	2,825.63	1,104.49
	52,875.67	25,058.95
Group Share in Joint Ventures	434.03	443.34
Total	53,309.70	25,502.29
20 Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Considered good		
Outstanding for a period exceeding 6 months	1846.40	1104.88
Others	25574.83	17927.21
	27,421.23	19,032.09
Considered Doubtful		
Outstanding for a period exceeding 6 months	233.09	169.18
Others	—	—
	233.09	169.18
	27,654.32	19,201.27
Less: Provision for Doubtful Debts	(233.09)	(169.18)
	27,421.23	19,032.09
Group Share in Joint Ventures	1,611.53	817.34
Total	29,032.76	19,849.43
21 Cash and bank balances		
21.1 Cash & cash equivalents		
Balances with banks in current accounts	17,681.48	2,813.40
In Liquid funds of Mutual Fund	305.00	250.92
Bank deposits with original maturity upto 3 months	10,260.77	920.83
Cash on hand	236.76	142.31
	28,484.01	4,127.46



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
21.2 Other Bank Balances		
— Unpaid Dividend with banks	243.63	195.19
— Margin Money with banks	176.40	
— Deposit with original maturity for more than 3 months but less than 12 months	845.27	2,145.61
— Bank deposits with original maturity more than 12 months	17.39	322.46
	<u>1,282.69</u>	<u>2,663.26</u>
	29766.70	6,790.72
Group Share in Joint Ventures	244.71	328.39
Total	<u>30011.41</u>	<u>7,119.11</u>
22 Short-term loans and advances (Unsecured, considered good, unless otherwise stated)		
Loans and advances to related parties	1.17	—
Advance recoverable in cash or in kind		
— Considered Good	350.48	385.35
— Considered Doubtful	95.31	75.65
	<u>445.79</u>	<u>461.00</u>
Less: Provision for doubtful advances	95.31	75.65
	350.48	385.35
Others		
— Prepaid expenses	533.38	490.61
— Advances to employees	1.77	0.52
— Advances to suppliers	957.61	767.64
— Advances recoverable in cash or in kind	2,357.64	1,827.74
— Security deposits	125.35	71.40
Considered Good	1050.00	1,729.27
Considered Doubtful	377.35	99.00
	<u>1427.35</u>	<u>1,828.27</u>
Less: Provision for Doubtful Inter-corporate deposits	377.35	99.00
	1,050.00	1,729.27
- Income Tax paid (Net of provisions)	1.31	0.32
- Balances in Excise, Service Tax and VAT Accounts	3,660.24	2,764.88
	<u>9,038.94</u>	<u>8,037.73</u>
Group Share in Joint Ventures	534.72	309.83
Total	<u>9,573.66</u>	<u>8,347.56</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
23 Other current assets		
Interest accrued	182.80	343.81
Insurance claim lodged	88.34	—
Other assets	16.31	—
MAT credit entitlement	138.96	2,684.15
	<u>426.41</u>	<u>3,027.96</u>
Group Share in Joint Ventures	0.12	0.34
Total	<u>426.53</u>	<u>3,028.30</u>
24 Revenue from operations	2011-12	2010-11
Sale of products	228,256.09	111,854.40
Sale of services	51,631.55	30,565.75
Other operating revenues	2,106.95	1,831.93
	<u>281,994.59</u>	<u>144,252.08</u>
Less:		
Excise duty	5,897.01	3,439.17
	<u>276,097.58</u>	<u>140,812.91</u>
Group Share in Joint Ventures	7,537.64	4,689.24
Total	<u>283,635.22</u>	<u>145,502.15</u>
25 Other income		
Interest Income		
- on bank deposits	166.31	403.61
- on Inter corporate deposits	174.84	134.29
- on others	277.95	194.62
- on long term investments	6.23	5.14
	<u>625.33</u>	<u>737.66</u>
Dividend Income		
- on long term investments (from subsidiary company)		
- on long term investments	154.88	428.77
- on current investments	40.37	85.27
- from joint venture company	78.44	0.00
	<u>273.69</u>	<u>514.04</u>
Profit on sale of investments (Net)		
- on long term investments	2082.69	3,825.93
- on current investments	391.21	487.32
	<u>2,473.90</u>	<u>4,313.25</u>
Provision for doubtful debts written back	10.66	5.00
Liabilities written back	254.03	199.66
Net gain on foreign currency translation and transaction	1.72	2,607.77
Profit on assets sold/scrapped	6.26	0.00
Rental income from operating leases	772.56	772.56
Miscellaneous income	263.01	317.76
	<u>4681.16</u>	<u>9467.70</u>
Group Share in Joint Ventures	2.10	5.41
Total	<u>4683.26</u>	<u>9473.11</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
26 Cost of materials consumed		
Raw Materials consumed	63,533.99	24,071.39
Packing Materials consumed	2,928.97	3,513.05
Cost of food and Beverages	3,443.68	1,950.59
	<u>69,906.64</u>	<u>29,535.03</u>
Group Share in Joint Ventures	6,054.49	3,850.46
Total	<u>75,961.13</u>	<u>33,385.49</u>
27 Purchases of Stock-in-Trade		
Purchases of Stock-in-Trade	1,365.65	1,473.77
	<u>1,365.65</u>	<u>1,473.77</u>
28 Changes in inventories		
Opening Stock		
Finished Goods	5778.28	6,849.94
Material-in-process	1030.30	1,768.08
By-products	10.94	1.79
Carbon Credits	523.84	218.91
	<u>7,343.36</u>	<u>8,838.72</u>
Less : Closing Stock		
Finished Goods	13488.98	5,778.28
Material-in-process	4014.67	1,030.30
By-products	240.70	10.94
Carbon Credits	786.35	523.84
	<u>18,530.70</u>	<u>7,343.36</u>
Excise Duty on Stock of Finished Goods (Net)	860.36	(21.51)
(Increase) / Decrease In Stock	<u>(10,326.98)</u>	<u>1,473.85</u>
29 Employee benefits expense		
Salaries and wages	11,360.59	8,009.29
Contribution to provident and other funds	644.29	386.51
Expense on ESOP (net)	(4.78)	9.87
Gratuity	211.61	160.88
Staff welfare expenses	507.48	296.72
	<u>12,719.19</u>	<u>8,863.27</u>
Group Share in Joint Ventures	99.43	54.16
	<u>12,818.62</u>	<u>8,917.43</u>
30 Finance costs		
Interest expense	5,904.40	4,187.06
Other borrowing costs	485.35	77.45
Loss on foreign currency transactions and translation	2,288.02	0.00
	<u>8,677.77</u>	<u>4,264.51</u>
Group Share in Joint Ventures	91.74	80.95
	<u>8,769.51</u>	<u>4,345.46</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

	As at 31st March 2012	As at 31st March 2011
31 Depreciation and amortization expense		
Depreciation and amortization on Tangible assets	14,153.65	9,154.78
Amortization of Intangible assets	534.29	364.04
Depreciation on Investment property	1.67	1.67
Amortization of Investment property	0.17	0.17
Depreciation written back	(90.92)	0.00
	<u>14,598.86</u>	<u>9,520.66</u>
Group Share in Joint Ventures	313.83	192.72
	<u>14,912.69</u>	<u>9,713.38</u>
32 Other expenses		
Stores and Spare parts Consumed	6,111.86	2,537.56
Power and Fuel	31,481.63	19,649.56
Entertainment tax	8,303.52	4,923.15
Distributors' share	17,010.60	9,832.29
Other exhibition cost	745.26	401.69
Freight and Octroi	2,697.83	2,558.27
Insurance	684.85	481.42
Excise Duty, Custom Duty and Sales Tax	834.73	103.03
Production Labour Charges	397.08	366.89
Processing Charges	699.99	146.49
Outsourced Personnel Cost	1,339.33	991.27
Property Rent and Conducting Fees	8,094.47	5,082.31
Common Facility Charges	2,454.90	1,709.03
Factory Expenses	809.07	359.02
Repairs to		
— Buildings	279.11	221.14
— Machinery	4191.83	2,552.08
— Others	500.33	530.61
	<u>4,971.27</u>	<u>3,303.83</u>
Directors' Sitting Fees	11.15	6.05
Commission to Chairman	1,275.04	326.85
Rent	164.73	181.00
Rates and Taxes	862.80	578.34
Service Tax	1,420.20	219.73
Travelling and Conveyance	1,621.70	1,065.04
Communication expenses	369.70	304.93
Legal and Professional Fees and Expenses	2,820.58	2,073.82
Lease Rentals and Hire Charges	653.70	192.45
Loss on assets sold/scrapped (Net)	50.58	61.94
Foreign exchange fluctuation loss (Net)	12,201.26	—
Provision for trade receivables	163.47	98.42
Provision for doubtful advances	298.60	27.30
Provision for diminution in value of investments	4,239.04	60.75
Bad debts and Remissions	96.10	3.41
Expenditure on Sustainable Development Plan	80.48	88.24
Commission	326.90	330.72
Royalty	775.72	504.96
Purchase of Carbon Credits	8,751.52	3,665.41
Miscellaneous Expenses	6,993.19	3,822.46
	<u>129,812.85</u>	<u>66,057.62</u>
Group Share in Joint Ventures	718.89	204.93
	<u>130,531.74</u>	<u>66,262.55</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

33. Securities and terms of repayment in respect of secured loans taken by GFL :

Rupee Term Loan of Rs. 1111.05 lacs (previous year 3333.33 lacs) from Oriental Bank of Commerce is secured by the way of lease hold land and building and hypothecation of all movable fixed assets of the Company situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat, excluding assets related to Company's 18 MW coal based captive power plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, on first pari passu basis and by way of second pari passu charge over fixed assets situated at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat, except for R23 incineration project. The term loan is repayable in 16 equal quarterly instalments starting from 31st May 2008 and carries interest @ 8.50% p.a.

As per the term of sanction, Foreign Currency Term Loan of Rs. 24929.24 lacs (previous year Rs.Nil) from Axis Bank Limited is secured by way of first charge on all movable and immovable assets of Mahidad (36 MW), Gujarat, and Ossiya (10.50 MW) Rajasthan. Further, the lender also has a charge/lien over the escrow account. The Company has not yet created the above mention security. Further, Ossiya (10.50 MW) Rajasthan is transferred to Inox Renewables Limited under slump sale. Now the Company is in the process of creation of security on the said loan after considering the above. The term loan is repayable in 40 equal quarterly instalments starting from 15th June 2012 and carries interest @ 3 months LIBOR plus 4.25% p.a.

As per the term of sanction, Foreign Currency Term Loan of Rs. 8379.58 lacs (previous year Rs. Nil) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest/ mortgage/hypothecation on movable and immovable fixed assets including cash flow and receivables of project assets Dangri (20 MW) Rajasthan, Mahidad (14 MW) and Ossiya (19.50 MW) and first pari-passu mortgage/hypothecation on movable and immovable fixed assets including cash flow and receivables of wind power assets located at Gude Panchgani (23.1 MW). Further, the lender also has a charge/lien over the escrow account. The Company has not yet created the above mention security. Further, Dangri (20 MW) Rajasthan, Ossiya (19.50 MW) Rajasthan and Gude Panchgani (23.1 MW) is transferred to Inox Renewables Limited under slump sale. Now the Company is in the process of creation of security on the said loan after considering the above. The term loan is repayable in 20 equal half yearly instalments starting from 20th September 2013 and carries interest @ 6 months LIBOR plus 4.14% p.a.

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

Foreign Currency Term Loan of Rs. 2800.25 lacs (previous year Rs. 4200.38 lacs) from BNP Paribas Limited is secured by hypothecation of all movable property of the Company's 18 MW coal based captive power plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. The term loan is repayable in 16 equal quarterly instalments starting from 9th April 2010 and carries interest @ 7.07% p.a.

Foreign Currency Term Loan of Rs. 1955.55 lacs (previous year Rs. 3085.07 lacs) from Citibank NA is secured by first pari passu charge over Company's fixed assets situated at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat (Security is yet to be created). The term loan is repayable in 16 equal quarterly instalments starting from 3rd July 2009 and carries interest @ 3 months LIBOR plus 4.00% p.a.

Working Capital Loans of Rs. 3014.61 lacs (previous year Rs. 3278.99 lacs) from HDFC Bank Limited is secured by first pari passu charge over stock and book debts of the Company's Dahej Plant situated at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. The loan is repayable on demand and carries interest @ 12.80% p.a

Working Capital Loans of Rs. 5410.46 lacs (previous year Rs. 5118.13 lacs) from The Royal Bank of Scotland is secured by way of first pari passu charge in favour of the bank by way of hypothecation over the borrower's stock and receivables, both present and future of the Company's unit at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch, Gujarat. The loan is repayable in 30 days to 330 days carrying interest ranging @ 1 month LIBOR plus 1.65% to 11 month LIBOR plus 1.65%.

Working Capital Loan of Rs. Nil (previous year Rs.1961.96 lacs) and Rs. Nil (previous year Rs. 2000.00 lacs) from Canara Bank were secured by way of first pari passu charge on current assets of the Company's unit at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat and second charge on fixed assets of the Company's unit at Survey No.16/3, 26 and 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat along with term lenders of the Company's unit at Plot No.12-A, GIDC Estate, Village – Dahej, Taluka Vagra, District Bharuch. The loan is repayable on demand and carries interest @ 6 month LIBOR plus 2.00% and 10.00% p.a. respectively.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Securities and terms of repayment in respect of secured loans taken by IRL :

Foreign Currency Term Loan of Rs. 11970.82 lacs (previous year Rs. Nil) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest / mortgage / hypothecation on movable and immovable fixed assets including cash flow and receivables of project assets of its Dangri (20 MW) wind farm. The term loan is repayable in 20 half yearly equal installments starting from 21st September 2013 and carries interest @ 6 month LIBOR + 4.14% p.a. The security is yet to be created.

Foreign Currency Term Loan of Rs. 30525.60000 lacs (previous year Rs. Nil) from ICICI Bank Limited is secured by way of an exclusive first ranking security interest / mortgage / hypothecation on movable and immovable fixed assets including cash flow and receivables of project assets at Dangri (50 MW) wind farms. The term loan is repayable in 20 half yearly equal installments starting from 6th August 2013 and carries rate of interest @ 6 month LIBOR + 4.14% p.a. The security is yet to be created.

The above two loans are also secured by way of an exclusive first ranking security interest / mortgage / hypothecation on movable and immovable fixed assets including cash flow and receivables of project assets of its Ossiya (19.5 MW) wind farm and first pari-passu mortgage/hypothecation on movable and immovable fixed assets including cash flow and receivables of wind power assets located at Gude Panchgani (23.1 MW) wind farm and the lender also has a charge/lien over the escrow account, where the collections of sales of electricity are to be deposited including cash flow and receivables. The security is yet to be created.

Foreign Currency Term Loan of Rs. 6881.65 lacs (previous year Rs. 7237.66 – in GFL) from ICICI Bank Limited is secured by equitable mortgage of land and hypothecation of all movable property of wind mills situated at Gude Panchgani, District Sangli, Maharashtra. Further, the lender also has a charge/lien over the escrow account, where the collections of sales of electricity are to be deposited. The term loan is repayable in 38 equal quarterly installments starting from 20th December 2007 and carries interest @ 5.86% p.a. The security is originally created by the holding company and modification in the loan documents and creation of charge on IRL's asset is pending.

Securities and terms of repayment in respect of secured loans taken by ILL Group:

Term loan from Axis Bank taken by ILL amounting to Rs. 660.81 lacs (previous year Rs. 1101.33 lacs) is secured by mortgage of immovable property situated at Vadodara and charge on all stocks, debts and movable properties situated at Burdhan, Indore Central, Rajarhat (Kolkata), Jayanagar (Bangalore), Siliguri and Maleshwaram (Bangalore) multiplexes and carries interest @ bank base rate + 2.75 % p.a which is in the range of 11.75% to 12.75%. The loan is repayable in 16 equal quarterly instalments beginning from 31st December, 2009.

Term loan from Citi Bank taken by ILL amounting to Rs.1166.66 lacs (previous year Rs.1833.33 lacs) carries interest @ 8,75% p.a and is secured by mortgage of immovable property situated at Pune and charge on all movable assets situated at Pune, Thane and Rajapark (Jaipur) multiplexes and five future properties. The loan is repayable in 12 equal quarterly instalments beginning from 29th January, 2011.

Term loan from ING Vysya Bank taken by ILL amounting to Rs.1944.44 lacs (previous year Rs. 3111.11 lacs) carries interest @ 9.5% p.a and is secured by charge on immovable property situated at Nariman Point and exclusive charge on all the current and fixed assets situated at Vizag Beach Road, Vizag CMR Mall, Kanpur, Belgaum, J.P.Nagar (Bangalore) multiplexes and two future multiplexes. The loan is repayable in 36 equal monthly instalments beginning from 1st December, 2010.

Term loan from Axis Bank taken by FIL amounting to Rs. 1108.63 lacs (previous year Rs. 750.00 lacs) is secured against first charge on the entire movable fixed assets of the Subsidiary Company, both present and future; and extension of first charge on the entire current assets of FIL, both present and future. The Loan is repayable in 18 equal quarterly installments starting from 01/04/2009 along with interest of 12.75%. Further loan is secured by first charge by way of equitable mortgage of property at Anand, Gujarat.

Term loan from IDBI Bank taken by FIL amounting to Rs. Nil (previous year Rs. 1416.67 lacs) was secured by first pari passu charge with other lenders Axis Bank Limited by deposit of title deeds of immovable properties located at Anand, Gujarat and further secured by first charge by way of hypothecation of entire movables (save and except book debts), including movable machinery, machinery spares, tools and accessories, present and future, in respect of the existing multiplexes at Fame South City, South City Mall, Kolkata, Fame Lido, Fame Dahisar, Thakur Mall and Multiplex, Fame Thakur, Fame Anand, Fame Inorbit, Fame Raghuleela, Fame Highland Park, Fame Akurdi, and new multiplexes at Bangalore, Ghatkopar, Vashi, Prabhat, Chandigarh, Panchkula, Bharuch, Dhanbad, Pune, Kalyan, Vadodara and Surat, subject to prior charges created and/or to be created in favour of the bankers on the stocks of raw material, semi-finished and finished goods, consumable stores and by escrow of entire cash flows arising out of multiplexes at South City – Kolkata, Lido-Bangalore, Fame Dahisar, Fame Thakur-Kandivali,



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Bangalore, Ghatkopar, Vashi, Prabhat, Chandigarh, Panchkula, Bharuch, Dhanbad, Pune, Kalyan, Vadodara and Surat on pari-passu basis with Axis Bank. The loan is repayable in 18 equal quarterly installments starting from 31/05/2009 along with interest of 12.75%

In case of FIL, the bank overdraft is secured against first charge on the entire current assets, both present and future; and extension of first charge on the entire movable fixed assets, both present and future and further secured by fixed deposits to the extent of Rs Nil (Previous year Rs. 1350 lacs)

Terms of long-term unsecured borrowings taken by ILL

The inter-corporate deposits are repayable in 3 years from the date of the respective deposits beginning from 18th June 2013 and carry interest in the range of 8.75% to 11.00%.

Securities and terms of repayment in respect of secured loans taken by IWL :

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

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

34. Employee Stock Options

a. In the case of ILL

During the year ended 31st March 2006, ILL had issued 5,00,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to Inox Leisure Limited – Employees’ Welfare Trust (“Trust”) to be transferred to the employees of ILL under the scheme of ESOP framed in this regard. ILL has provided finance of Rs. 75 lacs to the 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 Trust but not transferred to employees is required to be reduced from Share Capital and Reserves. Out of the 5,00,000 equity shares allotted to the Trust, 1,61,843 shares have been transferred to employees up to 31st March 2012. Accordingly, for the balance number of shares, ILL has reduced the Share Capital by the amount of face value of equity shares and Share Premium Account by the amount of share premium on such shares.

Following stock options have been granted to the employees:

On 29 th January 2007 (First Grant)	2,44,120 shares
On 27 th October 2009 (Second Grant)	33,332 shares

The vesting period for these equity settled options is between one to four years from the date of the grant. The options are exercisable within one year from the date of vesting.

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

The summary of stock options is as under:

Outstanding on 1 st April 2011	38,419
Granted during the year	Nil
Lapsed during the year	12,839
Exercised during the year	15,580
Outstanding as on 31 st March 2012	10,000
Exercisable as on 31 st March 2012	5,000

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

Options granted on 27 th October 2009	1.58 years
--	------------

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

In respect of the options granted under the Employees' Stock Option Plan, 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 is amortized over the vesting period. Consequently, 'Employee benefits expense' in note no 29 includes credit of Rs. 4.78 lacs (previous year Rs. 9.87 lacs) being the amortization of employee compensation.

b. In case of the FIL

On 21 May 2009, the FIL established the 'Employee Stock Option Scheme 2009' ('ESOS' or 'the Plan' or "the Scheme'). Under the Plan, FIL is authorised to issue not more than 5% of its equity share capital to eligible employees. Employees covered by the Plan are granted an option to purchase the shares subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of FIL administers the plan.

As per the Scheme, the Committee shall issue stock options to the employees at an exercise price of Rs 14.47 per option. Further, the participants shall exercise the options within a period of 5 years commencing on or after respective date of vesting of the options.

The Scheme provides that these options would vest in tranches as follows:

Period within which options will vest	% of options that will vest	
	Grant A	Grant B
End of 12 months from the date of grant of options	15	—
End of 24 months from the date of grant of options	15	10
End of 36 months from the date of grant of options	20	25
End of 48 months from the date of grant of options	25	25
End of 60 months from the date of grant of options	25	40

The terms and conditions of the scheme, as approved by the remuneration committee of the Board of Directors of FIL in its meeting held on 21 May 2009 in pursuance to the approval of the Company at its Annual General Meeting held on 27 September 2006, are in line with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 as amended vide Circular no SEBI/CFD/DIL/ESOP/5/2009/03/09 dated 3 September 2009 and in accordance with the terms of the resolutions passed by the Company.

Employee stock option activity under the scheme is as follows.

	Amount Rs in Lacs	
	March, 2012	March, 2011
Outstanding at the beginning of the year	2,73,780	10,63,300
Granted during the year	Nil	Nil
Forfeited during the year *	(1,32,261)	(6,37,750)
Vested during the year	(37,989)	(1,51,770)
Exercised during the year	36,603	1,51,770
Outstanding at the end of the year - not vested **	1,03,530	2,73,780
Options vested and exercisable as at the year end	1,386	Nil

*On account of non fulfillment of vesting conditions by the employees.

**On 21 May 2012, the third tranche of options have vested to the eligible employees.

35. In respect of service tax matters of Inox Leisure Limited Group (ILL Group):-

As per the amendment made by the Finance Act 2010, renting of immovable property is defined as a taxable service with retrospective effect from 1 June, 2007 and accordingly, in the annual accounts for the year ended 31st March 2010, ILL Group had provided for service tax in respect of rent on immovable properties for the year ended 31st March 2009 and 31st March 2010.

During the year ended 31st March 2011, this levy was challenged by ILL Group by filing Writ Petitions with various High Courts and some of the High Courts had granted a stay against the levy of service tax in respect of immovable properties situated

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

within their jurisdictions. Based on legal advice obtained by ILL Group, no provision of service tax was made for the year ended 31st March 2011. Further, the amount provided in the accounts during the year ended 31st March 2010 towards such service tax was reversed and the same is shown as an exceptional item in the Statement of Profit and Loss.

During the current year, the levy has been upheld by several High Courts. ILL Group has preferred a Special Leave Petition before the Hon'ble Supreme Court which is pending and ILL Group has made the payments in this regard as directed by the Hon'ble Supreme Court.

In the above circumstances, ILL Group has provided for service tax on renting of immovable properties. Accordingly the amount of Rs. 834.14 lacs being the charge for the current year is included in 'Service tax' and the amount of Rs. 1797.51 lacs being the charge for the period upto 31st March 2011 is shown as an exceptional item in the Statement of Profit and Loss.

The movement in the provision for service tax account (including Group's share in a joint venture) is as under:

Particulars	2011-12	2010-11
	(Rs. in lacs)	(Rs. in lacs)
Opening Balance	Nil	Nil
Provided during the year (including Rs. 1797.50 lacs for earlier years)	2631.65	Nil
Amount paid and adjusted during the year	1286.55	Nil
Closing balance	1345.10	Nil

36. Foreign Currency Convertible Bonds issued by FIL

On 21 April 2006, FIL, pursuant to a resolution of the Board of Directors dated 28 January 2006 and by a resolution of the shareholders dated 8 March 2006, issued

- (i) 12,000, Zero Coupon Series A Unsecured Foreign Currency Convertible Bonds ("Series A Bonds") of the face value of US \$ 1000; and
- (ii) 8,000, 0.5% per annum Series B Unsecured Foreign Currency Convertible Bonds ("Series B Bonds") of the face value of US \$ 1000

aggregating to US\$ 2,00,00,000 due in 2011 (the Series A Bonds and the Series B Bonds are collectively called the "Bonds"). The Bonds were convertible at the option of the bond holders into newly issued, ordinary equity shares of par value of Rs. 10 per share ("Shares"), at an initial conversion price of Rs. 90 per share for Series A Bonds; and Rs. 107 per share for Series B Bonds, as defined in terms and conditions of the Bonds.

Unless previously converted, redeemed or repurchased and cancelled, Series A Bonds were redeemable on 22nd April 2011 at 137.01 percent of their principal amount representing a gross yield to maturity of 6.5%; and Series B Bonds were redeemable on 22nd April 2011 at 140.69 percent of their principal amount representing a gross yield to maturity of 7.5%.

The bond issue expenses had been adjusted against securities premium as per the provision of Section 78 of the Companies Act 1956. Premium payable on redemption of FCCB has been amortised over the period of the bonds and has been charged to the securities premium account.

During the year ended 31 March 2008, 15,04,999 equity shares of Rs 10 each were allotted against 3,000 Series A Foreign Currency Convertible Bonds (FCCB) of US \$ 1,000 each at an exercise price of Rs 90 per share and 16,87,850 equity shares of Rs 10 each were allotted against 4,000 Series B FCCB of US \$ 1,000 each at an exercise price of Rs 107 per share, thus aggregating to a total allotment of 31,92,849 equity shares of Rs 10 each of FIL.

With the permission of Reserve Bank of India and with the necessary consent of the bondholders, in September 2011 FIL has redeemed the outstanding bonds at a final redemption price of 112.35% of their principal amount for Series A Bonds of face value of USD 90,00,000 and 115.37% of their principal amount for Series B Bonds of face value of USD 40,00,000, which represents a discount of 18% to the original redemption value of the Bonds. Accordingly, the Bonds stand fully discharged.

37. In respect of income-tax matters of Inox Leisure Limited Group (ILL Group):-

- a) In the appellate proceedings before the Commissioner of Income-tax (Appeals) and Income Tax Appellate Tribunal, Ahmedabad Bench, ILL's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted. Provision for current tax is made on the same basis for such multiplexes by ILL.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

- b) Provision for current taxation is for Minimum Alternate Tax (MAT) payable on book profit in the case of ILL (for the current and previous year) and FIL (for the previous year). MAT paid by these companies is entitled to be carried forward and utilized in subsequent years. In the opinion of management, on the basis of projections, estimates of future taxable income and the period available for utilization of MAT credit, these companies would have normal tax liability within the specified period to avail such MAT credit. Consequently, these companies have recognized Rs 410.63 lakhs (Previous year Rs. 323.38 lakhs) towards MAT credit entitlement.

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

Amount (Rs. in Lacs)

Particulars

(a) Claims against company not acknowledge as debt

(b) Others

Sales Tax

Income Tax(including TDS matters)

Service Tax

Excise duty/Custom duty

Electricity Duty

Municipal Tax

Entertainment Tax

ESIC demand

Stamp Duty

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

2011-2012**1639.64****4.13****5499.75****563.70****759.81****1204.86****596.59****2.22****0.00****263.81**

2010-2011

254.53

7.12

3191.25

366.24

4.36

1317.30

506.61

53.06

9.71

Nil

Amount is not ascertainable

- (c) During the year, GFL has received CIT(A) order for the Assessment Year 2008-09 where in the CIT(A) has confirmed the action of the Assessing Officer in respect of
- treatment of Investment activity of the Company in respect of investment in shares as a business activity and
 - the re-computation of the amount of deduction u/s 80IA by applying the regulatory prices in respect of power generated at its captive power units.

GFL has not accepted the order the of the CIT(A) and has preferred appeal before ITAT, Ahmedabad. The said issues were decided in favour of the Company by CIT(A) in earlier years. Consequently, the amount of demands in respect of the above are included in the amount of contingent liabilities in para (b).

- (d) FIL has issued termination notice for one of its proposed multiplexes seeking refund of security deposit of Rs. 60.07 lacs and reimbursement of the cost of fit-outs of Rs. 902.83 lacs incurred by FIL and carried forward as capital work-in-progress. The party has made a counter claim of Rs. 675.86 lacs towards rent for lock in period and other costs which is included in (a) above. An arbitration petition filed by FIL under section 9 of the Arbitration and Conciliation Act, 1996 before the Court of District Judge, Chandigarh was dismissed vide order dated 11 November 2011. FIL has taken necessary legal steps to sustain its claim and pending the settlement of matter, adjustment, if any, in the carrying amount of the said assets, will be made when the matter is finally decided.
- (e) FIL may be required to charge additional cost of Rs. 389.83 lacs (previous year Rs. 389.83 lacs) 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 the Company through the Multiplex Association of India is rejected and the case filed in the Supreme Court by one of the electricity supplier against the order of the Appellate Tribunal for Electricity, dated 19th January 2009, for change in category, in favor of the appeal made by the Multiplex Association of India is passed in favor of the electricity supplier. FIL has paid the whole amount to the respective authorities under protest (which is included in 'long term loans and advances')

39. Commitments:

- (a) Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances, is Rs. 18198.98 lacs (previous year Rs. 3588.24 lacs)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

(b) Other commitments:

The exemption from payment of Entertainment Tax in respect of multiplexes of ILL Group, 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 by ILL Group, 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 is Rs. 14877.77 lacs (Previous year Rs. 14311.39 lacs.)

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

- a. The Entertainment Tax exemption in respect of some of ILL's multiplexes has been accounted on the basis of eligibility criteria as laid down in the respective Schemes but is subject to final Orders yet to be received from respective authorities. Accordingly the amount of Rs. 413.37 lacs (Previous year Rs 304.91 lacs) being Entertainment Tax in respect of such Multiplexes has not been charged to the Statement of Profit & Loss. Cumulative amount as on 31st March 2012 – Rs. 3007.10 lacs (Previous year Rs. 2593.73 lacs.)
- b. In respect of the multiplex of ILL at Vadodara, the issues in respect of the eligibility for exemption from payment of entertainment tax and the method of computing the exemption availed, have been decided in favour of ILL by the Honourable High Court of Gujarat vide its order dated 26th June, 2009. The matter regarding method of computation of eligibility amount is challenged by the Government Department before the Honourable Supreme Court. Pending receipt of final eligibility certificate the figures indicated in note (a) above includes the figures pertaining to the said multiplex.

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

In respect of Deferred Tax Assets (Net):

S.No. Particulars	Amount (Rs. in Lacs)	
	2011-2012	2010-2011
(A) Deferred Tax Assets (Net)		
(i) Expenditure allowable on payment basis	14.21	17.09
Carry Forward Losses	0.00	793.55
Others	21.26	34.59
Depreciation	7.06	8.02
Total	42.53	853.25
(B) Deferred Tax Liabilities		
Depreciation	0.00	606.19
Total	0.00	606.19
Net Deferred Tax Assets (A-B)	42.53	247.06

In respect of Deferred Tax Liabilities (Net):

S.No. Particulars	Amount (Rs. in Lacs)	
	2011-2012	2010-2011
(A) Deferred Tax Liabilities		
(i) On account of difference between tax depreciation and depreciation /amortisation charged in the books	17002.42	15559.00
(ii) Others	595.67	—
Total	17598.09	15559.00
(B) Deferred Tax Assets		
(i) Expenditure allowable on payment basis	645.67	367.88
(ii) Others	104.74	67.84
Total	750.41	435.72
Net Deferred Tax Liability (A-B)	16847.68	15123.28

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

Note: Amount of deferred tax recognized in the CFS exclude the net deferred tax asset in the case of FIL, two of its subsidiaries and its joint venture, as the same is not recognized in the standalone financials of these companies due to absence of virtual certainty of realization.

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

a) In respect of Assets given on Operating Lease :

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

Amount (Rs. in Lacs)

Particulars	2011-2012	2010-2011
(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	102.12	87.03
(iii) Depreciation for the year	15.10	15.12
(iv) Future minimum lease payments -		
(a) Not later than one year	583.94	760.70
(b) Later than one year and not later than five years	2097.69	2949.64
(c) Later than five years	0.00	517.84
(v) Assets given on operating lease are Office Premises. The non-cancellable initial lease tenure is for five to nine years, which can be further extended at the mutual option of both the parties.		

b) In respect of plant taken on operating lease:

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

Amount (Rs. in Lacs)

S.No. Payable in future	2011-2012	2010-2011
a) Not later than one year	74.66	35.28
b) Later than one year and not later than five years	312.30	141.12
c) Later than five years	206.25	26.46

c) Operating leases for some of the multiplexes of Inox Leisure Limited Group (“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 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:

Amount (Rs. in Lacs)

S.No. Amount payable in future	2011-2012	2010-2011
a) Not later than one year	8073.47	7818.75
b) Later than one year and not later than five years	33253.75	32369.70
c) Later than five years	77970.61	84243.32

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

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

43. Provisions:

- (a) ILL has recognised provision towards estimated liability in respect of municipal taxes payable for one of its multiplexes as under :-

Particulars	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
Opening Balance	131.80	119.00
Provided during the year	52.80	52.80
Paid during the year	30.00	40.00
Closing balance	154.60	131.80

- (b) FMPL has recognized a provision towards Maharashtra Value Added Tax (MVAT) on account of inclusion of 'copyright' in the scheduled list of taxable items w.e.f. 1st April 2005, as under:

Particulars	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
Opening Balance	39.61	39.61
Provided during the year	Nil	Nil
Paid during the year	Nil	Nil
Closing balance	39.61	39.61

44. In respect of ILL, the arbitration award in the matter of disputed recoveries pertaining to one of its multiplexes 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. 18.23 lacs. (Previous Year Rs. 18.23 lacs). Total amount of interest receivable upto 31st March, 2012 is Rs.111.54 lacs. During the previous year the said award has been challenged before the District Court and the matter is pending.

45. Related Party Disclosures :

- (i) Names of Related Parties

(A) Where control exists:

Subsidiary Company- Gujarat Fluorochemicals Limited

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

Joint Venture

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

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

Associate of a subsidiary

Megnasolace City Private Limited

Key Management Personnel

Mr. P.K. Jain (Managing Director)

Mr. V K Jain (Managing Director of GFL)

Mr. Deepak Asher (Whole Time Director)

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

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Mr. G Arumugam (Whole Time Director of GFL) w.e.f. 12th August 2011
 Mr. Alok Tandon – Manager of Inox Leisure Limited
 Mr. Rajiv Patni – Manager of Fame India Limited w.e.f. 21st December 2011
 Mr. David Kaufmann – Manager of GFL Americas LLC, U.S.A.

Relatives of Key Management Personnel
 Mr. D K Jain (Father of Mr. V K Jain)
 Mr. P K Jain (Brother of Mr. V K Jain)
 Mr. Devansh Jain (Son of Mr. V.K. Jain)
 Mr. Cody Kaufmann (Son of Mr. David Kaufmann)

Enterprises over which Key Management Personnel, or his relative, has significant influence
 Devansh Gases Private Limited
 Devansh Trading and Finance Private Limited
 Inox India Limited
 Inox Air Products Limited
 Inox Chemicals Private Limited
 Refron Valves Limited
 Rajni Farms Private Limited
 Sidhapavan Trading and Finance Private Limited
 Siddho Mal Investments Private Limited

Following parties have become 'related parties' w.e.f. 6th January 2011 viz. the date on which Fame India Limited (FIL) has become a subsidiary of Inox Leisure Limited. Accordingly, transactions with these parties w.e.f. 6th January 2011 are considered in related party disclosures:

- a) Key Management Personnel
 Mr. Rishi Negi - Chief Operating Officer in FIL (resigned on 28 February 2011)
 Mr. Shyam Shroff - Director in Fame Motion Pictures Limited (FMPL) (Resigned on 21 January 2011)
 Mr. Balkrishna Shroff - Director in FMPL (resigned on 21 January 2011)
 Mr. Aditya Shroff – Director in FIL (resigned on 21 January 2011)
- b) Enterprises over which Key Management Personnel, or his relative, has significant influence
 M/s Shringar Films (upto 21 January 2011)
 Adlabs Shringar Multiplex Cinemas Private Limited ('ASMCP') (upto 21 January 2011)

(ii) Particulars of transactions: -

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP has significant influence		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
A) Transactions during the year												
Sales of Goods												
Inox Air Products Limited									25.18	19.58	25.18	19.58
Others									0.03	0.22	0.03	0.22
Total									25.21	19.80	25.21	19.80
Purchase of Assets												
David Kaufmann					45.34	0.00					45.34	0.00
Total					45.34	0.00					45.34	0.00
Purchase of Goods												
Inox Air Products Limited									424.74	111.57	424.74	111.57
Inox India Limited									578.59	1748.05	578.59	1748.05
XHCT Co. Ltd			569.58	112.91							569.58	112.91
Others									0.00	0.08	0.00	0.08
Total			569.58	112.91					1003.33	1859.70	1572.91	1972.62
Inter-corporate Deposits paid												
Inox Leisure Limited	0.00	1300.00									0.00	1300.00
Total	0.00	1300.00									0.00	1300.00
Inter-corporate Deposits received back												
Inox Leisure Limited	1200.00	0.00									1200.00	
Total	1200.00	0.00									1200.00	0.00



INOX LEASING AND FINANCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP has significant influence		Total	
Interest received												
Inox Leisure Limited	139.48	60.24									139.48	60.24
Total	139.48	60.24									139.48	60.24
Interest Paid/Interest on Debentures.												
Devansh Trading & Finance Private Limited									17.50	17.50	17.50	17.50
Inox Chemicals Private Limited									17.50	17.50	17.50	17.50
Siddhapavan Trading & Finance Private Limited									17.50	17.50	17.50	17.50
Siddho Mal Investments Private Limited									17.50	17.50	17.50	17.50
Total									70.00	70.00	70.00	70.00
Expenses (Repairs)												
Inox India Limited									0.00	1.67	0.00	1.67
Refron Valves Limited									2.85	9.68	2.85	9.68
Total									2.85	11.35	2.85	11.35
Reimbursement of expenses (paid)												
Inox Air Products Limited									8.01	5.05	8.01	5.05
Inox India Limited									0.08	0.00	0.08	0.00
Inox Leasing & Finance Limited	0.28	0.38							0.00	1.73	0.28	0.38
ASMCL			4.87	4.35							4.87	4.35
David Kaufmann-Manager					0.00	56.70					0.00	56.70
Total	0.28	0.38	4.87	4.35	0.00	56.70			8.09	6.78	13.24	68.21
Reimbursement of expenses (received)												
Inox India Limited									4.62	4.64	4.62	4.64
Inox Leasing & Finance Limited	0.57	0.76									0.57	0.76
SMCPL			3.85	26.83							3.85	26.83
Total	0.57	0.76	3.85	26.83					4.62	4.64	9.04	32.23
Project hiring charges received												
SMCPL			14.51	14.31							14.51	14.31
Total			14.51	14.31							14.51	14.31
Rent Received												
Inox Air Products Limited									144.90	144.90	144.90	144.90
Gujarat Fluorochemicals Limited	48.00	36.00							0.72	0.72	48.00	36.00
Others									0.72	0.72	0.72	0.72
Total									145.62	145.62	145.62	145.62
Deposit refund received												
Shringar Films									0.00	19.68	0.00	19.68
Total									0.00	19.68	0.00	19.68
Dividend Received												
XHCT Co. Ltd			78.44	0.00							78.44	0.00
Total	48.00	36.00	78.44	0.00							126.44	36.00
Rent paid												
Inox Air Products Limited									0.63	0.60	0.63	0.60
Devansh Gases Private Limited									18.00	18.00	18.00	18.00
Shringar Films									0.00	6.69	0.00	6.69
ASMCL									0.00	52.41	0.00	52.41
Others					1.20	1.20					1.20	1.20
Total					1.20	1.20			18.63	77.70	19.83	78.90
O&M Charges & Lease Rents paid												
Inox Air Products Limited									137.96	116.31	137.96	116.31
Total									137.96	116.31	137.96	116.31
Erection & Commissioning Charges												
Inox Air Products Limited									30.00	0.00	30.00	0.00
Total									30.00	0.00	30.00	0.00
Remuneration paid												
Mr. V K Jain					567.31	1369.04					567.31	1369.04
Mr. Deepak Asher					17.59	17.59					17.59	17.59
Others					236.50	158.29	5.38	5.38			241.88	163.67
Total					821.40	1544.92	5.38	5.38			826.77	1550.30
Professional fees												
Mr.David Kaufmann-Manager					46.40	38.41					46.40	38.41
Mr.Cody Kaufmann							28.92	21.26			28.92	21.26
Total					46.40	38.41	28.92	21.26			75.33	59.67
Commission paid.												
Mr. D K Jain-Chairman							1275.04	326.85			1275.04	326.85



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Particulars	Subsidiary and Sub-subsidiary Company		Joint Venture		Key Management Personnel (KMP)		Relative of key Management Personnel		Enterprises over which KMP has significant influence		Total	
Mr.David Kaufmann-Manager					8.00	0.00					8.00	0.00
Total					8.00	0.00	1275.04	326.85			1283.04	326.85
Sitting Fees paid												
Mr. D K Jain							1.60	1.00			1.60	1.00
Mr.P K Jain							0.20	0.00			0.20	0.00
Total							1.80	1.00			1.80	1.00
B) Amounts outstanding												
Amount payable												
Shri V K Jain					350.14	907.82					350.14	907.82
Shri D K Jain							881.05	225.85			881.05	225.85
Others			106.39	27.69	15.87	5.63	0.45	0.45	139.09	176.08	261.80	209.85
Total			106.39	27.69	366.01	913.45	881.50	226.30	139.09	176.08	1492.99	1343.52
Inter -corporate deposits paid												
Inox Leasing & Finance Limited	600.00	1800.00									600.00	1800.00
Total	600.00	1800.00									600.00	1800.00
Debentures Outstanding												
Devansh Trading & Finance Private Limited									250.00	250.00	250.00	250.00
Inox Chemicals Private Limited									250.00	250.00	250.00	250.00
Siddhapavan Trading & Finance Private Limited									250.00	250.00	250.00	250.00
Siddho Mal Investments Private Limited									250.00	250.00	250.00	250.00
Total									1000.00	1000.00	1000.00	1000.00
Interest on Debentures accrued not paid.												
Devansh Trading & Finance Private Limited									15.75	16.53	15.75	16.53
Inox Chemicals Private Limited									15.75	16.53	15.75	16.53
Siddhapavan Trading & Finance Private Limited									15.75	16.53	15.75	16.53
Siddho Mal Investments Private Limited									15.75	16.53	15.75	16.53
Total									63.00	66.12	63.00	66.12
b) Trade Receivables												
Inox Air Products Limited									0.46	0.00	0.46	0.00
Total									0.46	0.00	0.46	0.00

46. Derivative outstanding and not hedged foreign currency exposure as at Balance Sheet date:

a) Derivative outstanding as at Balance Sheet date:

(Figures in Lacs)

S.No	Nature of Contract	Foreign Currency	Buy/Sell	2011-2012	2010-2011	Purpose
a)	Forward Contracts	USD	Sell	604.50	540.60	Hedging of Receivable
b)	Forward Contracts	EURO	Sell	1,470.00	1,777.50	Hedging of Receivable
c)	Currency and Interest Rate Swap	USD	Buy	257.50	286.25	Hedging of Loan and Interest Rate of Loan
d)	Interest Rate Swap (Notional Principal)	USD	Buy	135.26	162.32	Hedging of Loan and Interest Rate of Loan



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

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

S. No.	Particulars	2011-2012						2010-2011					
		USD	EURO	JPY	GBP	CHF	YUAN	USD	EURO	JPY	GBP	CHF	YUAN
a)	Payables	21.74	9.12	19.40	0.03	0.47	-	84.67	8.73	344.39	0.87	0.04	0.00
b)	Advances Received	7.15	130.25	-	-	-	-	21.45	372.79	-	0.00	0.00	0.00
c)	Advances Paid	10.50	2.77	352.04	-	-	-	40.37	10.79	586.77	0.85	0.01	0.00
d)	ECB/FCNRB	1663.70	-	-	-	-	-	231.50	-	-	-	-	-
e)	PCFC	219.08	-	-	-	-	-	115.06	-	-	-	-	-
f)	Buyers Credit	348.85	-	-	-	-	-	180.14	-	-	-	-	-
g)	Interest Payable	2.50	-	-	-	-	-	0.92	-	-	-	-	-
h)	Investments	28.86	-	-	-	-	225.91	12.24	-	-	-	-	225.91
i)	FCCB liability	-	-	-	-	-	-	130.00	-	-	-	-	-
j)	YTM on FCCB	-	-	-	-	-	-	48.79	-	-	-	-	-

47. Segment Information

A) Information about Primary (Business) Segments.

Particulars	Amount Rs. in Lacs	
	Year Ended 31.03.2012	Year Ended 31.03.2011
[I] Segment Revenue		
i. Chemicals	213207.66	99034.33
ii. WTG	62136.91	7192.08
iii. Power	4910.53	8231.66
iv. Theatrical Exhibition	64745.45	37125.56
v. Others, Un-allocable and Corporate	8087.65	12122.92
Total Segment Revenue	353088.20	163706.56
Less: Inter Segment Revenue		
- WTG	61985.06	7192.08
- Others	2784.67	1539.22
Total External Revenue	288318.47	154975.26
[II] Segment Result		
i. Chemicals	107828.38	34240.59
ii. WTG	2350.30	806.35
iii. Power	946.92	825.96
iv. Theatrical Exhibition	2773.61	1579.53
v. Others, Un-allocable and Corporate	(848.03)	7148.36
Total Segment Result	113051.18	44600.79
Add/(Less): Un-allocable Income/(Expenses)(net)	(1794.29)	3372.24
Less: Finance costs	8769.51	4345.46
Total Profit Before Tax	102487.67	36883.09
Less: Taxation (net)	24370.42	8754.75
Net Profit After Tax	78117.25	28128.34



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

Amount Rs. in Lacs

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
[III] Other Information		
a] Segment Assets		
i. Chemicals	279199.97	159505.07
ii. WTG	33576.29	19820.72
iii. Power	88441.53	48700.35
iv. Theatrical Exhibition	50101.04	66318.64
v. Others, Un-allocable and Corporate	77806.29	75576.61
Total	529125.63	369921.39
b] Segment Liabilities		
i. Chemicals	28579.39	41518.01
ii. WTG	13622.70	4613.10
iii. Power	3005.04	759.74
iv. Theatrical Exhibition	10445.98	7918.57
v. Others, Un-allocable and Corporate	175287.49	99157.12
Total	230940.60	153966.54
c] Capital Expenditure (Including Capital Advances)		
i. Chemicals	82952.30	44615.31
ii. WTG	3264.69	4313.96
iii. Power	30502.33	9818.41
iv. Theatrical Exhibition	3460.06	3391.92
v. Others, Un-allocable and Corporate	3069.43	1850.07
Total	123248.81	63989.67
d] Depreciation & Amortization		
i. Chemicals	7883.96	3295.40
ii. WTG	758.58	394.28
iii. Power	2277.14	3457.23
iv. Theatrical Exhibition	3750.37	2292.85
v. Others, Un-allocable and Corporate	242.64	273.62
Total	14912.69	9713.38
e] Non-cash expenses (other than depreciation)		
i. Chemicals	16.75	16.99
ii. Theatrical Exhibition	256.06	118.35
iii. Others, Un-allocable and Corporate	4954.31	111.80
Total	5227.12	247.15

B) Information about Secondary (Geographical) Segments.

Particulars	Amount Rs. in Lacs	
	2011-2012	2010-2011
Domestic	126491.46	78313.25
Overseas	155658.95	66495.78
Total	282150.41	144809.03



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012

C) Notes

- 1) The Company operates in following business segments:
 - a. Investments in shares, mutual funds and Brokerage received on distribution of units of mutual funds.
 - b. Chemicals - Comprising of Refrigeration Gases, Anhydrous Hydrochloric Acid, Caustic Soda, Chlorine, Chloromethanes, Poly Tetrafluoroethylene (PTFE), Post Treated Poly Tetrafluoroethylene (PTPTFE) and revenue from carbon credits.
 - c. Power - Comprising of Power Generation.
 - d. Theatrical Exhibition – Operating & managing multiplexes and cinema theatres.
 - e. WTG – Manufacture of Wind Turbine Generators
 - f. Other Segment – Distribution of movies, programming business and production of movies.
- 2) Inter-segment revenue comprises of Wind Turbine Generators manufactured by WTG segment is capitalized as fixed assets in Power Segment and is priced at estimated market value.
- 3) Chemicals business is operated in two geographical markets, in domestic and overseas market. The manufacturing facilities of chemicals business 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 and all movies are distributed/produced in India. In respect of WTG, the entire production is captively used in India. The disclosures regarding geographical segments are made accordingly.
- 4) The Group is having various power generation facilities viz. Wind Mills, Gas Based Power Plants and Coal Based Power Plant and the power generated is used for captive consumption as well as sold outside. Power generation facilities which are generating and supplying power to the Chemical Business and Theatrical Exhibition Business were included in Power Segment upto last year. Since such power is primarily used for captive consumption in chemical/theatrical exhibition business, the management has reviewed the classification during the year and the activity of generation of such power is now included in the chemical / theatrical exhibition segment respectively.
- 5) The above segment information includes the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

48. Employee Benefits:

- a) Defined Contribution Plans: Contribution to Provident Fund of Rs. 564.06 lacs (Previous Year Rs. 374.90 lacs) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss and Rs. 0.39 lacs (Previous year Rs. 1.32 lacs) is included in pre-operative expenses.
- b) Defined Benefit Plans: In respect of Gratuity and Leave Encashment – as per Actuarial valuation.

Amount Rs. in Lacs

Particulars	Gratuity	Gratuity	Leave	Leave
	2011-2012	2010-2011	Encashment 2011-2012	Encashment 2010-2011
1. Change in Benefit Obligation				
Liability at the beginning of the year	624.88	511.55	288.82	218.84
Interest Cost	50.47	37.56	21.74	13.91
Current Service Cost	206.72	143.74	193.98	140.26
Recognised Past Service Cost	0.09	0.09	0	0
Benefit paid	-37.6	-35.23	-66.36	-61.9
Actuarial (Gain)/Loss	-34.6	-32.84	-72.38	-22.29
Liability at the end of the year	809.96	624.87	365.80	288.82
Group Share in joint ventures	1.15	0.15	0.62	0.12
2. Expenses recognized in the Statement of Profit and Loss				
Current Service Cost	206.72	143.74	194.01	140.26
Interest Cost	50.47	37.56	21.74	13.91
Recognised Past Service Cost	0.09	0.09	0	0
Actuarial (Gain)/Loss	-34.6	-32.82	-72.38	-22.29
Expenses recognized in the Statement of Profit and Loss	222.68	148.57	143.37	131.88
Group Share in joint ventures	1.23	0	0.81	-0.03

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2012**

Amount Rs. in Lacs

Particulars	Gratuity	Gratuity	Leave	Leave
	2011-2012	2010-2011	Encashment 2011-2012	Encashment 2010-2011
3. Actuarial Assumptions				
Discount Rate	7 to 9 %	7 to 8.17 %	7 to 9 %	7 to 8.17 %
Salary Escalation Rate	7% to 10%	7% to 12%	7% to 10%	7% to 12%
Retirement Age	58 years to 60 Years			
Withdrawal Rates	5% to 10%	5% to 10%	5% to 10%	5% to 10%
Mortality	LIC (1994-96) published table of rates			

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

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

Amount Rs. in Lacs

Particulars	2011-2012	2010-2011
Principal amount due to suppliers under MSMED Act, 2006 at the year end.	13.98	9.18
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end.	0.01	0.04
Payment made to suppliers (other than interest) beyond the appointed date during the year	53.59	48.10
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	0.16	0.00
Interest due and payable to suppliers under MSMED Act for payments already made.	0.48	0.48
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	3.15	2.82

50. Details of pre-Operative Expenditure incurred during the year and included in Capital Work in Progress:-

Sr. No.	Particulars	2011-2012	2010-2011
1	Salaries and wages	223.11	287.16
2	Legal and Professional fees	199.59	307.43
3	Travelling and conveyance	155.79	130.93
4	Finance Costs	491.32	405.99
5	Other expenditure	348.09	293.99
	Total	1417.90	1425.50

51. Calculation of Earnings Per Share (EPS):

Particulars	2011-12	2010-2011
a) Amount used as the numerator - Profit after taxation (Rs. in lacs)	41727.84	15376.14
b) Equity shares outstanding at the beginning & end of the year – (Nos.)	10618467	10618467
c) Nominal value of each share – (Re)	10	10
d) Basic and Diluted Earnings per share (Rs.)	392.97	144.81

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

On behalf of the Board of Directors

S.C.BANDI
Proprietor
Membership No. 16932

VIJAY SAXENA
Company Secretary

D. K. JAIN
Chairman

P.K. JAIN
Managing Director

Place: Mumbai
Date: 13th August, 2012

Place: New Delhi
Date: 13th August, 2012

Statement pursuant to exemption under Section 212 (8) of the Companies Act, 1956
relating to subsidiary companies of Inox Leasing and Finance Limited
for the Financial Year 2011-2012

Amount Rs. in Lacs

S. No.	Particulars	Name of Subsidiary Company (including subsidiaries of subsidiaries)												
		Gujarat Fluoro Chemicals Limited	Inox Infra-structure Private Limited	Inox Motion Pictures Limited	Gujarat Fluorochemicals Americas LLC, U.S.A.*	Gujarat Fluorochemicals Singapore Pte. Limited*	GFL GM Fluorspar SA*	Inox Wind Limited	Inox Renewables Limited	Inox Leisure Limited	Fame India Limited	Fame Motion Pictures Limited (Formerly known as Shringar Films Limited)	Big Pictures Hospitality Services Private Limited	Headstrong Films Private Limited
a)	Capital	1098.50	5,000.00	300.00	799.23	589.56	4.56	3,000.00	305.00	6,155.74	5,527.51	99.99	5.00	1.00
b)	Reserves	213,078.26	217.26	(573.23)	294.97	30.66	(56.32)	10,488.90	41,833.77	26,673.52	10,579.60	1,854.76	(98.53)	(25.46)
c)	Total Assets	345,904.38	5,241.57	4.66	2,897.07	622.47	589.95	43,381.61	100,401.83	64,378.31	22,924.66	2,058.63	0.47	0.69
d)	Total Liabilities	131,727.62	24.31	277.89	1,802.87	2.25	641.71	29,892.71	58,263.06	31,549.05	6,817.54	103.88	94.00	25.15
e)	Investments (other than investment in subsidiary)	13,578.67	4,194.42	-	-	3.82	-	-	0.45	46.26	4,065.71	0.10	-	-
f)	Turnover	212,664.00	-	-	2,245.42	-	-	62,136.91	346.89	41,873.24	21,858.72	2.21	-	-
g)	Profit/(Loss) before taxation	65,189.00	100.19	(15.25)	266.78	22.50	(55.97)	11,942.55	(27.62)	1,259.33	(1,113.47)	105.95	(0.19)	(0.35)
h)	Provision for taxation	22,029.00	29.50	-	88.49	3.97	-	1,868.42	-	231.64	-	30.93	-	-
i)	Profit/(Loss) after taxation	43,160.00	70.69	(15.25)	178.29	18.53	(55.97)	10,074.13	(27.62)	1,027.69	(1,113.47)	75.02	(0.19)	(0.35)
j)	Proposed dividend	1,648.00 (15%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



INOX LEASING AND FINANCE LIMITED

INOX LEASING AND FINANCE LIMITED

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

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

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

NAME AND ADDRESS OF THE SHAREHOLDER

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

No. of Shares held.....

I hereby record my presence at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company to be held on **Saturday, 29th September, 2012 at 10.00 a.m.** at 69, Jolly Maker Chambers II, Nariman Point Mumbai – 400 021.

Signature of the Shareholder or Proxy

(TEAR HERE)

INOX LEASING AND FINANCE LIMITED

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

PROXY

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

I/We

ofbeing a member/members of

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

of

or failing him.....

of

as my/our proxy to vote for me/us and on my/our behalf at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company to be held on **Saturday, 29th September, 2012** and at any adjournment thereof.

Signed this day of..... 2012.

Affix
Re 1/-
Revenue
Stamp

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