

AUDITED FINANCIAL RESULTS

FOR THE YEAR ENDED 31ST MARCH, 2010

Rs in Lakhs

Sr. No.	Particulars	Standalone		Consolidated	
		Year Ended		Year Ended	
		31st March 2010	31st March 2009	31st March 2010	31st March 2009
1	Income				
	a) Net Sales / Income from operations	98635	104452	126016	127013
	b) Other Operating Income	1089	187	1973	262
	Total Income	99724	104639	127989	127275
2	Expenditure				
	a) Increase (-) / (+) Decrease in stock-in-trade	(910)	(4483)	(911)	(4483)
	b) Consumption of materials	18332	19572	22132	20781
	c) Purchase of traded goods	148	52	148	52
	d) Employees cost	5257	5114	6956	6917
	e) Power and fuel	17472	10856	18779	12236
	f) Foreign exchange fluctuation loss (net)	0	7173	0	7173
	g) Depreciation (including amortization)	5703	4718	7790	5984
	h) Other expenses	14688	12363	32762	27063
	i) Expenditure Capitalized	0	0	(785)	0
	j) Total Expenditure (a to i)	60690	55365	86871	75723
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	39034	49274	41118	51552
4	Other Income	5975	3166	5066	2932
5	Profit before Interest & Exceptional Items (3+4)	45009	52440	46184	54484
6	Interest	4803	5000	5170	5335
7	Profit after Interest but before Exceptional Items (5-6)	40206	47440	41014	49149
8	Exceptional Items	0	0	0	0
9	Profit from Ordinary Activities before tax (7+8)	40206	47440	41014	49149
10	Tax Expense				
	a) Current Tax	6960	12100	7302	12343
	b) MAT Credit Entitlement	(810)	0	(1102)	0
	c) Deferred Tax	649	1287	969	1622
	d) Fringe Benefit Tax	0	40	0	80
	e) Earlier Years Taxation	(9)	0	(1167)	(1043)
	Total Provision for Taxation (a to e)	6790	13427	6002	13002
11	Net Profit from Ordinary Activities	33416	34013	35012	36147

12	Extraordinary Item (net of tax)	0	0	0	0
13	Net Profit	33416	34013	35012	36147
14	Less: Minority Interest			(923)	(877)
15	Net Profit After Minority Interest			34089	35270
16	Add/(Less): Share in Profit/(Loss) of Associates			0	(2)
17	Consolidated Net Profit			34089	35268
18	Cash Profit (Net Profit+Depreciation+Deferred Tax)	39768	40018	42847	42874
19	Paid-up Equity Share Capital (Face value of Re 1 each)	1099	1099	1099	1099
20	Reserves (excluding revaluation reserves)	151733	121984	167063	136283
21	Basic and Diluted Earnings per share (Rs) (Face value of Re 1 each) - Not annualized	30.42	29.91	31.03	31.02
22	Aggregate of public shareholding				
	- Number of shares	32943285	32916460	32943285	32916460
	- Percentage of shareholding	29.99%	29.96%	29.99%	29.96%
23	Promoters and promoter group Shareholding				
	a) Pledged/Encumbered				
	- Number of shares	Nil	Nil	Nil	Nil
	- Percentage of shareholding (as a percentage of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of shareholding (as a percentage of the total share capital of the company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	- Number of shares	76906715	76933540	76906715	76933540
	- Percentage of shareholding (as a percentage of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shareholding (as a percentage of the total share capital of the company)	70.01%	70.04%	70.01%	70.04%

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE YEAR ENDED 31ST MARCH, 2010**

Rs in Lakhs

Sr. No.	Particulars	Standalone		Consolidated	
		Year Ended		Year Ended	
		31st March 2010	31st March 2009	31st March 2010	31st March 2009
1	Segment Revenue				
a)	Chemicals	89433	102225	91523	102225
b)	Multiplexes	0	0	25360	22517
c)	Power	23924	16898	24065	17018
d)	Wind Turbine Generators	0	0	785	0
e)	Other Segment, Un-allocable and Corporate	5975	3166	5087	3084
	Total Segment Revenue	119332	122289	146820	144844
	Less: Inter Segment Revenue – Power	13633	14484	13759	14555
	Less: Inter Segment Revenue – Others	0	0	6	82
	Total External Revenue	105699	107805	133055	130207
2	Segment Result				
a)	Chemicals	39304	50732	39111	50733
b)	Multiplexes	0	0	2058	2509
c)	Power	3934	6406	4016	6470
d)	Wind Turbine Generators	0	0	(106)	0
e)	Other Segment, Un-allocable and Corporate	0	0	(639)	(286)
	Total Segment Result	43238	57138	44442	59425
	Add/(Less): Un-allocable Income/(Expenses) (Net of Un-allocable income/(expenses))	1771	(4698)	1742	(4941)
	Less: Interest expenses	4803	5000	5170	5335
	Total Profit Before Tax	40206	47440	41014	49149
3	Segment Capital Employed (Segment Assets – Segment Liabilities)				
a)	Chemicals	56546	77853	58758	77853
b)	Multiplexes	0	0	35639	32444
c)	Power	61452	49565	62115	50265
d)	Wind Turbine Generators	0	0	8622	0
e)	Other Segment, Un-allocable and Corporate	34833	(4336)	13734	(12903)
	Total	152831	123082	178869	147659

**AUDITED BALANCE SHEET
AS AT 31ST MARCH, 2010**

Rs in Lakhs

Sr. No.	Particulars	Standalone		Consolidated	
		As At		As At	
		31st March 2010	31st March 2009	31st March 2010	31st March 2009
A)	Shareholders' Funds				
	(a) Capital	1099	1099	1099	1099
	(b) Reserves and Surplus	151733	121984	167063	136283
B)	Minority Interest	0	0	10708	10278
C)	Loan Funds	53787	69411	61879	72298
D)	Deferred Tax Liability	9774	9125	11333	10556
	Total	216393	201619	252082	230514
A)	Fixed Assets	119853	101924	163578	133137
B)	Investments	74867	50573	72345	46751
C)	Deferred Tax Assets	0	0	1	0
D)	Current Assets, Loans and Advances				
	(a) Inventories	18786	19221	20392	19384
	(b) Sundry Debtors	9276	12177	10518	12822
	(c) Cash and Bank Balances	7558	20349	13832	20588
	(d) Other Current Assets	298	788	278	820
	(e) Loans and Advances	23315	15540	15204	18921
	Total (a to e)	59233	68075	60224	72535
E)	Less : Current Liabilities and Provisions				
	(a) Liabilities	35050	13992	41261	16649
	(b) Provisions	2510	4961	2805	5260
	Total (a to b)	37560	18953	44066	21909
	Net Current Assets	21673	49122	16158	50626
	Total	216393	201619	252082	230514

Notes:-

1. The above audited results, reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on 22nd May, 2010.
2. Corresponding figures for the previous period / year have been regrouped / recast wherever necessary to correspond to current period / year classification.
3. The Board of Directors at its Meeting considered and recommended final dividend @ 150% i.e. Rs. 1.50 per Equity Share of Re 1 each for the financial year 2009-10. This makes the total dividend for the financial year 2009-10 to 350% i.e. Rs. 3.50 per Equity Share of Re 1 each.
4. During the year, the company has received compensation of Rs. 824.73 Lacs (previous year Rs. 629.64 Lacs), equivalent to US \$ 1.75 million (previous year US \$ 1.37 million), 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.
5. Net Sales / Income from Operations include income from Certified Emissions Reductions (Carbon Credits). "Chemicals" segment includes figures pertaining to Carbon Credits.
6. The Company had commenced arbitration proceedings against Gujarat Gas Company Limited (GGCL), for purported termination of the Gas Supply Agreement (GSA), and purported increase in price of gas supplied, from US \$ 4.60 per MMBTU (plus applicable taxes thereon) to US \$ 24.62 per MMBTU (plus applicable taxes thereon), for supplies made from April 2008 till December 2008, and had also approached the Delhi High Court for interim protection. These proceedings have been settled out of Court with GGCL on 17th December, 2009, and it has been agreed that the amounts paid by GFL to GGCL pursuant to the interim orders of the Honorable High Court of Delhi, at US \$ 10 per MMBTU (plus applicable taxes thereon), shall be the final agreed price for supplies made during 1st April, 2008 to 31st December, 2008 and the GSA stands terminated by mutual agreement. Since this gas supply was accounted earlier at a price of @ US \$ 4.62 per MMBTU (plus applicable taxes thereon), the difference @ US \$ 5.38 per MMBTU (plus applicable taxes thereon), amounting to Rs 2886 Lacs, is charged to books of accounts in the Power & Fuel expenses in this year on settlement during the year.
7. The Company has made provision for Minimum Alternate Tax during the year as per the provisions of Section 115 JB of the Income-Tax Act, 1961 and has also recognized MAT credit entitlement amounting to Rs 810 Lacs, as per the provisions of Section 115JAA of the Income-Tax Act, 1961.
8. The above Consolidated Financial Results (CFS) represent results of:
 - a. Gujarat Fluorochemicals Limited,
 - b. its subsidiaries
 - (i) Inox Leisure Limited,
 - (ii) Inox Wind Limited (Incorporated on 09th April,2009)
 - (iii) Gujarat Fluorochemicals LLC, U.S.A. (Incorporated on 08th September,2009)
 - (iv) Inox Motions Picture Limited &
 - (v) Inox Infrastructure Private Limited and
 - c. Joint Venture with Xuancheng Heng Yuan Chemical Technology Co. Ltd, China
 - d. Associate of Subsidiary Inox Infrastructure Private Limited, Megnasolace City Private Limited.

The Consolidated Financial Statements (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” as specified in the Companies (Accounting Standard) Rules, 2006.

9. In respect of income-tax matters of Inox Leisure Limited:

- (a) In the appellate proceedings before the Commissioner of Income-tax (Appeals) the Company’s contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted, in respect of one more multiplex during the current year, in addition to a few multiplexes in the last year. Accordingly, treating the amount of entertainment tax exemption amounts as a capital receipt in respect of multiplexes in those States covered by the orders of the Commissioner of Income-tax (Appeals), the Company has recomputed its current tax liability and deferred tax liability, and credited an amount of Rs. 193 lakhs (Previous year Rs. 1023 lakhs) in the Profit and Loss Account under ‘Taxation in respect of Earlier Years’.
- (b) The Minimum Alternate Tax (MAT) paid by the Company 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 extension of period for utilization of MAT credit as per the amendment made by the Finance Act (No. 2), 2009, the Company would have normal tax liability within the specified period to avail such MAT credit. Consequently, the Company has now recognized the MAT credit entitlement of Rs. 978 lakhs in respect of earlier years.

10. There were no investors’ complaints pending at the beginning of the quarter. The Company received 13 complaints during the quarter. The Company has disposed all 13 complaints and there were no complaints outstanding at the end of the quarter.

On behalf of the Board of Directors
For Gujarat Fluorochemicals Limited

22nd May, 2010
Noida

VIVEK JAIN
Managing Director