GFL LIMITED

Annual Report 2020-21

Corporate Information

Board of Directors

Mr. Devendra Kumar Jain
Chairman and Managing Director

Mr. Pavan Jain
Non- Executive Director

Mr. Siddharth Jain
Non- Executive Director

Mr. Shanti Prashad Jain
Independent Director

Ms. Vanita Bhargava
Independent Director

Mr. Shashi Kishore Jain
Independent Director

Board Level Committees

Audit Committee

Mr. Shanti Prashad Jain
Chairman

Mr. Devendra Kumar Jain
Member

Mr. Shashi Kishore Jain
Member

Ms. Vanita Bhargava
Member

Committee of Directors for Operations

Mr. Devendra Kumar Jain
Chairman

Mr. Pavan Jain
Member

Mr. Siddharth Jain
Member

Mr. Shanti Prashad Jain
Member

Nomination and Remuneration Committee

Mr. Shanti Prashad Jain
Chairman

Ms. Vanita Bhargava
Member

Mr. Pavan Jain
Member

Stakeholders' Relationship Committee

Mr. Siddharth Jain
Chairman

Mr. Shanti Prashad Jain
Member

Mr. Pavan Jain
Member

Corporate Social Responsibility Committee

Mr. Shanti Prashad Jain
Chairman

Mr. Pavan Jain
Member

Mr. Devendra Kuamr Jain
Member

Risk Management Committee

Mr. Devendra Kumar Jain
Chairman

Mr. Pavan Jain
Member

Mr. Shanti Prashad Jain
Member

Key Managerial Personnel

Mr. Devendra Kumar Jain
Chairman and Managing Director

Mr. Mukesh Patni
Chief Financial Officer

Ms. Bhavi Shah
Company Secretary

Auditors

M/s. Kulkarni and Company
Chartered Accountants
Firm Reg.No. 140959W
Flat No. B-401, 4th Floor,
Sunit Riddhi Siddhi Apartment,
S. No. 120A+B, Plot No. 545/2,
Sinhgad Road, Pune – 411030.
Telephone: 020-24250715

Registered Office

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

Corporate Office

Ceejay House, 7th Floor,
Dr. Annie Besant Road,
Worli, Mumbai – 400018
Tel.: - +91 22 40323960 /
+91 22 40323195

Statutory Reports

Financial Statements

Management Discussion and Analysis

Overview of Indian Economy

After the COVID-19 pandemic, India's economy started to recover. The government has taken various measures to boost the recovery, including through tax cuts and increased infrastructure spending. As a result, the country started to sustain its efforts to fight the pandemic.

In terms of GDP, India is the world's sixth largest economy[1]. In FY 2021, the economy contracted by 7.3%[2]. Various factors such as a plummeting manufacturing sector, decreased consumption, increasing unemployment rate and a distressed agricultural sector, offset by an ongoing farmer protests, are contributing to the economic weakness.

India's economy is forecasted to record a 'stronger recovery' in 2021 and grow by 5%[3]. As per the report, the budget for the current fiscal year points to a shift towards demand side stimulus, with an uptick in public investment. India is estimated to record GDP growth of 12.5% in 2021 whereas 6.9% in 2022, making the country the only major economy in the world to register double-digit growth in the fiscal, despite the COVID-19 pandemic[4].

India aims to be a US$5 trillion economy by 2025 and to achieve this goal, it needs to accelerate and sustain a real GDP growth rate of 8%[5]. It is anticipated that to achieve this goal, India needs to depart from traditional thinking and consider the economy in a virtuous or a vicious cycle, and never in equilibrium. The macroeconomic phenomena should be considered complementary to each other.

A virtuous investment cycle, especially bolstered by private investment as a key driver for enabling growth in each of these important macro variables, can be created to add impetus to this objective. Amidst uncertainty, a strong vision and a strategic blueprint to achieve it with practical methods can make a lasting impact on the economy.

Industry Overview

Media & Entertainment Industry

The Indian Media and Entertainment (M&E) industry is an important sector for the economy and has made significant strides in recent years, backed by rising consumer demand and improving advertising revenue. However, the industry was severely impacted due to the pandemic and lockdowns that followed in the aftermath. The Indian M&E sector expanded steadily at 8-9% CAGR between fiscals 2015 and 2020[6].

The supply side transformed as M&E companies took the opportunity to reinvent themselves. Appointment viewing on news television, gamification on e-commerce apps, rapid adoption of digital platforms by print media, popularity of short videos on OTT platforms, interactivity and brand solutions from radio companies were some of the many strategic shifts noticed in 2020. This remarkably altered the M&E sector. Every segment – TV, radio, print, digital – had video, audio, textual and experiential products and had begun to redefine itself across verticals. What didn't change, however, was the compelling content created around news and escapism, and the passion to build some of India's most powerful brands.

The last quarter of 2020 showed a marked improvement in revenues for most segments and the M&E sector is expected to recover 25% in 2021 to reach ₹ 1.73 trillion and then to grow at a CAGR of 13.7% to reach ₹ 2.23 trillion by 2023[3]. Indian media industry has tremendous scope for overall growth, due to rising income and evolving lifestyle choices.

Film Industry[6]

The Indian Film Entertainment segment declined by 62% in 2020. The film industry's revenue grew at 7% CAGR from

[1] https://databank.worldbank.org/data/download/GDP.pdf
[2] http://mospi.nic.in/sites/default/files/press_release/Press%20Note_31-05-2021.pdf
[3] https://www.businesstoday.in/latest/economy-politics/story/indian-economy-estimated-to-grow-by-5-record-stronger-recovery-in-2021-saysunctad-291309-2021-03-19
[4] https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021
[5] https://eoi.gov.in/bahrain/?pdf9831?000
[6] Crisil Report - Assesment of India's Film and Multiplex Industry, June 2021

₹ 126 billion in FY15 to ₹ 194 billion in FY20. As lockdowns were imposed across the country on account of the COVID-19 outbreak, theatres remained closed for a prolonged period and film production was also halted from mid-March 2020.

The past few years have witnessed a growing trend of Bollywood movies crossing the ₹ 1 billion collection mark. After a gap of over seven months, in October 2020, the central government issued Unlock 5.0 notifications, wherein theatres could reopen, albeit with capacity restrictions and new safety SOPs. Around 441 films were released in 2020, as compared to 1,833 releases in 2019, mainly due to the restrictions imposed due to the COVID-19 pandemic.

Consequently, the filmed entertainment segment saw an 80% decline across domestic and international theatrical revenues. Broadcast rights values fell 68% due to fewer completed films and lack of broadcaster interest in increasing expenses. Digital rights consequently grew 86% to reach ₹ 35.4 billion, as films continued to be released directly on OTT platforms, at rates which compensated producers, wholly or in part, for the lost theatrical revenues.

The segment is expected to rebound in 2021 if COVID-19 subsides. Subject to the impact of the pandemic, the film segment should rebound to ₹ 153.2 billion in 2021 and keep growing to reach ₹ 243.8 billion by 2023. Theatrical revenues will be driven by movie releases from April 2021 onwards and could cross ₹ 75 billion based on the number of big-budget films awaiting release.

With continued recovery from the pandemic and a successful vaccination program, pent-up demand for films awaiting release can lead the segment recovery and touch ₹ 153.2 billion in 2021. While broadcast rights may not recover to 2019 levels, digital rights are anticipated to grow and reach ₹ 37.8 billion in 2021.

Renewable Energy Business

INOX Renewables Limited was engaged in the business of wind farming.

During the Financial Year under review, The Hon'ble National Company Law Board Tribunal, Ahmedabad Bench (NCLT) vide its order dated 25th January, 2021 has approved a Composite Scheme of Arrangement amongst INOX Renewables Limited and GFL Limited and INOX Wind Energy Limited for amalgamation of INOX Renewables Limited with GFL Limited and demerger of Renewable Energy Business into a new company INOX Wind Energy Limited. In view of the said order, INOX Renewables Limited was merged into GFL Limited from the Appointed date 1st April, 2020 and all the assets and liabilities pertaining to the Renewable Energy Business Undertaking, as defined in the Scheme, stand transferred and vested into the resulting company INOX Wind Energy Limited from its Appointed Date i.e. 1st July, 2020.

Company Overview

GFL Limited is a Holding Company of INOX Leisure Limited and INOX Infrastructure Limited. The Company recently demerged its renewable energy business and now GFL Limited continues to hold its investment in INOX Leisure Limited - one of the largest multiplex chains in the Country.

Human Resources

People practices at GFL Limited are aligned with an industry that is rapidly evolving. Organizational structures are aligned with emerging ecosystems, while building capabilities and encouraging innovation are central to the company's people strategy. HR policies of the Company are designed to suitably manage various aspects of its employees. Additionally, the Company offers regular training programs for its employees through which expertise is continuously upgraded. As of 31st March, 2021, the company has employee strength of 3.

Financial Highlights (based on consolidated business performance)

(₹ in Lakhs)

Particulars	FY 2021 (With IND AS 116)	FY 2020@ (With IND AS 116)	YoY change (%)
Revenue from Operation	10,697.20	1,89,757.65	-94%
EBITDA	9,678.61	61,223.37	-84%
PBT	(44,405.75)	12,895.76	-444%
PAT	(33,567.98)	1,518.56	-2311%
Net Worth	70,850.99	319,182.68	-78%

@restated

Key Ratios based on Consolidated Financials

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

	Without INDAS 116		
Particulars (Based on Consolidated Figures)	**FY 2021**	**FY 2020@**	**Reasons for change**
Net Debt Equity Ratio	0.02	0.03	The decrease is on account of reduction of Net Debt from ₹ 113.54 cr in FY2019-20 to ₹ 19.01 cr in FY 2020-21
Interest coverage Ratio	N.A.	36.32	As EBIT for FY 20-21 is negative, this ratio is not applicable. EBIT was negative as Group was severely affected due to nationwide lockdown because of COVID-19. Complete lockdown from April 2020 till Mid October 2020 onwards with various restrictions.
Debtors Turnover (Days)	N.A.	104	The debtors turnover of the Group is skewed as the sales were severely affected due to nationwide lockdown on account of COVID-19. Complete Lockdown from April 2020 till Mid October 2020 and staggered opening from Mid October 2020 onwards with various restrictions which effected one of the subsidiary INOX Leisure Limited severely.
Inventory Turnover (Days)	N.A.	22	The inventory turnover of the Group is skewed as the purchases were affected due to nationwide lockdown on account of COVID-19. Complete Lockdown from April 2020 till Mid October 2020 and staggered opening from Mid October 2020 onwards with various restrictions which effected one of the subsidiary INOX Leisure Limited severely.
Operating Profit Margin (in %)*	-207.9%	12.4%	There was a decrease due to nationwide lockdown on account of COVID-19 (Complete Lockdown from April 2020 till Mid October 2020 and staggered opening from Mid October 2020 onwards with various restrictions which effected one of the subsidiary INOX Leisure Limited severely).

Particulars (Based on Consolidated Figures)	Without INDAS 116 FY 2021	FY 2020@	Reasons for change
Net Profit Margin (in %)*	-169.7%	7.4%	There was a decrease due to nationwide lockdown on account of COVID-19 (Complete Lockdown from April 2020 till Mid October 2020 and staggered opening from Mid October 2020 onwards with various restrictions which effected one of the subsidiary INOX Leisure Limited severely).
Return on Net worth (in %)	-20.3%	3.9%	Return on Net worth has declined in FY 2020-21 because of the following reasons: 1. Composite Scheme of Arrangement (the "Scheme") between GFL Limited, INOX Renewables Limited and INOX Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below: a) Part A - Amalgamation of its wholly-owned subsidiary Inox Renewables Limited (IRL) into GFL Limited w.e.f. 1st April, 2020, and b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL Limited into its wholly-owned subsidiary, INOX Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020. 2. Cinemas were shut due to COVID-19 which impacted one of the subsidiary, INOX Leisure Limited severely. (Complete Lockdown from April 2020 till Mid October 2020 and staggered opening from Mid October 2020 onwards with various restrictions).

* Calculated on Total Income
@restated

As on 31st March, 2021, GFL Limited holds 46.85% in INOX Leisure Limited and it continues to be a material subsidiary of the Company.

On the Theatrical business (INOX Leisure Limited): Due to the COVID-19, Central & State Government imposed nationwide lockdown which adversely impacted the cinema exhibition industry and consequently the business activities of the Group were also adversely affected.

Risk Management and Internal Control System

The Company has devised and implemented such internal financial control systems as are required in its business. These controls are routinely tested by Internal auditors and covers all the key business operations of the Company. Key Audit findings, along with their action plans are thereon reported to the Audit Committee, which monitors the overall control environment of the Company. The Company has minimal risks as it holds investment in its subsidiaries. The Company proactively identifies its business risks and systemically resolves all the risks considering the nature and size of it's business.

The Company has Risk Management Committee that reviews the risk management process on a periodic basis. The Company also adopted a Risk Management Policy to establish a structured and intelligent approach to risk management.

Cautionary Statement

This document contains forward-looking statements about expected future events, financial and operating results of GFL Limited. By nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward looking statements will not prove to be accurate.

Readers are cautioned not to place undue reliance on these statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of GFL Limited's Annual Report, FY 2020-21.

GFL Limited

(CIN L24110GJ1987PLC009362)

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Telephone +91 1123354795, Fax +91 1123354795
Website: www.gfllimited.co.in; Email: secretarial@inoxmovies.com

To,
The Member(s),
GFL Limited

NOTICE is hereby given that the **34th (THIRTY FOURTH) ANNUAL GENERAL MEETING** of Members of GFL Limited ('Company') will be held on **Tuesday, 28th September, 2021, at 12:00 Noon (IST)**, through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. **Adoption of Audited Financial Statements.**

   To consider and adopt:

   a. Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021, the reports of the Board of Directors and Auditors thereon; and

   b. Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the report of the Auditors thereon.

2. **Re-appointment of Mr. Pavan Jain (DIN: 00030098) as Director of the Company.**

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

SPECIAL BUSINESS

3. **To consider and approve the appointment of Mr. Shashi Kishore Jain (DIN: 00443861) as an Independent Director.**

   To consider and, if, thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161, Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other Rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) and Regulation 16(1)(b) and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with Articles of Association of the Company and any other law as may be applicable, Mr. Shashi Kishore Jain (DIN 00443861), who was appointed as an Additional Director, in capacity of Non-Executive & Independent Director of the Company by circular resolution of the Board of Directors of the Company dated 28th May, 2021 pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria of Independence as provided under section 149(6) of the Act, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five years commencing from 30th May, 2021 upto 29th May, 2026, whose period of office will not be liable to determination by retirement of Directors by rotation.

   RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may considered expedient to give effect to this resolution."

4. **To consider and approve the appointment of Mr. Siddharth Jain (DIN: 00030202) as a Non-Executive Director.**

   To consider and, if, thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other Rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) read with Articles of Association of the Company and any other law as may be applicable, Mr. Siddharth Jain (DIN: 00030202), whose appointment is recommended by the Nomination and Remuneration Committee and who was appointed as an Additional Director by the Board by circular resolution dated 28th May, 2021 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying its intention to propose Mr. Siddharth Jain (DIN: 00030202) as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of office will be liable to determination by retirement of Directors by way of rotation.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may considered expedient to give effect to this resolution."

5. **To consider and approve the acceptance of an Irrevocable and without recourse Indemnity Cum Corporate Guarantee to be executed in favour of the Company by Gujarat Fluorochemicals Limited and INOX Wind Energy Limited.**

   To consider and, if, thought fit, to pass, the following resolution as a **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** in compliance with provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and also the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Policy on Related Party Transactions, the Members do hereby approve the acceptance of an Irrevocable And Without Recourse Indemnity Cum Corporate Guarantee to be executed in favour of the Company by Gujarat Fluorochemicals Limited and INOX Wind Energy Limited.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to determine, the finalize and execute all agreements, deeds, documents and writings for the purposes aforesaid and to do all acts, deeds and things in this connection and incidental as the Board of Directors in its absolute discretion may deem fit.

   RESOLVED FURTHER THAT Mr. Devendra Kumar Jain, Managing Director, Mr. Pavan Jain, Director and Mr. Siddharth Jain, Director of the Company be and are hereby also severally authorized to take all such steps and to do and cause to be done all such acts, deeds, matters and things for and on behalf of the Company as may be necessary, proper or expedient, in connection with the foregoing."

6. **To consider and approve shifting of Registered Office of the Company from the "State of Gujarat" to "State of Maharashtra":**

   To consider and, if, thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or re-enactment(s) thereof for the time being in force) and subject to the approval of the Central Government (power delegated to Regional Director) and/or any other authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the Members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Gujarat to the State of Maharashtra within the jurisdiction of the Registrar of Companies at Mumbai.

   RESOLVED FURTHER THAT the Registered Office Clause (Clause II) of the Memorandum of Association of the Company be substituted with the following clause:

II. The Registered Office of the Company will be situated in the State of Maharashtra.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall deem to include any of its duly constituted Committee) or any officer/ executive/representative and/ or any other person so authorized by the Board, be and are hereby authorized severally, on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary and to appoint counsels/consultants and advisors and to file applications/ petitions, issue notices, advertisements, obtain orders for shifting of Registered Office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company."

7. To consider and approve the amendment in the Main Objects Clause of the Company:

To consider and, if, thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Gujarat and all other relevant authorities to append following sub clause (9) after sub clause (8) of clause III (A) of the Memorandum of Association of Company:

(a) To carry on the business or profession of stock broker, sub-broker, dealer, jobber, market maker, portfolio manager, underwriter, dealers or broker or agent in securities, financial instruments, capital market/money market instruments of all kinds, company deposits, mutual funds, national saving certificates and other government securities issued or guaranteed by a body corporate, company, public sector company, Government, Municipality or anybody in India or abroad whether they are listed or not for the time being, and to acquire or takeover the business of any individual, partnership or corporate body, carrying on business/profession, as brokers, sub-brokers, underwriters, jobbers, members, agents, traders of all types of shares and stock and to hold one or more membership of any recognized stock exchange of India/OTC Exchange of India/National Stock Exchange of India.

(b) To acquire, hold, sell, buy or otherwise deal in any shares, units, stocks, debentures, debenture-stock, bonds, mortgages, obligations and other securities by original subscription, tender, purchase, charge gift or otherwise and to subscribe for the same, either conditionally or otherwise, and to underwrite, sub-underwrite or guarantee the subscription thereof to purchase and sell above mentioned securities.

(c) To undertake the activities as a Depository Participant and for that purpose to obtain the membership of the Depositories in India and to do all such things as may be advised, permitted or required for this purpose with prevailing Act/Regulations/Laws.

(d) To develop repair, improve, extend, maintain, manage, mortgage, charge, exchange, sell, assign, transfer, lease out, dispose off or turn to account, or otherwise deal with the whole or any part of the Company's property and assets.

(e) To become members and participate in trading, settlement and other activities of commodity exchange/s (including national, multi-commodity exchange/s) facilitating for itself or for clients, trades and clearing/settlement of trades in spots, in futures and in derivatives of all the above commodities permitted under the laws of India.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors of the Company, Company Secretary of the Company or Chief Financial Officer of the Company be and are hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, Gujarat."

By Order of the Board of Directors

For GFL Limited
Bhavi Shah
Company Secretary

Place: Vadodara
Date: 11th August, 2021

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 02/2021 dated 13th January, 2021 (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 ('SEBI Circulars'), have permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with rules made there under, as amended from time to time, read with MCA Circulars, SEBI Circulars and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, the AGM of the Company is scheduled to be held on Tuesday, 28th September, 2021, at 12:00 noon (IST) through VC/OAVM.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE. HOWEVER, IN PURSUANCE OF SECTION 112 AND SECTION 113 OF THE COMPANIES ACT, 2013, REPRESENTATIVES OF THE MEMBERS SUCH AS THE PRESIDENT OF INDIA OR THE GOVERNOR OF A STATE OR BODY CORPORATE CAN ATTEND THE AGM THROUGH VC/OAVM AND CAST THEIR VOTES THROUGH E-VOTING.**

3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

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

5. Information as required to be provided under the Secretarial Standard – 2 / Regulation 36(3) of the Listing Regulations, in respect of a Directors being appointed /re-appointed is annexed hereto.

6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM facility.

7. Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Company at secretarial@inoxmovies.com.

8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

10. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 34th AGM along with the Annual Report 2020-21 has been uploaded on the website of the Company at www.gfllimited.co.in under 'Investor Relations' section and may also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of CDSL at www.evotingindia.com.

11. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated 7th May, 2018 issued by the MCA. Accordingly, no resolution is proposed for ratification of

appointment of Statutory Auditors, who were appointed in the Annual General Meeting held on 28th September, 2017.

12. As per Regulation 40 of the Listing Regulations, as amended, Securities of listed companies can be transferred only in dematerialised form from a cut-off date i.e. 1st April, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

13. In compliance with provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report for Financial Year 2020-21 of your Company has been sent via Electronic Mode (E-mail) to the Members whose E-mail ID was made available to us by the Depositories. We request the Members to register / update their e-mail address with their Depository Participant, in case they have not already registered / updated the same. Members who are holding shares in physical form are requested to get their email address registered with the Registrar and Share Transfer Agents.

14. Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:

A. For Members holding shares in Physical – please provide necessary details like Folio No., Name of Member, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to Company at secretarial@inoxmovies.com / RTA at vadodara@linktime.co.in.

B. For Members holding shares in Demat - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) to Company at secretarial@inoxmovies.com / RTA at vadodara@linktime.co.in.

15. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended and Regulation 44 of the Listing Regulations, as amended and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by CDSL.

16. Members will be provided with the facility for voting through electronic voting system during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again.

17. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Tuesday, 21st September, 2021 (cut-off date) shall be entitled to avail the facility of remote e-Voting before as well as during the AGM.

    Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date should follow the same procedure of e-Voting as mentioned below.

18. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

i. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder/Members login where the EVSN of the Company will be displayed.

ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

iii. Further, Shareholders will be required to allow Camera and use the Internet with a good speed to avoid any disturbances during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connected via Mobile Hotspot may experience Audio/Video loss due to Fluctuations in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@inoxmovies.com.

vi. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@inoxmovies.com. These queries will be replied to by the Company suitably by email.

vii. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

B. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

(i) The remote e-voting period will commence on Saturday, 25th September, 2021 at 09:00 a.m. and ends on Monday, 27th September, 2021 at 05:00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 21st September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

(iv) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

(v) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(vi) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(vii) Login method for e-Voting and joining virtual meeting for shareholders.

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

(ix) Click on "Shareholders" tab.

(x) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company at secretarial@inoxmovies.com / RTA at vadodara@linkintime.co.in.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (X).

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

(xv) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xvii) Click on the EVSN for 'GFL LIMITED'.

(xviii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xx) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

(xxiv) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at secretarial@inoxmovies.com, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

iii. If any votes are cast by the Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes casted by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders attending the meeting.

iv. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

In case you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Rakesh Dalvi (022-23058542/43).

All grievances connected with the facility for voting by electronic means may be addressed to

Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing,

25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

The voting rights of Members shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of Tuesday, 21st September, 2021. For all others who are not holding shares as on cut-off date and receive the Annual Report of the Company, the same is for their information.

19. Mr. Sushil Samdani, Practicing Company Secretary (FCS: 3677; CP: 2863) and failing him

Mr. Suresh Kumar Kabra, Practicing Company Secretary (ACS: 9711; CP: 9927) have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gfllimited.co.in and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited.

20. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., M/s. Link Intime India Pvt. Limited, Unit: GFL Limited, 1st Floor, Opp. HDFC Bank, B Tower, 102B and 103, Near Radhakrishna Char Rasta, Akota, Vadodara - 390020, changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant. Further, Members may note that Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in the securities market.

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

22. Pursuant to provisions of Section 124 of the Companies Act, 2013, The dividend which remains unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. Members may visit the Company's website www.gfllimited.co.in for tracking details of any unclaimed amounts, pending transfer to IEPF.

    Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority http://www.iepf.gov.in/IEPF/refund.html.

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

24. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice and the Explanatory Statement will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Tuesday, 28th September, 2021. Members seeking to inspect such documents can send an email to secretarial@inoxmovies.com.

25. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes through remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee by its circular resolution dated 28th May, 2021, appointed Mr. Shashi Kishore Jain (DIN: 00443861) as an Additional and Independent Director for a tenure of five years with effect from 30th May, 2021 up to 29th May, 2026 pursuant to Section 161 of the Act.

In the opinion of the Board his experience in the industry will add tremendous value to the Board and the Company. In the opinion of the Board, Mr. Shashi Kishore Jain fulfils the conditions for his appointment as an Independent Director as specified in the Act and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and he is independent of the management.

As an Additional Director, Mr. Shashi Kishore Jain holds office till the date of this AGM and is eligible for being appointed as an Independent Director of the Company. The Company has received necessary declaration(s) from Mr. Shashi Kishore Jain confirming that he meets the criteria of Independence as prescribed under the Act and Listing Regulations.

The Company has also received Mr. Shashi Kishore Jain's consent to act as a Director in terms of Section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director under provisions of Section 164 of the Act, nor debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

The resolution seeks the approval of Members for the appointment of Mr. Shashi Kishore Jain as an Independent Director of the Company up to 29th May, 2026 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation. Further, in terms of Section 160 of the Act, the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director of the Company.

As per the provisions of Section 161 of the Act, an Additional Director appointed by the Board shall hold office up to the date of the ensuing AGM and shall be appointed as a Director by the Members. The Board, by its circular resolution dated 28th May, 2021, appointed Mr. Shashi Kishore Jain as an Additional and Independent Director who holds office up to the ensuing AGM. Accordingly, his appointment is placed for the approval of Members.

A copy of the draft letter for the appointment of the Director as Independent Director setting out the terms and conditions would be available for electronic inspection without any fee by the Members and the same has also been put up on the Company's website at https://www.gfllimited.co.in/pdf/2016-17/Appointment%20Letter%20-%20Mr.%20Shashi%20Kishore%20Jain.pdf

Except Mr. Shashi Kishore Jain, being the appointee, or his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings (SS-2), in respect of all the Directors seeking appointment / re-appointment / revision in remuneration at the Annual General Meeting, is provided in the Annexure to this Notice and forms part of the Statement.

The Board of Directors recommends the Ordinary Resolution set out at Item No.3 of the Notice for the approval of the Members.

Item No. 4

Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee by its circular resolution dated 28th May, 2021, appointed Mr. Siddharth Jain (DIN.: 0030202) as Additional Director of the company till the date of the next annual general meeting.

Accordingly, in terms of the requirements of Section 149,152,160 and 161 and any other applicable provisions of Companies Act, 2013 approval of the members of the company is required for appointment of Mr. Siddharth Jain as Director of the company liable to retire by rotation.

Further, in terms of Section 160 of the Act, the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director of the Company.

Except Mr. Siddharth Jain, being the appointee or his relatives, Mr. Devendra Kumar Jain, Managing Director (Grandfather of Mr. Siddharth Jain) and Mr. Pavan Jain, Director (Father of Mr. Siddharth Jain), none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings (SS-2), in respect of all the Directors seeking appointment / re-appointment / revision in remuneration at the Annual General Meeting, is provided in the Annexure to this Notice and forms part of the Statement.

The Board of Directors recommends the Ordinary Resolution set out at Item No.4 of the Notice for the approval of the Members.

Item No.5

As per the provisions of Section 188 of the Companies Act, 2013 ("the Act") read with Regulations 2(zc) and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Policy on Related Party Transactions, the Company is required to obtain the prior approval of the Board, and in the event that the transaction with a related party is a material related party transaction, then the Company is required to obtain the prior approval of the members.

Gujarat Fluorochemicals Limited and INOX Wind Energy Limited are required to execute an Irrevocable and without Recourse Indemnity Cum Corporate Guarantee in favour of the Company in the following circumstances:-

a. **Firstly** in connection with the order dated 4th July, 2019 passed by the National Company Law Tribunal ("**NCLT**"), Ahmedabad Bench, whereby the NCLT sanctioned a scheme of arrangement ("**2019 Scheme**") between the Company (then known as Gujarat Fluorochemicals Limited) (referred to therein as the "**Demerged Company**") and INOX Fluorochemicals Limited (therein referred to as the "**Resulting Company**") for the demerger of the Chemical Business Undertaking (as therein defined) that was carried on by the Company into INOX Fluorochemicals Limited and the renaming of the said INOX Fluorochemicals Limited as Gujarat Fluorochemicals Limited, being Company herein and NCLT's approval that the name of the Demerged Company be changed to GFL Limited and

b. **Secondly** in connection with the order dated 25th January, 2021, NCLT Ahmedabad Bench, whereby NCLT has sanctioned a composite scheme ("**2021 Scheme**") under which the NCLT has approved the amalgamation of INOX Renewables Limited, a public limited company incorporated on 11th November, 2010, bearing CIN No. U40100GJ2010PLC062869 with the Company and the demerger of the Demerged Undertaking (as defined therein), comprising of the Renewable Energy Business (as defined therein) and the demerger thereafter of the Demerged Undertaking comprising of the Renewable Energy Business unto INOX Wind Energy Limited and

c. **Thirdly** in connection with any liability that may arise or attach to the Company on account of any act of omission or commission in the management of the Company prior to 22nd May,2021, that are not related to or concerning the entertainment business (INOX Leisure Limited) and the infrastructure business (INOX Infrastructure Limited) (hereinafter referred to as the "**Retained Business**") that is retained with the Company post the 2019 and the 2021 Schemes, then the same is required to be guaranteed jointly and severally by Gujarat Fluorochemicals Limited and INOX Wind Energy Limited.

d. The Indemnity cum Corporate Guarantee will be of ~ ₹ 76 Crores and the same shall be increased if the liabilities as aforesaid increases subsequently.

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a related party transaction is defined to mean "*a transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.....*". Whilst there is no transfer of any resources in favour of the Company at the time when the Irrevocable And Without Recourse Indemnity Cum Corporate Guarantee is executed in favour of the Company, the Board is of the view that it would be desirable for the Members to consider and approve of the proposed transaction so as to alleviate any technical issues that may arise in the event of invocation of the aforesaid Irrevocable And Without Recourse Indemnity Cum Corporate Guarantee and payment of monies to the Company thereunder.

In the circumstances the Board recommends the adoption of the resolution for acceptance of the Irrevocable and without Recourse Indemnity Cum Corporate Guarantee as the same is in the best interest of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out except to the extent to their shareholding in the Company, if any.

The Board of Directors recommends the Ordinary Resolution set out at Item No.5 of the Notice for the approval of the Members

Item No. 6

Presently, Registered Office of the Company is situated in the State of Gujarat whereas most of the operational activities of the Company are carried out from Mumbai. For ease of liaising with common regulatory authorities and to meet other compliance requirements smoothly, the Company proposes to shift its registered office to the State of Maharashtra within the Jurisdiction of Registrar of Companies, Mumbai. The Board of Directors of the Company in its meeting held on 28th June, 2021 approved to shift the Registered Office of the Company from the "State of Gujarat" to the "State of Maharashtra" subject to approval of Members of the Company and the Central Government (power delegated to Regional Director).

Shifting of Registered Office will not be prejudicial to the interest of any employees, shareholders, creditors or any other stakeholders.

Pursuant to the provisions of Sections 12, 13 and all other applicable provisions, if any, of the Act read with applicable Rules and Regulations made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of the Registered Office Clause (Clause II) of the Memorandum of Association (the "MOA") of the Company requires the approval of the Members of the Company by means of a Special Resolution and approval of the Central Government (power delegated to Regional Director).

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the Special Resolution set out except to the extent to their shareholding in the Company, if any.

The Board of Directors recommends the Special Resolution set out at Item No.6 of the Notice for the approval of the Members.

Item No.7

The Company was engaged into various businesses like Chemical Business, Wind Energy Business, Cinema Exhibition Business etc. By a Scheme of Arrangement effective from 16th July, 2019, Company has demerged its Chemical Business and By a Composite Scheme of arrangement effective from 9th February, 2021, Company has demerged its Renewable Energy Business. Right now the Company is having its investments in the subsidiary companies INOX Leisure Limited and INOX Infrastructure Limited. The Company proposes to undertake the business of Brokerage/ Commission and a business of distribution of Investment products including but not limited to Mutual Funds, Bonds, Debentures and Fixed deposits. To enable the Company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the company, by the insertion of sub-clause (9) after the existing sub-clause (8) of Clause III (A) as stated in the resolution in the annexed notice. The above amendment would be subject to the approval of the Registrar of Companies and any other statutory or Regulatory authority, as may be necessary. Further, it is proposed to approve, ratify and confirm all actions taken by the Board in all respects in connection with any matter related to abovementioned purpose.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the Special Resolution set out except to the extent to their shareholding in the Company, if any.

The Board of Directors recommends the Special Resolution set out at Item No.7 of the Notice for the approval of the Members.

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Annexure

Information as required to be provided under the Secretarial Standard – 2 / Regulation 26(4) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) in respect of Director being appointed/re-appointed

Name of Director	Mr. Pavan Jain	Mr. Shashi Kishore Jain	Mr. Siddharth Jain
Brief Resume	Mr. Pavan Jain, is a Chemical Engineer from IIT, New Delhi, and an industrialist with over 46 years of experience. As the Managing Director of INOX Air Products Limited, Pavan Jain has steered the company's growth from a single plant business to one of the leading players in the domestic industrial gases business. In addition, Mr. Pavan Jain has been instrumental in diversifying the INOX Group into various industries such as Refrigerant Gases, Chemicals, Cryogenic Engineering and Entertainment.	Mr. Shashi Kishore Jain comes with more than 50 years of work experience. He completed his B.Sc. (Engg.) - Electrical from Delhi College of Engineering, Delhi in 1971. He has worked as Plant Development Engineer responsible for Revamping/ Upgrading the Plant and Equipment and involved in the New Projects/Plant. He has independently handled the JV Company overseas for supply of Plant, Equipment and Technology Transfer for Telecommunication Cable Industry. He was responsible for setting up a unit for the manufacture of Industrial gases, Managing the Production & Marketing of Industrial Gases. He is also providing consultation for setting up a large gas manufacturing unit for industrial and medical gases	Mr. Siddharth Jain joined the Group in 2001 and has been actively involved in the Group's strategic planning & business development initiatives. He is directly responsible for the Industrial Gases, Entertainment and Cryogenics Equipment Manufacturing businesses. Under his management, each of these companies today have achieved leadership positions in their respective industries. He is an Alumnus of University of Michigan Ann Arbor, with a degree in Mechanical Engineering and has an MBA from INSEAD. He is a Member at the World Economic Forum at Davos. He is also a Member of Young Presidents' Organization & President of the Gas Industries Association of India. He is involved in various social work through his family's Foundation and is an avid golfer.
Date of Birth	17th May, 1951	5th June, 1949	21st September, 1978
Age	70 Years	72 Years	42 Years
Date of first appointment on the Board	12th August, 2004	30th May, 2021	30th May, 2021
Directors Identification Number	00030098	00443861	00030202
Qualification	Chemical Engineer from IIT, New Delhi	Degree in Electrical Engineering from Delhi College of Engineering	Mechanical Engineering from University of Michigan Ann Arbor, and MBA from INSEAD

Name of Director	Mr. Pavan Jain	Mr. Shashi Kishore Jain	Mr. Siddharth Jain
Experience / Expertise in Specific Functional Area	Mr. Pavan Jain has been a director on our Board since 2004. Mr. Pavan Jain is Non-Executive Director of our Company and holds a bachelor's degree in Chemical Engineering from Indian Institute of Technology, Delhi. Mr. Pavan Jain has been instrumental in diversifying the INOX Group into various industries such as Refrigerant Gases, Chemicals, Cryogenic Engineering and Entertainment. He has over 46 years of experience.	He has over 50 Years of work experience. He was responsible for setting up a unit for the manufacture of Industrial gases, Managing the Production & Marketing of Industrial Gases. He is also providing consultation for setting up a large gas manufacturing unit for industrial and medical gases.	Mr. Siddharth Jain has over 20 years of work experience in various management positions. Mr. Siddharth Jain has Been actively involved in the Groups' Strategic Planning & Business Development initiatives.
Directorship held in other Companies	• INOX Leisure Limited • INOX Air Products Private Limited • INOX Leasing and Finance Limited • INOX India Private Limited • INOX Infrastructure Limited	• INOX Infrastructure Limited	• INOX Air Products Private Limited • INOX Leasing and Finance Limited • INOX India Private Limited • INOX Leisure Limited • Megnasolace City Private Limited • INOX Infrastructure Limited
Membership / Chairmanship of other Companies	• GFL Limited (Member of Stakeholders Relationship Committee) • INOX Leasing and Finance Limited (Member and Chairman of Stakeholders Relationship Committee & Audit Committee) • INOX Leisure Limited (Member of Stakeholders Relationship Committee) • INOX Infrastructure Limited (Member of Audit Committee) • INOX Air Products Pvt. Ltd. (Member and Chairman of Stakeholders Relationship Committee and Audit Committee)	• INOX Infrastructure Limited (Member of Audit Committee)	• INOX Leasing and Finance Limited (Member of Stakeholders Relationship Committee and Audit Committee) • INOX Air Products Private Limited (Member of Stakeholders Relationship Committee and Audit Committee) • INOX Leisure Limited (Member of Stakeholders Relationship Committee and Audit Committee)
The Number of Meeting of the Board Attended during the year	1 out of 5	NA	NA
Remuneration last drawn	0.20 lakhs by way of sitting fees	Nil	Nil

Name of Director	Mr. Pavan Jain	Mr. Shashi Kishore Jain	Mr. Siddharth Jain
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Devendra Kumar Jain, Managing Director is father of Mr. Pavan Jain. Mr. Siddharth Jain, Director is son of Mr. Pravan Jain.	None	Mr. Devendra Kumar Jain, Managing Director is a grandfather of Mr. Siddharth Jain. Mr. Pavan Jain, Director of the Company is father of Mr. Siddharth Jain.
Shareholding in the Company	20, 100 shares	Nil	20,000 Shares

Board's Report

To,
The Members,
GFL Limited

Your Directors take pleasure in presenting to you their Thirty Fourth Annual Report of your Company together with Audited Financial Statements for the Financial Year ended on 31st March, 2021.

1. FINANCIAL PERFORMANCE

The Company has become a "Core Investment Company". Accordingly, the Company has presented the financial performance in the format prescribed for NBFCs i.e. Division III of Schedule III to the Companies Act, 2013. Consequently, the income from financial assets viz. interest, dividend, guarantee commission and fair value gains on investments, is classified as 'revenue from operations' as against 'other income' and the figures for the previous periods have been reclassified accordingly.

The financial performance of your Company on standalone basis for the year ended 31st March, 2021 is highlighted below:

(₹ in Lakhs)

Sr. No.	Particulars	Standalone	
		2020-21	**2019-20**
I.	Revenue from Operations		
	(i) Dividend Income	-	527.86
	(ii) Fees and commission income	101.11	246.40
	(iii) Net gain on fair value changes	2.96	13.31
	Total Revenue from operations	**104.07**	**787.57**
II.	Other income	6.23	-
III.	**Total Revenue (I+II)**	**110.30**	**787.57**
IV.	**Total Expenses**	**287.47**	**283.77**
V.	**Profit/(Loss) before exceptional items and tax (III-IV)**	**(177.17)**	**503.80**
VI.	Exceptional items	99.18	-
VII.	**Profit/(Loss) before tax (V-VI)**	**(276.35)**	**503.80**
VIII.	Total Tax expenses	0.37	4.73
IX.	**Profit/(Loss) for the year from continuing operations (VII-VIII)**	**(276.72)**	**499.07**
X.	Profit from discontinued operations (after tax)	(2,845.23)	1,368.40
XI.	Other comprehensive income (including discontinued operations)	8.39	1.04
XII.	**Total comprehensive income for the year (IX+X+XI)**	**(3,113.56)**	**1,868.51**

For the Group, on a consolidated basis, the NBFC operations are not significant. Hence, the consolidated results are presented predominantly as per Division II of Schedule III to the Companies Act, 2013. Division III of Schedule III to the Companies Act, 2013, permits presentation of the consolidated financial results on a mixed basis.

The financial performance of your Company on consolidated basis for the year ended 31st March, 2021 is highlighted below:

(₹ in Lakhs)

Sr. No.	Particulars	Consolidated	
		2020-21	**2019-20**
I.	Revenue from Operations	10,697.20	189,757.65
II.	Other income	4,339.47	1,915.23
III.	**Total Revenue (I+II)**	**15,036.67**	**191,672.88**
IV.	**Total Expenses**	**59,498.73**	**178,702.22**
V.	Share of profit / (loss) of associate	563.60	(74.90)
VI.	**Profit/(Loss) before exceptional items and tax (III-IV+V)**	**(43,898.46)**	**12,895.76**
VII.	Exceptional items	507.29	-
VIII.	**Profit/(Loss) before tax (VI-VII)**	**(44,405.75)**	**12,895.76**
IX.	Total Tax expense	(10,837.77)	11,377.20
X.	**Profit/(Loss) for the year from continuing operations (VIII-IX)**	**(33,567.98)**	**1,518.56**
XI.	Loss from discontinued operations (after tax)	(9,429.56)	(25,165.18)
XII.	Other comprehensive income (including discontinued operations)	119.42	(28.91)
XIII.	**Total comprehensive income for the year (X+XI+XII)**	**(42,878.12)**	**(23,675.53)**
XIV.	Total comprehensive income for the year attributable to		
	-Owners of the Company	(23,106.95)	(12,349.77)
	-Non-controlling interests	(19,771.17)	(11,325.76)

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

2. CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued there under, the Consolidated Financial Statements of the Company for the Financial Year 2020-21 have been prepared in compliance with applicable Accounting Standards and on the basis of Audited Financial Statements of the Company and its subsidiaries and Unaudited Financials of the associate of its subsidiary, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report. The Audited Standalone and Consolidated Financial Statements for the Financial Year 2020-21 shall be laid before the Annual General Meeting for approval of the Members of the Company.

3. SCHEME OF ARRANGEMENT

During the Financial Year under review, The Hon'ble National Company Law Board Tribunal, Ahmedabad Bench (NCLT) vide its order dated 25th January, 2021 has approved a Composite Scheme of Arrangement amongst INOX Renewables Limited and GFL Limited and INOX Wind Energy Limited for amalgamation of INOX Renewables Limited with GFL Limited and demerger of Renewable Energy Business into a new company INOX Wind Energy Limited. In view of the said order, INOX Renewables Limited was merged into GFL Limited from the Appointed date 1st April, 2020 and all the assets and liabilities pertaining to the Renewable Energy Business Undertaking, as defined in the Scheme, stand transferred and vested into the resulting company INOX Wind Energy Limited from its Appointed Date i.e. 1st July, 2020.

On approval of the abovementioned Composite Scheme of Arrangement, the Company has now became a "Core Investment Company". Accordingly, the Company has prepared its Standalone Financials in the format prescribed for NBFCs. i.e Division III of Schedule III to the Companies Act, 2013.

4. DIVIDEND

Your Directors, after considering various external factors that may have an impact on the business of the Company, have not recommended any dividend for the Financial Year ended 31st March, 2021.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend Distribution Policy' and details of the same have been uploaded on the Company's website https://www.gfllimited.co.in/pdf/company_policies/gfl%20limited_dividend_distribution_policy.pdf

5. TRANSFER OF UNAPID DIVIDEND /UNCLAIMED AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has credited Unpaid Dividend (Final – FY 2012 -13) aggregating to ₹ 17.14 lakhs to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013.

In accordance with the provisions of Companies Act, 2013, the Company during the Financial Year 2020-21, has transferred 13,012 equity shares of Re 1 each, to the credit of IEPF Authority, in respect of which dividend had not been paid or claimed by the members for seven consecutive years. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. 25th September, 2020) and details of shares transferred to IEPF. The aforesaid details are available on the Company's website http://www.gfllimited.co.in/IEPF_Shares.php and can be accessed at the website of the IEPF Authority (www.iepf.gov.in).

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

6. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to the General Reserves.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Director

Appointment

At 34th Annual General Meeting (AGM), following appointments are being proposed:

Mr. Siddharth Jain (DIN: 00030202), Additional Director is proposed to be appointed as a Non- Executive and Non-Independent Director on the Board of the Company.

Mr. Shashi Kishore Jain (DIN: 00443861), Additional Director is proposed to be appointed as an Independent Director on the Board of the Company.

Re-appointment

At 34th Annual General Meeting (AGM), following re-appointment is being proposed:

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

Necessary details in respect of Director seeking appointment / re- appointment and his brief resume pursuant to Clause 36 of the Securities and Exchange Board of India Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

Retirements / Resignations

The following Directors have resigned during the Financial Year 2020-21:

- Mr. Deepak Asher, Non- Executive and Non-Independent Director had resigned with effect from 13th October, 2020 due to his personal reasons.

Appointment of Key Managerial Personnel

The following Key Managerial Personnel were appointed by the Company:

Ms. Bhavi Shah (ACS -61789) was appointed as a Company Secretary and Compliance Officer with effect from 1st June, 2020.

8. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is uploaded on the Company's website www.gfllimited.co.in. Salient features and objectives of the Policy are as follows:

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

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

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

9. DECLARATION OF INDEPENDENCE

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

10. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of Familiarisation Programme for Independent Directors are given in the Corporate Governance Report.

11. PERFORMANCE EVALUATION

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors and Chairperson of the Company, fulfillment of the independence criteria and independence of Independent Directors from the management for the Financial Year 2020-21. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on 12th February, 2021 had noted that the Annual Performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

12. MEETINGS OF THE BOARD

During the year under review, the Board met Five times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013 read with Ministry of Corporate Affairs General Circular No. 11/2020 dated 24th March, 2020 and Regulations 17 (2) of the Listing Regulations read with SEBI circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/32 dated 19th March, 2020

13. AUDIT COMMITTEE

The Composition of Audit Committee is disclosed in the Corporate Governance Report which forms part of this Annual Report.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

14. DIRECTORS' RESPONSIBILITY STATEMENT AS PER SUB-SECTION (5) OF SECTION 134 OF THE COMPANIES ACT, 2013

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

i. in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2021, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

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

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

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

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

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

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

Except details given in Para 3 above, there are no orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

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

Particulars of loans given, investments made, guarantees given and securities provided under section 185,186 and 189 of the Companies Act 2013, are provided in the Standalone Financial Statements of the Company. For details, please refer to Notes no. 8, 27 and 33 of the Standalone Financial Statements of the Company.

17. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: https://www.gfllimited.co.in/pdf/company_policies/gfl%20limited_related_party_transaction_policy%20.pdf

All transactions entered with Related Parties for the year under review were on arm's length basis and hence, disclosure in Form AOC -2 is not required to be annexed to this report.

18. DEPOSITS

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

19. SUBSIDIARIES AND ASSOCIATE OF A SUBSIDIARY

A separate statement containing the salient features of financial statements of all Subsidiaries and Associate of a subsidiary of the Company forms a part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiaries are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company www.gfllimited.co.in. The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company www.gfllimited.co.in.

The Report on the performance and financial position of each of the Subsidiaries of the Company is annexed to this report in **Form no AOC-1** pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure A**.

20. INTERNAL FINANCIAL CONTROLS

The Company has adequate Internal Financial Controls commensurate with its size and nature of its business. The Board has reviewed Internal Financial Controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditor of the Company.

21. VIGIL MECHANSIM

As per the provisions of Section 177(9) of the Act read with Regulation 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for Directors and Employees to report Improper Acts or genuine concerns or any leak or suspect leak of Unpublished Price Sensitive Information. The Company has accordingly establish a Vigil Mechanism and "Whistle Blower Policy" for all its Employees and Directors to report Improper Acts. The details of the said mechanism and policy are available on the Company's website www.gfllimited.co.in.

22. INDEPENDENT AUDITOR'S REPORT

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

23. INDEPENDENT AUDITORS

Members at their 30th Annual General Meeting held on 28th September, 2017 had appointed M/s Kulkarni and Company, Chartered Accountants, Pune as Independent Auditors of the Company from the conclusion of 30th Annual General Meeting until conclusion of 35th Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 28th September, 2017.

24. COST AUDITOR

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to appoint the Cost Auditor.

25. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2013, the Company has appointed M/s Samdani Shah & Kabra, a firm of Practising Company Secretaries to conduct Secretarial Audit of the Company.

The Secretarial Audit Report given by M/s Samdani Shah & Kabra for the financial year 2020-21, is annexed herewith as **Annexure B** in Form no. MR-3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit committee or the Board of Directors under Section 143 (12) of the Act, including rules made thereunder.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

28. CORPORATE GOVERNANCE REPORT

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

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

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

29. BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front forms an integral part of this report. The said report is available on the website of the Company www.gfllimited.co.in

30. EXTRACT OF ANNUAL RETURN

In terms of Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014, the extract of Annual Return as provided in Form no. MGT -7 has been placed on the website of the Company at (Link to be added). https://www.gfllimited.co.in/annual_return.html

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

Information in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

32. PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure C**.

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said rule is annexed to this report.

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

33. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Mr. Shanti Prashad Jain, Independent Director, Mr. Vivek Jain, Director and Mr. Devendra Kumar Jain, Managing Director of the Company. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at http://www.gfllimited.co.in/pdf/company_policies/gfllimited_csr_policy.pdf. The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as **Annexure D**.

34. INSURANCE

The Company doesn't own any Property or Fixed assets. Appropriate insurance cover has been taken for other liabilities as applicable.

35. RISK MANAGEMENT

The Company has minimal risks as it holds investment in its subsidiaries. The Company proactively identifies its business risks and systemically resolves all the risks.

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

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

The following is the summary of sexual harassment complaints received and disposed of during the year 2020-21.

No. of Complaints Received	Nil
No. of Complaints disposed of	Not Applicable

Hence, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

38. ACKNOWLEDGEMENT

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

By order of the Board of Directors

Place: New Delhi
Date: 11th August, 2021

Devendra Kumar Jain
Chairman and Managing Director

ANNEXURE A

Statement containing salient features of the financial statement of subsidiaries

Part A – Subsidiaries

(₹ in Lakhs)

	INOX Leisure Limited	INOX Infrastructure Limited	Shouri Properties Private Limited
Sr. No	**1**	**2**	**3**
The date since when the subsidiary was acquired	09-11-1999	27-02-2007	24-11-2014
Reporting period, if different from the holding Company	Not Applicable	Not Applicable	Not Applicable
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
Share Capital	11,248.54	5,000.00	141.00
Reserves and Surplus	52,041.96	963.38	-56.05
Total Assets	3,78,426.66	6,948.81	1,490.30
Total Liabilities	3,15,136.16	985.43	1,405.35
Investments	119.10	1,673.40	30.84
Turnover	10,593.13	-	22.33
Profit/(Loss) before taxation	-44636.16	-53.07	-0.27
Provision for taxation	-10,870.48	31.67	0.67
Profit/(Loss) after taxation	-33,765.68	-84.74	-0.94
Proposed Dividend	NIL	NIL	NIL
% of Shareholding	46.85% by GFL Limited	100% by GFL Limited	99.29% by INOX Leisure Limited

Name of Subsidiaries which are yet to commence operations: Nil

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

Note:

- The Composite Scheme of Arrangement ("the Scheme") between INOX Renewables Limited and GFL Limited and INOX Wind Energy Limited for amalgamation of INOX Renewables Limited, Wholly Owned Subsidiary with GFL Limited and demerger of Renewable Energy Business into a new company INOX Wind Energy Limited was approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench on 25th January, 2021. The said NCLT Order was filed by both the companies with the Registrar of Companies on 9th February, 2021 making the Scheme operative from that date.
- Accordingly, INOX Renewables Limited, wholly owned subsidiary company of the Company was merged into GFL Limited from the appointed date 1st April, 2020
- Following subsidiary companies of the Company were demerged from the Company with effect from 1st July, 2020.

1. INOX Wind Limited
2. INOX Wind Infrastructure Services Limited
3. Marut-Shakti Energy India Limited
4. Satviki Energy Private Limited
5. Sarayu Wind Power (Tallimadugula) Private Limited
6. Vinirrmaa Energy Generation Private Limited
7. Sarayu Wind Power (Kondapuram) Private Limited

8. RBRK Investments Limited
9. Vasuprada Renewables Private Limited
10. Suswind Power Private Limited
11. Ripudaman Urja Private Limited
12. Vibhav Energy Private Limited
13. Haroda Wind Energy Private Limited
14. Vigodi Wind Energy Private Limited
15. Aliento Wind Energy Private Limited
16. Tempest Wind Energy Private Limited
17. Vuelta Wind Energy Private Limited
18. Flutter Wind Energy Private Limited
19. Flurry Wind Energy Private Limited
20. Waft Renergy Private Limited
21. Khatiyu Wind Energy Private Limited
22. Ravapar Wind Energy Private Limited
23. Nani Virani Wind Energy Private Limited
24. Resco Global Wind Services Private Limited

Part B: Associates

The Company does not have any Associate Company as on 31st March, 2021.

Name of Associates which are yet to commence operations: Nil

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

Note:

- The Composite Scheme of Arrangement ("the Scheme") between INOX Renewables Limited and GFL Limited and INOX Wind Energy Limited for amalgamation of INOX Renewables Limited, Wholly Owned Subsidiary with GFL Limited and demerger of Renewable Energy Business into a new company INOX Wind Energy Limited was approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench on 25th January, 2021. The said NCLT Order was filed by both the companies with the Registrar of Companies on 9th February, 2021 making the Scheme operative from that date.
- Accordingly, following associate companies of the Company were demerged from the Company with effect from 1st July, 2020.

    1. Wind One Renergy Private Limited
    2. Wind Two Renergy Private Limited
    3. Wind Three Renergy Private Limited
    4. Wind Four Renergy Private Limited
    5. Wind Five Renergy Private Limited

ANNEXURE B

Secretarial Audit Report

For the Financial Year ended 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

The Members,
GFL Limited
(Formerly Known as Gujarat Fluorochemicals Limited)
Survey No. 16/3, 26 & 27,
Ranjitnagar, Ghoghamba,
Panchmahal - 389 380,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GFL Limited ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 ("period under review"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the period under review, according to the provisions of:

i. Companies Act, 2013 ("Act") and the rules made thereunder;

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

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

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

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

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

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

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

   (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We report that, there were no actions / events in pursuance of the following Regulations requiring compliance thereof by the Company during the period under review:-

a. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b. Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

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

d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;

e. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

We have also examined compliance with the applicable Clauses / Regulations of the following:-

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

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance / at shorter notice with the consent of majority of directors including Independent Director(s) and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;

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

D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the period under review, there were no specific instances / actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc., having major bearing on the Company's affairs, however, the Hon'ble National Company Law Tribunal, Ahmedabad Bench has, vide its order dated 25th January, 2021, sanctioned the Composite Scheme of Arrangement in the nature of Amalgamation of INOX Renewables Limited (Transferor Company) with GFL Limited and De-merger and transfer of De-merged undertaking viz. Renewable Energy Business of GFL Limited (First Transferee / De-merged Company) to INOX Wind Limited (Resulting / Second Transferee Company) and their respective Shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
ICSI Peer Review UIN: P2008GJ016300
FCS No. 3677; CP No. 2863
UDIN: F003677C000525484

Place: Vadodara;
Date: 28th June, 2021

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

Appendix A

The Members,
GFL Limited
Survey No. 16/3, 26 & 27,
Ranjitnagar, Ghoghamba,
Panchmahal - 389 380,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.

iii. We have conducted the Secretarial Audit for the period under review, through virtual verification of documents, records, etc., as made available to us by the Company, due to the Covid-19 pandemic situation.

iv. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.

v. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
ICSI Peer Review UIN: P2008GJ016300
FCS No. 3677; CP No. 2863

Place: Vadodara,
Date: 28th June, 2021

UDIN: F003677C000525484

ANNEXURE C

DISCLOSURES AS PER RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr no	Name of Director / KMP	Remuneration of Director /KMP for FY 2020-21 (₹ in Lakh)	% increase in remuneration in the Financial Year 2020-21	Ratio of Remuneration of each of Director to median remuneration of employees
1	Mr. Devendra Kumar Jain, Managing Director	120.00**	193.37*	2.29:1
2	Mr. Pavan Jain, Non-executive Director	0.20	0.20	0.01:1
3	Mr. Shanti Prashad Jain, Independent Director	2.20	1.20	0.04:1
4	Ms. Vanita Bhargava, Independent Director	2.20	1.40	0.04:1
5	Mr. Vivek Jain, Non Executive Director	0.80	0.60	0.01:1
6	Mr. Shailendra Swarup, Independent Director	2.20	0.80	0.04:1
7	Mr. Om Prakash Lohia, Independent Director**	NIL	NIL	NA
8	Mr. Deepak Asher, Director and Group Head (Corporate Finance) (Resigned w.e.f. 13th October, 2020)	1.20	1.20	0.02:1
9	Mr. Mukesh Patni, CFO	55.83	3.37#	NA
10	Ms. Bhavi Shah, Company Secretary (appointed with effect from 1st June, 2020)	4.04	NA	NA

* Sitting Fees paid to the Directors has been considered as Remuneration for the above purpose.

**No Sitting fees paid

Appointed w.e.f 1st March, 2020

1. The percentage increase in the median remuneration of employees for the financial year was 15%.

2. The Company had 3 permanent employees on the rolls of Company as on 31st March, 2021.

3. Average percentage increase in remuneration of employees other than the remuneration of managerial personnel : Not Applicable

4. It is affirmed that the remuneration is as per the remuneration policy of the Company.

   In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars required to be provided in accordance with the provisions of Section 197 (12) of the Act, read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. This statement is available for inspection by the Members. If any Member is interested in obtaining such information may write to the Company Secretary of the Company.

ANNEXURE D

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company.

   CSR Policy adopted by the Company includes all the activities which are prescribed under Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be viewed on website of the Company at https://www.gfllimited.co.in/company_policies.html

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Shanti Prashad Jain	Independent Director, Committee Chairman	1	1 out of 1
2	Mr. Deepak Asher*	Non-executive Director, Member	1	1 out of 1
3	Mr. Vivek Kumar Jain	Non-executive Director, Member	1	1 out of 1
4	Mr. Devendra Kumar Jain#	Managing Director	1	0 out of 0

* Mr. Deepak Asher has resigned w.e.f. 12th October, 2020 from closure of business hours.
# Mr. Devendra Kumar Jain has been appointed w.e.f. 13th November, 2020.

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: https://www.gfllimited.co.in/

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). : **Not applicable for the financial year under review**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NIL**

6. Average net profit of the company as per section 135(5): **₹ 41,026 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹ 821.00 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

   (c) Amount required to be set off for the financial year, if any: **Nil**

   (d) Total CSR obligation for the financial year (7a+7b+7c): **₹ 821.00 Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of transfer
NIL	NIL	Not Applicable	-	821.00	To be transferred

(b) Details of CSR amount spent against ongoing projects for the financial year: **NA**

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **NIL**

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable for the financial year under review**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):**NIL**

(g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in Lakhs ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	821.00
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – **Not applicable**

Asset vise details:

(a) Date of creation or acquisition of the capital asset(s):

(b) Amount of CSR Spent for creation or acquisition of capital asset(s):

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company has an unspent CSR amount of ₹ 821.00 Lakhs for the Financial Year 2020-21 as it could not identify any suitable projects for CSR. The unspent CSR amount shall be transferred to the Fund/(s) mentioned under Schedule VII of the Act within the timelines specified.

Mr. Devendra Kumar Jain
Chairman and Managing Director

Shanti Prashad Jain
Chairman CSR committee and Independent Director

ANNEXURE E

CORPORATE GOVERNANCE REPORT

Overview:

The Composite Scheme of Arrangement ("the Scheme") between GFL Limited (The 'Company'), INOX Renewables Limited and INOX Wind Energy Limited for amalgamation of INOX Renewables Limited with GFL Limited and demerger of Renewable Energy Business into a new company INOX Wind Energy Limited was approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench on 25th January, 2021. The said NCLT Order was filed by both the companies with the Registrar of Companies on 9th February, 2021 making the Scheme operative from that date. Accordingly, INOX Renewables Limited was merged into GFL Limited from the Appointed date 1st April, 2020 and all the assets and liabilities pertaining to the Renewable Energy Business Undertaking, as defined in the Scheme, stand transferred and vested into the resulting company INOX Wind Energy Limited from its Appointed Date i.e. 1st July, 2020.

In compliance with Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as 'Listing Regulations'), the Company is pleased to submit this Report on Corporate Governance for the matters listed in Para C of Schedule V of the Listing Regulations and the practices followed by the Company in this regard for the year ended 31st March, 2021.

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

The Company believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, the Company has initiated significant measures for compliance with Corporate Governance and has constantly strived towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society as a whole.

2. BOARD OF DIRECTORS

(a) Composition, Category of Directors

At the end of the financial year ended 31st March, 2021, the Board of Directors of the Company consisted of 7 Directors drawn from diverse fields, of which 1 was Executive Director and 6 were Non-Executive Directors, including one Woman Independent Director. Hence, the composition of the Board of Directors consisted of optimum combination of Executive and Non-Executive Directors including one Woman Independent Director. The Board consisted of 4 Independent Directors and 3 Non-Independent Directors at the end of the year. Thus, the composition of the Board, as on 31st March, 2021, is in conformity with the provisions of Regulation 17 of Listing Regulations in this respect.

(b) Number of Meetings of the Board of Directors held with the dates, attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting, disclosure of relationships between Directors inter-se and number of shares and convertible instruments held by Non- Executive Directors:

The Meetings of the Board have been held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the Financial Year ended 31st March, 2021, Five (5) Board Meetings were held on 30th June, 2020, 30th July, 2020, 10th September, 2020, 13th November, 2020 and 12th February, 2021.

The following tables gives details of Directors, their attendance at the Meetings of the Board, Annual General Meeting, Disclosure of Relationship between Directors inter-se and Number of shares held by Non-Executive Directors as at 31st March, 2021:

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last AGM	Relationship between Directors inter-se	Number of shares held by Non-Executive Director as on 31st March, 2021
Mr. Devendra Kumar Jain	Promoter and Managing Director	3 out of 5	Yes	Father of Mr. Pavan Jain and Mr. Vivek Jain	Not Applicable
Mr. Pavan Jain	Promoter, Non – Executive Director and Non-Independent Director	1 out of 5	No	Son of Mr. Devendra Kumar Jain and brother of Mr. Vivek Jain	20,100
Mr. Shanti Prashad Jain	Independent and Non-Executive Director	5 out of 5	Yes	No inter-se relationship between Directors	2,000
Ms. Vanita Bhargava	Independent and Non-Executive Director	5 out of 5	Yes	No inter-se relationship between Directors	Nil
Mr. Vivek Jain (Resigned w.e.f. 12.05.2021)	Promoter and Non-Executive Director	4 out of 5	Yes	Son of Mr. Devendra Kumar Jain and brother of Mr. Pavan Jain	20,100
Mr. Shailendra Swarup (Resigned w.e.f. 10.05.2021)	Independent and Non-Executive Director	5 out of 5	Yes	No inter-se relationship between Directors	10,000
Mr. Om Prakash Lohia (Resigned w.e.f. 10.05.2021)	Independent and Non-Executive Director	5 out of 5	Yes	No inter-se relationship between Directors	Nil
Mr. Deepak Asher (Resigned w.e.f. 13.10.2020)#	Non – Executive Director and Non-Independent Director	3 out of 3	Yes	No inter-se relationship between Directors	-

up to the date of Resignation of Mr. Deepak Asher

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in the Financial Year ended 31st March, 2021 were held through Video Conferencing.

The Company has not issued any Convertible Instruments and hence, the details in respect of such Convertible Instruments held by non-executive directors are not provided.

Number of Directorships and Committees Membership / Chairmanship including the names of the listed entities where the person is a Director and the category of Directorship as on 31st March, 2021:

Name of the Director	Number of other Directorships / Committee Memberships / Chairmanships			List of Directorship held in Other Listed Companies and Category of Directorship
	Other Directorship (**)	Committee (*)		
		Membership of Public Limited Companies	Chairpersonship of Public Limited Companies	
Mr. Devendra Kumar Jain	6	3	1	Gujarat Fluorochemicals Limited (Non – Executive- Non-Independent Director, Chairman)

Name of the Director	Number of other Directorships / Committee Memberships / Chairmanships			List of Directorship held in Other Listed Companies and Category of Directorship
	Other Directorship (**)	Committee (*)		
		Membership of Public Limited Companies	Chairpersonship of Public Limited Companies	
Mr. Pavan Jain	7	5	2	INOX Leisure Limited (Non – Executive-Non- Independent Director)
Mr. Shanti Prashad Jain	6	9	7	INOX Wind Limited (Independent Director) Gujarat Fluorochemicals Limited (Independent Director)
Ms. Vanita Bhargava	3	6	0	Pilani Investment and Industries Corporation Limited (Independent Director) Gujarat Fluorochemicals Limited (Independent Director)
Mr. Vivek Jain	9	5	2	Gujarat Fluorochemicals Limited (Managing Director) INOX Leisure Limited (Non – Executive- Non- Independent Director)
Mr. Shailendra Swarup	11	5	0	Bengal and Assam Company Limited (Independent Director) Gujarat Fluorochemicals Limited (Independent Director) J K Paper Limited (Independent Director) Jagran Prakash Limited (Independent Director) Sterling Tools Limited (Independent Director) Subros Limited (Independent Director)
Mr. Om Prakash Lohia	4	1	0	Indo Rama Synthetics (India) Limited (Executive Director) Gujarat Fluorochemicals Limited (Independent Director)

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

During the Financial Year 2020-21, none of the Directors were Directors in more than 10 Public Limited Companies. Further, none of the Directors hold directorship in more than 8 Listed Companies or act as an Independent Director in more than 7 Listed Companies. Further, none of the Directors was a member of more than 10 Committees, or acted as a Chairman of more than 5 Committees across all Listed Companies.

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

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

(d) Independent Directors

Separate Meeting of Independent Directors:

As stipulated under Section 149 of the Companies Act, 2013 read with Schedule IV pertaining to the Code of Independent Directors and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 12th February, 2021 with the following agenda:

- to review performance of Non-Independent Directors, the Board as a whole and Chairperson of the Company,
- to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties and
- to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and they are independent of the Management.

Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

Matrix setting out the skills/expertise/competence of the Board of Directors

The Board of Directors of the Company is highly structured to ensure a high degree of diversity by age, education/ qualifications, professional background, sector expertise and special skills.

The Board comprises qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below matrix summarizes a mix of skills, expertise and competencies possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

Core skills / Expertise / Competencies	Name of Director
Business Strategy and Management	Mr. Devendra Kumar Jain Mr. Pavan Jain Mr. Siddharth Jain
Accounts and Finance, Financial Management, Taxation	Mr. Siddharth Jain Mr. Shanti Prashad Jain
Corporate Governance, Administration	Mr. Shashi Kishore Jain Ms Vanita Bhargava
Legal and Compliance	Ms Vanita Bhargava

3. AUDIT COMMITTEE

(a) Brief description of Terms of Reference

The Role and the Terms of Reference of Audit Committee were amended by the Resolution passed by Board of Directors at their meeting held on 28th June, 2021 which are in accordance with the requirements of Section 177 of the Companies Act, 2013 read with relevant Rules made there under and Regulation 18 of the Listing Regulations read with part C of Schedule II of the Listing Regulations, which are mainly as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or as per the Companies Act, 2013, as amended, from time to time.

21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. Review compliance with the provisions of Prohibition of Insider Trading Regulations 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.

23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

The Audit Committee comprises of Four Directors with Mr. Shanti Prashad Jain as the Chairman of the Committee. The composition of Audit Committee as mentioned herein below is in compliance with Section 177 of the Companies Act, 2013 read with relevant Rules made there under and Regulation 18 of the Listing Regulations.

During the Financial Year 2020-21, the Audit Committee met 5 (Five) times on following dates, namely, 30th June, 2020, 30th July, 2020, 10th September, 2020, 13th November, 2020 and 12th February, 2021.

The details of composition of Audit Committee and the Meetings attended by the Directors during Financial Year 2020-21 are given below:

Name	Position	Number of Meetings Attended during the year
Mr. Shanti Prashad Jain, Non-Executive and Independent Director	Chairman	5 out of 5
Mr. Devendra Kumar Jain, Managing Director (Appointed as an Audit Committee Member w.e.f. 13th November, 2020)#	Member	1 out of 1
Ms. Vanita Bhargava, Non-Executive and Independent Director	Member	5 out of 5
Mr. Shailendra Swarup, Non-Executive and Independent Director	Member	5 out of 5
Mr. Deepak Asher, Non-Executive and Non-Independent Director (Resigned w.e,f. 13th October, 2020)*	Member	3 out of 3

from the date of appointment
*up to the date of resignation

Note: Mr. Shashi Kishore Jain, Independent Director was inducted in the Audit Committee w.e.f. 28th May, 2021.

Mr. Shanti Prashad Jain, Chairman of the Audit Committee has attended the last Annual General Meeting held on 25th September, 2020.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference

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

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

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

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

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

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

The composition of Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 read with relevant Rules made there under and Regulation 19 of the Listing Regulations. During the Financial Year 2020-21, the Nomination and Remuneration Committee met 1 (one) time on 12th February, 2021.

The details of composition of Nomination and Remuneration Committee and the Meetings attended by the Directors during the Financial Year 2020-21 are given below:

Name	Position	Number of Meetings Attended during the year
Mr. Shanti Prashad Jain, Independent Director	Chairman	1 out of 1
Mr. Pavan Jain, Non-Independent Director (Appointed as a Member of the Committee w.e.f. 13th November, 2020)	Member	1 out of 1
Mr. Om Prakash Lohia, Independent Director	Member	1 out of 1
Mr. Deepak Asher, Non-Independent Director (Resigned w.e.f. 13th October, 2020)#	Member	0 out of 0

upto the date of his resignation

Note: Ms. Vanita Bhargava, Independent Director was inducted in the Nomination and Remuneration Committee w.e.f. 27th May, 2021

Mr. Shanti Prashad Jain, Chairman of the Nomination and Remuneration Committee has attended the last Annual General Meeting held on 25th September, 2020.

(c) Performance Evaluation Criteria for Independent Directors

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors and Chairman of the Company, fulfillment of the independence criteria and independence of Independent Directors from the management for the Financial Year 2020-21. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on 12th February, 2021 had noted that the Annual Performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

5. REMUNERATION OF DIRECTORS

(a) Remuneration to Executive Directors:

The Board of Directors on the recommendations of Nomination and Remuneration Committee of Directors is authorized to decide the remuneration of the Managing Director subject to the approval of the Members and Central Government, if required. The remuneration structure comprises of Salary, Perquisites, Retirement Benefits as per the law / rules and commission.

Details of the remuneration paid/payable to the Executive Directors of the Company for the Financial Year 2020-21 is as follows:

(₹ in Lakhs)

Name and Designation of Director	Mr. Devendra Kumar Jain, Managing Director
Salary & Allowances	120.00
Perquisites	-
Contribution to PF	-
Commission	-
Stock Options	-
Total	**120.00**
Service Contract	1.08.2019 to 31.07.2024
Notice Period	Not Applicable

(b) Payments to Non -Executive Directors:

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

All the Directors are paid sitting fees of ₹ 20,000/- for attending the Meetings of the Board, Audit Committee and Meeting of the Independent Directors.

Details of the payments to the Non - Executive Directors of the Company for the Financial Year 2020-21 is as follows:

(₹ in Lakhs)

Name of the Director	Sitting Fees for attending Board / Committee Meetings	Commission	Total	Stock Options
Mr. Pavan Jain	0.20	-	0.20	Nil
Mr. Shanti Prashad Jain	2.20	-	2.20	Nil
Ms Vanita Bhargava	2.20	-	2.20	Nil
Mr. Shailendra Swarup	2.20	-	2.20	Nil
Mr. Om Prakash Lohia	Nil	-	Nil	Nil
Mr. Deepak Asher	1.20	-	1.20	Nil
Total	**8.80**		**8.80**	

During the financial year 2020-21, the Company has not issued stock options.

Non- Executive Directors with materially significant related party transactions, pecuniary or business relationship with the Company.

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors during the Financial Year 2020-21 that may have potential conflict with the interests of the Company at large.

Apart from drawing sitting fees, none of the Independent Directors have any other pecuniary relationship or transactions with the Company which in the judgment of the Board would affect the independence or judgment of Directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a)	Name of Non-Executive Director heading the Committee	Mr. Vivek Jain *
(b)	Name and designation of Compliance Officer:	Ms. Bhavi Shah, Company Secretary and Compliance Officer
(c)	Number of Shareholders complaints received during the Financial Year 2020-21	13
(d)	Number of Complaints not resolved to the satisfaction of Shareholders	Nil
(e)	Number of pending complaints	Nil

* Mr. Siddharth Jain has been appointed as the Chairman of the Stakeholders Relationship Committee with effect from 28th May, 2021.

The Chairman of Stakeholders' Relationship Committee, Mr. Vivek Kumar Jain has attended the last Annual General Meeting held on 25th September, 2020.

7. GENERAL BODY MEETINGS

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

Financial Year	Location, Date and Time	Details of Special Resolution passed
2017-18	31st August,2018 at 3:00 pm Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	- Re-appointment of Mr. Shailendra Swarup as Independent Director of the Company from 1st April, 2019 to 31st March, 2024. - Re-appointment of Mr. Om Prakash Lohia as Independent Director of the Company from 1st April, 2019 to 31st March, 2024. - Re-appointment of Mr. Chandra Prakash Jain as Independent Director of the Company from 1st April, 2019 to 31st March, 2024. - Re-appointment of Mr. Shanti Prashad Jain as Independent Director of the Company from 1st April, 2019 to 31st March, 2024. - Re-appointment of Mr. Dinesh Kumar Sachdeva as Whole-time Director of the Company and approve payment of remuneration to him for a period one year from 29th November, 2018. - Approval of payment of remuneration for a period of five Financial Years commencing from the Financial Year 2019-20 to Mr. Devendra Kumar Jain. - Approval to give loan to the person in whom the Director of the Company is interested under Section 185 of the Companies Act, 2013.

Financial Year	Location, Date and Time	Details of Special Resolution passed
2018-19	18th September, 2019 at 3:00 pm Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	- Continuation of Directorship of Mr. Shanti Prasad Jain (DIN: 00023379) as Non-Executive & Independent Director of the Company - Continuation of Directorship of Mr. Shailendra Swarup (DIN: 00167799) as Non-Executive & Independent Director of the Company - Appointment of Mr. Devendra Kumar Jain (DIN: 00029782) as Managing Director of the Company. - Re-appointment of Ms. Vanita Bhargava (DIN: 07156852) as Independent Director of the Company.
2019- 20	25th September, 2020 at 11:00 AM Though Video Conferencing	Special Resolution for approval for payment of remuneration to Shri Devendra Kumar Jain, Non-Executive Director of the Company for the period from 1st April,2019 to 31st July, 2019 which is in excess of fifty percent of the total remuneration to all Non-Executive Directors of the Company for the Financial Year 2019-20.

During the Financial Year ended 31st March, 2021, no Special Resolution was passed by the Company's Members through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot at the current Annual General Meeting of the Company.

8. MEANS OF COMMUNICATION

The Quarterly Results of the Company/Subsidiaries during the Financial Year ended 31st March, 2021 were submitted with the Stock Exchanges immediately after they were approved by / taken on record by the Board and published in well-circulated Gujarati (Vadodara Samachar) and English dailies (Financial Express) as well. The said results along with official news releases and presentations made to the investors / analysts have been submitted to the Stock Exchanges and also posted on the Company's website viz. www.gfllimited.co.in. The Company has submitted the results for the quarter ended March 2021 to the stock exchanges after they are approved by/taken on record by the Board and also published in well-circulated Gujarati (Vadodara Samachar) and English dailies (Financial Express). The Annual report of the Company will be uploaded on the Company's website viz www.gfllimited.co.in.

9. GENERAL SHAREHOLDER INFORMATION

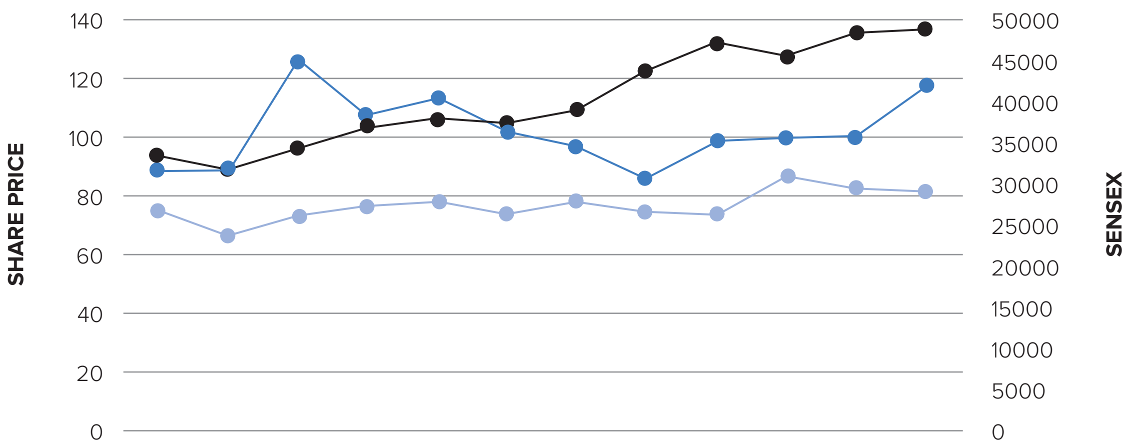
9.1	**Annual General Meeting**	
	Date	28th September, 2021
	Time	12:00 Noon
	Venue/Mode	To be conducted by Video Conferencing or Any Other Audio Visual Means hosted from 7th Level, Cee Jay House, Dr. Annie Besant Road, Worli, Mumbai – 400 018
9.2	**Financial Year**	April 2020 to March 2021
9.3	**Book Closure Date**	No Book Closure required for the current year
9.4	**Dividend Payment Date**	The Board of Directors have not proposed any final dividend for financial year ended 31st March, 2021.
9.5	**Listing of Equity Shares on Stock Exchanges**	National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051 BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

	Listing Fees	The Company has paid the Annual Listing Fees for the Financial Year 2020-21 to the NSE and BSE on which the securities are listed.
9.6	**Stock Code**	
	BSE Limited	500173
	National Stock Exchange of India Limited (symbol)	GFLLIMITED
	Demat ISIN Number in NSDL and CDSL	INE538A01037
9.7	**Market Price Data: High, Low during each month in the Financial Year 2020-21 and Comparison to broad-based indices viz. Nifty 50 and BSE Sensex.**	

Month	BSE Monthly High Price (in ₹)	BSE Monthly Low Price (in ₹)	SENSEX	NSE Monthly High Price (in ₹)	NSE Monthly Low Price (in ₹)	NIFTY
April, 2020	89.75	76.30	33717.62	92.30	77.00	9859.90
May, 2020	90.10	68.25	32424.10	88.00	67.75	9580.30
June, 2020	127.85	74.50	34915.80	127.80	73.50	10302.10
July, 2020	108.8	78.00	37606.89	105.00	78.30	11073.45
August, 2020	115.00	79.00	38628.29	105.60	80.50	11387.50
September, 2020	103.40	75.00	38067.93	98.90	75.75	11247.55
October, 2020	98.45	79.00	39614.07	100.80	78.05	11642.40
November, 2020	87.45	76.00	44149.72	86.80	77.95	12968.95
December, 2020	99.8	75.00	47751.33	100.00	80.30	13981.75
January, 2021	101.20	87.50	46285.77	101.70	87.00	13634.6
February, 2021	101.35	83.70	49099.99	101.80	83.05	14529.15
March, 2021	118.80	82.45	49509.15	118.00	72.95	14690.70

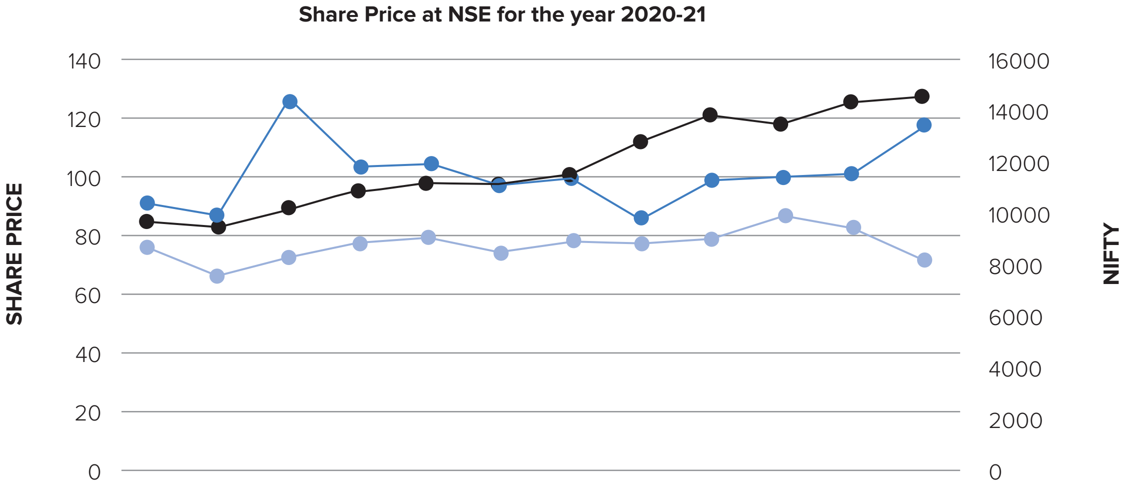
Share performance of the Company in graphical comparison at BSE (Sensex)

Share Price at BSE for the year 2020-21



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
BSE High Price	89.75	90.1	127.85	108.8	115	103.4	98.45	87.45	99.8	101.2	101.35	118.8
BSE Low Price	76.3	68.25	74.5	78	79	75	79	76	75	87.5	83.7	82.45
Sensex	33718	32424	34916	37607	38628	38068	39614	44150	47751	46286	49100	49509

Share performance of the Company in graphical comparison at NSE (Nifty):



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
NSE High Price	92.3	88	127.8	105	105.6	98.9	100.8	86.8	100	101.7	101.8	118
NSE Low Price	77	67.75	73.5	78.3	80.5	75.75	78.05	77.95	80.3	87	83.05	72.95
Nifty	9859.9	9580.3	10302	11073	11388	11248	11642	12969	13982	13635	14529	14691

9.8	**Suspension from Trading**	The Equity Shares of the Company were not suspended from Trading during the Financial Year 2020-21
9.9	**Registrar and Transfer Agents**	Link Intime India Private Limited B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020. Phone : +91 265 2356573, 6136011 Fax : 2356791. E-mail : vadodara@linkintime.co.in
9.10	**Share Transfer System**	Transfer of shares in electronic form are processed by NSDL/CDSL through respective Depository Participants. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories.

9.11 Distribution of Shareholding as on 31st March, 2021:

No. of shares ranging From – To	Number of shareholders	% to total shareholders	Number of shares	Amount in ₹ Lakhs	% to total
1 to 500	12,667	78.95	12,34,309	12.34	1.12
501 to 1000	2,000	12.46	18,20,953	18.20	1.66
1001 to 2000	556	3.47	9,06,205	9.06	0.82
2001 to 3000	194	1.21	5,13,371	5.13	0.47
3001 to 4000	108	0.67	3,92,766	3.92	0.36
4001 to 5000	128	0.80	6,13,272	6.13	0.56
5001 to 10000	178	1.11	13,57,012	13.57	1.24
10001 and above	214	1.33	10,30,12,112	1,030.12	93.77
Total	**16,045**	**100.00**	**10,98,50,000**	**10,98.50**	**100.00**

9.12 Dematerialization of shares as on 31st March, 2021:

Particulars	No. of Shares	% to Total Share Capital
No of Shares Dematerialised		
- NSDL	10,18,77,052	92.74
- CDSL	71,74,440	6.53
No. of Shares in Physical Form	7,98,500	0.73
Total	**10,98,50,000**	**100.00**

9.13 Shareholding pattern of the Company as on 31st March, 2021 is as under:

Sr. No.	Category	Number of shares held	% of total share holding
A	Shareholding of Promoters and Promoters' Group		
1	Indian Promoters	7,54,92,611	68.72
	Sub-Total of A	7,54,92,611	68.72
B	Shareholding of Non Promoters		
1	Institutions		
a	Mutual Funds and UTI	49,01,267	4.46
b	Banks, Financial Institutions, Insurance Companies	1,000	(*)
c	Central / State Government	100	(*)
d	Foreign Institutional Investors and Foreign Portfolio Investors	44,51,477	4.05
e	Alternate Investment Funds	2,30,410	0.21
	Sub-Total of B (1)	**95,84,254**	**8.72**
2	Non-Institutions		
a	Bodies Corporate	60,02,709	5.46
b	Foreign Nationals	334	(*)
c	HUF	5,35,018	0.48
d	NBFC registered with RBI	9,000	0.01
e	Individual	1,71,37,498	15.6
f	Non-Resident	4,93,329	0.44
g	Clearing Member	1,04,861	0.09
h	IEPF	4,90,386	0.44
	Sub-Total B (2)	**2,47,73,135**	**22.55**
	Sub-Total of B (1) + B (2)	**3,43,57,389**	**31.28**
	Grand Total (A+B)	**10,98,50,000**	**100.00**
	(*)- Below 0.001%		

9.14	**Outstanding GDRs/ADRs/ Warrants**	The Company has not issued GDRs/ADRs/Warrants or any convertible instruments.
9.15	**Commodity price risk or foreign exchange risk and hedging activities**	The Company had no exposure to commodity price risk, foreign exchange risk and hedging activities during the year ended 31st March, 2021.
9.16	**Address for Investor Correspondence**	Link Intime India Private Limited B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020. Phone : +91 265 2356573, 6136011 Fax : 2356791. E-mail : vadodara@linkintime.co.in

9.18 List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not obtained any credit rating during the current financial year.

10. OTHER DISCLOSURES

(a) Materially significant Related Party Transactions:

There were no transactions with related parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure of Related Party Transactions as required by the Accounting Standards (Ind AS 24) has been made in the Note No. 27 to the Standalone Financial Statements and in the Board's Report as required under Section 134 of the Companies Act, 2013.

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

(b) Details of non-compliance:

During the last three Financial Years, there were no instances of non-compliance, penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

(c) Whistle Blower Policy:

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

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

(e) The Company has complied with the Corporate Governance Requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of the Listing Regulations.

(f) Disclosure of commodity price risks and commodity hedging activities: Discussed in point 9.15 above.

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): During the year under review, the Company has not raised any funds through preferential allotment or through qualified institutions placement.

(h) Certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.: Certificate received form M/s Samdani Shah and Kabra for the same is enclosed herewith.

(i) During the Financial Year 2020-21, there were no instances, wherein the recommendations by any of the Committees of the Board were not accepted by the Board of Directors of the Company.

(j) The Company and its subsidiaries have paid total fees of ₹ 62.75 Lakhs for all services, on a consolidated basis, to the statutory auditors M/s. Kulkarni & Company, Statutory Auditors (Firm Registration no. 140959W).

(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The details of number of complaints filed and disposed of during the year and pending as on 31st March, 2021 is given in the Directors' report.

(l) Management Discussion and Analysis Report: Management Discussion and Analysis Report is forming part of the Annual Report

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

(n) Adoption of Non Mandatory requirement: The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- Shareholders rights: The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

- Modified opinion(s) in audit report: For the Financial Year ended 31st March, 2021, there is no modification in the audit report issued by the statutory auditors on the Company's financial statements. The Company continues to adopt best practices to ensure the regime of unmodified financial statements.

Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed a firm of Internal Auditors who reports to the Audit Committee and suggests necessary action, if required.

11. CEO / CFO CERTIFICATION

The Company has obtained a certificate from the Managing Director and Chief Financial Officer in respect of matters stated in Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

12. CODE OF CONDUCT

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

13. DECLARATION BY CHIEF EXECUTIVE OFFICER:

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

14. COMPLIANCE CERTIFICATE FROM THE AUDITORS:

As stipulated in Para E of Schedule V of Listing Regulations, the Certificate from the independent auditors of the Company regarding compliance of conditions of corporate governance is annexed herewith.

By Order of the Board of Directors

Date: 11th August, 2021
Place: New Delhi

Devendra Kumar Jain
Chairman and Managing Director

Annexure A

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

I, Devendra Kumar Jain, Managing Director of GFL Limited, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel for the Financial Year ended 31st March, 2021.

By Order of the Board of Directors

Date: 11th August, 2021
Place: New Delhi

Devendra Kumar Jain
Chairman and Managing Director

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V - Part C - Clause 10 (i)
of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
GFL Limited
(Formerly known as Gujarat Fluorochemicals Limited)

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of GFL Limited ("Company"), having CIN: L24110GJ1987PLC009362, situated at Survey No 16/3, 26 & 27, Ranjitnagar , Ghoghamba, Panchmahal - 389380, Gujarat, India, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V - Para C - Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Original Date of Appointment
1.	Mr. Deepak Ranjit Asher*	00035371	22-01-2008
2.	Mr. Devendra Kumar Jain	00029782	01-01-1988
3.	Mr. Om Prakash Lohia#	00206807	29-09-2007
4.	Mr. Pavan Kumar Jain	00030098	04-02-1987
5.	Mr. Shailendra Swarup#	00167799	01-01-1988
6.	Mr. Shanti Prashad Jain	00023379	22-05-2009
7.	Mr. Vivek Kumar Jain#	00029968	04-02-1987
8.	Ms. Vanita Bhargava	07156852	28-04-2015

*Mr. Deepak Ranjit Asher ceased to be Director effective from October 13, 2020.

#Mr. Shailendra Swarup effective from May 10, 2021, Mr. Om Prakash Lohia effective from May 11, 2021 and Mr. Vivek Kumar Jain effective from May 12, 2021, all three of them are ceased to be Directors on account of resignations.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
ICSI Peer Review UIN: P2008GJ016300
FCS No. 3677; CP No. 2863
UDIN: F003677C000525187
Date: June 28, 2021
Place: Vadodara,

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To,
The Members of
GFL Limited (earlier known as Gujarat Fluorochemicals Limited),

This report contains details of compliance of conditions of Corporate Governance by GFL Limited (earlier known as Gujarat Fluorochemicals Limited) ('the Company') for the year ended 31st March, 2021 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2021.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations in all material respects.

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

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Kulkarni and Company,
Chartered Accountants
Firm's Registration Number: 140959W

A D Talavlikar
Partner
Membership Number: 130432

Place: Pune
Date: 11/08/2021
UDIN: 21130432AAAABV4862

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors present the "Business Responsibility Report" (BRR) of the Company for FY 2020-21.

The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles.

Section A General Information about the Company

1	Corporate Identification Number	L24110GJ1987PLC009362
2	Name of the Company	GFL Limited (earlier known as Gujarat Flurochemicals Limited) ('GFL')
3	Registered Address	Survey Number 16/3, 26 & 27, Ranjitnagar - 389380, Taluka Ghoghamba, District Panchmahal, Gujarat
4	Website	www.gfllimited.co.in
5	Email Address	secretarial@inoxmovies.com
6	Financial year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Non-Banking Financial Company – Core Investment Company. NIC Code – 64200 - Financial service activities, except insurance (Activities of Holding Company).
8	3 key products/services manufactured/provided by the Company	The Company is engaged in the business of investing in the shares of group companies, granting loans and providing security to the Group companies.
9	Total number of locations where business activity is undertaken by the Company	
a	Number of International Locations (Provide details of major 5)	Nil
b	Number of National Locations	Corporate Office - Mumbai
10	Markets served by the Company	National Market

Section B Financial details of the Company

1	Paid up capital	₹ 10,98,50,000
2	Total turnover	₹ 104.07 Lakhs (standalone)
3	Total Loss after tax	₹ (276.72) Lakhs (Standalone- From continued Operations) ₹ (3,121.95) Lakhs (Standalone- Including discontinued Operations)
4	Total spending on CSR as percentage of PAT (%)	NA
5	List of the activities in which expenditure in 4 above has been incurred	NA

Section C Other details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No

Section D BR information

1	Details of Director(s) responsible for BR			
(a)	Details of the Director/Directors responsible for implementation of the BR policy/policies:			
1	DIN Number	00029782	00030098	00030202
2	Name	Devendra Kumar Jain	Pavan Jain	Siddharth Jain
3	Designation	Chairman and Managing Director	Director	Director
(b)	Details of the BR head:			
1	DIN Number (if applicable)	NA		
2	Name	Mukesh Patni		
3	Designation	Chief Financial Officer		
4	Telephone number	+ 91 1123354795		
5	E-mail id	mukeshp@inoxap.com		

2. Principle-wise (as per NVGs) BR policy/policies

a) Details of compliance (Reply in Y/N/NA)

P1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3- Businesses should promote the well-being of all employees

P4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5- Businesses should respect and promote human rights

P6- Business should respect, protect, and make efforts to restore the environment

P7- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8- Businesses should support inclusive growth and equitable development

P9- Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for..	Y	NA	Y	Y	Y	NA	Y	Y	NA
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	Y	NA	Y	Y	NA
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	*	NA	*	*	*	NA	*	*	NA
4.	Has the policy being approved by the Board?	Y	NA	Y	Y	Y	NA	Y	Y	NA
	If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	NA	Y	Y	Y	NA	Y	Y	NA
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	NA	Y	Y	Y	NA	Y	Y	NA
6.	Indicate the link for the policy to be viewed online?	#	NA	#	#	#	NA	#	#	NA
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	Y	NA	Y	Y	NA
8.	Does the company have in-house structure to implement the policy/policies?	Y	NA	Y	Y	Y	NA	Y	Y	NA
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	NA	Y	Y	Y	NA	Y	Y	NA
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	$	NA	$	$	$	NA	$	$	NA

* Policies are prepared ensuring adherence to applicable regulatory Requirements and industry standards.

Most of the relevant policies are disseminated and uploaded for information of relevant stakeholders and employees either on Company's website (www.gfllimited.co.in) or as part of the employee handbook.

$ Policies are evaluated regularly by Management Team

b.) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) : Not Applicable

3) Governance related to BR:

a)	Indicate frequency with which the Board of Directors, Committees of the Board or CEO to assess the BR performance of the Company.	The business responsibility performance of the Company is assessed annually by the Board of Directors of the Company.
b)	Does the Company publish BR or Sustainability Report? What is hyperlink of viewing this report? How frequently it is published?	BRR Reports of the Company are placed on the website of the Company: www.gfllimited.co.in

Section E Principle –wise performance

Certain key principles to assess fulfilment of the requirement by the Company and a description of core elements under the principles as detailed in Annexure II of the referred SEBI circular are narrated below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company has formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises, at offsite locations, at the Company's sponsored business and social events, and / or at any other place where they represent the Company. Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by the Company. The Company also has a Whistle Blower Policy which is a mechanism to reinforce implementation of the Company's CoC which encourages each and every Director and officer of the Company to take positive actions which not only commensurate with the Company's belief but are also perceived to be so. This Policy provides all employees and Directors of the Company and its subsidiaries a mechanism to report improper acts and provides adequate safeguards against victimization.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

   Yes, the policy relating to ethics, bribery and corruption covers the Company and its Subsidiary Companies (refer to para 1 a of Whistle Blower Policy for subsidiary companies).

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the Financial Year 2020-21, the Company had received 13 complaints from its investors related to non-receipt of dividend; shares etc. and all the 13 complaints were resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Since Company is a Core Investment Company which holds strategic investments, this principle is not applicable to the Company.

Principle 3: Businesses should promote the well-being of all employees

The Company has an HR Operations Manual that provides guidance and policies for governing various aspects related to its employees. It includes guidelines on employee evaluation and performance management, training and development, employee/contractor grievance redressal and employee relationship management. It also includes guidelines on prevention, prohibition and redressal of sexual harassment of women at workplace.

1. Please indicate the Total number of employees.

   The Company has a total of 3 employees.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

   No employees have been hired on temporary/contractual/ casual basis.

3. Please indicate the Number of permanent women employees.

   The Company has 1 permanent women employee.

4. Please indicate the Number of permanent employees with disabilities

   The Company has 0 permanent employees with disabilities.

5. Do you have an employee association that is recognized by management?

   The Company does not have any employee association recognized by its management.

6. What percentage of your permanent employees is members of this recognized employee association?

   Not applicable since the Company does not have a recognized employee association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil	NA
2.	Sexual harassment	Nil	NA
3.	Discriminatory employment	Nil	NA

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Permanent Employees	100%
Permanent Women Employees	100%
Casual/Temporary/Contractual Employees	Not Applicable
Employees with Disabilities	Not Applicable

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company has a Corporate Social Responsibility (CSR) Policy, which is guided by the philosophy of INOX group of Companies and delineates its responsibility as a responsible corporate citizen. The CSR Policy of the Company lays down the guidelines and mechanism to undertake programmes for social welfare and sustainable development of the community at large. The objective of the Policy is to enhance value creation by the Company in the communities in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community. The Company ensures that its business is conducted in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

1. Has the company mapped its internal and external stakeholders? Yes/No

   GFL takes into account the wellbeing of all individuals directly or indirectly associated with it, though a formal mapping of the internal and external stakeholders has not been conducted.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   While there has not been any formal identification of the disadvantaged stakeholders, the Company’s primary welfare activities are focussed on children, women, elderly, the differently abled, farmers, and socially & economically backward groups in the communities in the areas surrounding the Company’s operations.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in 50 words or so.

   During the year under review, Company could not take any special initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders.

Principle 5: Businesses should respect and promote human rights

1. The HR Operations Manual of the Company contains detailed guidelines on protection of human rights and is committed to respect human rights of workforce, communities and those affected by the operations of the Company wherever the Company does its business including the Company’s contractors and suppliers Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

   The Company is firmly committed to fairness and objectivity in all its action and interactions with all its stakeholders. Justice and fairness is imbibed in the Company's fabric to ensure procedural fairness, impartiality and consistency in its operations.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No stakeholder complaints were received in the past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Since Company is a Core Investment Company holding strategic investments, this principle is not applicable to the Company.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company does not find itself at a stage where it is in a position to formulate and implement relevant policy. However, it will continue to assess the evolving business and regulatory environment in future in this regard.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

   No. The Company is not member of any trade and chamber or association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   No, the Company has not advocated/lobbied through the above associations.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR policy of GFL aims to enhance value creation in the society and in the community in which it operates. It aims to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof

   Some of the CSR programmes of the Company over the years are:

   - Maintenance of Balwadis
   - Financial support for development of infrastructure in local schools
   - Monetary help for setting up a Health Centre
   - Empanelment of a renowned agricultural expert to impart agricultural know-how to the nearby villagers, which will enable them to increase their productivity.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The programmes are undertaken through in-house teams as well as through NGOs.

3. Have you done any impact assessment of your initiative?

   The Company follows a systematic five step approach towards releasing funds for a project. The fifth step in this process includes a provision for seeking information regarding the impact of money spent, on the life of the beneficiary.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken:

   The Company has allocated ₹. 821 Lakhs fund for community development projects for the year FY 2020-21 as a Corporate Social Responsibility of the Company. During the year under review, Company could not identify any suitable projects and hence, the company has decided to transfer these funds to the fund set up by the central govt. for socio economic development and relief and welfare.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

   During the year under review, since the company has decided to contribute all its Corporate Social Responsibility Funds to the fund set up by the central govt. for socio economic development and relief and welfare, it has not taken any specific steps to ensure that this community development initiative is successfully adopted by the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Since Company is a Core Investment Company holding strategic investments, this principle is not applicable to the Company.

By Order of Board of Directors

Place: New Delhi
Date: 11th August, 2021

Devendra Kumar Jain
Chairman & Managing Director

Independent Auditor's Report

to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GFL Limited** ("the Company"), earlier known as Gujarat Fluorochemicals Limited, which comprise the Standalone Balance Sheet as at 31st March, 2021, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor's Response
1	**Business combination of Renewable energy business** As described in Note 1 and 29 to the standalone financial statements, as part of a composite scheme of arrangement ("the Scheme"), the Company has amalgamated its wholly-owned subsidiary Inox Renewables Limited w.e.f. 1st April, 2020 and demerged the Renewable Energy Business to its other wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020. The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25th January, 2021 has approved the Scheme. This has been identified as a key audit matter since it is a significant event, requiring compliances of the terms of the Scheme, accounting as per the relevant Ind AS and also complexities involved in the presentation in financial statements	To address this key audit matter, our audit procedures included the following: • Examination of the Scheme pursuant to which the amalgamation and the demerger was carried out along with the regulatory approvals required for the Scheme to take effect; • Evaluation of the appropriateness of the accounting treatment followed by the Company in this regard, including the effects given in the reserves and surplus, with reference to the Scheme, relevant Ind AS and the requirements of the accounting principles generally accepted in India; and • Examination the disclosures given in the standalone financial statements for adequacy and appropriateness, including disclosure of comparative figures.

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 (continued)

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, for example, Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance etc., but does not include the standalone financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 (continued)

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity, and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 (continued)

Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;

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

Other matters

The standalone financial statements of the Company for the comparative period have been restated to include financial statements and other financial information in respect of INOX Renewables Limited ("IRL"), consequent to amalgamation of IRL with the Company, as referred to in Note 1 and 29 of the standalone financial statements. The financial statements and other financial information of IRL for the comparative period included in the standalone financial statements were previously audited by its statutory auditor who expressed an unmodified opinion on those statements on 27th June, 2020 and whose report has been furnished to us by the management. Our conclusion on the standalone financial statements, in so far as it relates to the amounts and disclosures for the comparative period included in respect of IRL, is based solely on the report of the other auditor.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432
UDIN No.: 21130432AAAABM1822

Place: Pune
Date: 28th June, 2021

Annexure I to Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

1. The Company does not have any fixed assets and hence the provisions of clause 3(i) of the Order are not applicable to the Company.

2. The Company does not have any inventories and hence the provisions of clause 3(ii) of the Order are not applicable to the Company.

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

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

5. The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.

6. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the activities of the Company and hence the provisions of clause 3(vi) of the Order are not applicable to the Company.

7. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, Goods and Service Tax and other material statutory dues applicable to it. No payments were due in respect of provident fund, employees' state insurance, duty of customs, and cess. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31 March, 2021 for a period of more than six months from the date they become payable.

   There are no dues of income-tax, duty of customs or Goods and Service Tax which have not been deposited on account of disputes.

   As described in Note 1 and 29 to the standalone financial statements, as part of a composite scheme of arrangement ("the Scheme"), the Renewable Energy Business of the Company is demerged and all assets and liabilities of the said business, as defined in the Scheme are transferred and vested with the resulting company w.e.f. 1st July, 2020. Accordingly, the statutory dues in respect of income-tax, duty of customs, Goods and Service Tax pertaining to the said business are also transferred and vested with the resulting company and hence the same are not included for reporting under this clause.

8. The Company does not have any borrowings from financial institutions or bank or Government or by way of debentures and hence the provisions of clause 3(viii) of the Order are not applicable to the Company.

9. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence the provisions of clause 3(ix) of the Order are not applicable to the Company.

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

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

Annexure I to Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 (continued)

12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.

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

16. The Company is a Core Investment Company and on the basis of legal opinion obtained by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432

Place: Pune
Date: 28th June, 2021

Annexure II to Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

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

We have audited the internal financial controls with reference to financial statements of **GFL Limited** ("the Company"), earlier known as Gujarat Fluorochemicals Limited, as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

Annexure II to Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the standalone financial statements for the year ended 31st March, 2021 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date (continued)

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2021 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432

Place: Pune
Date: 28th June, 2021

Standalone Balance Sheet

as at 31st March, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020@
	ASSETS			
(1)	***Financial assets***			
	(a) Cash and cash equivalents	5	108.22	34.60
	(b) Bank balances other than (a) above	6	148.93	167.22
	(c) Receivables	7		
	(i) Trade receivables		1,347.81	1,428.50
	(ii) Other receivables		821.00	–
	(d) Investments	8	30,012.47	30,243.18
	Total Financial assets		**32,438.43**	**31,873.50**
(2)	***Non-financial assets***			
	(a) Current tax assets (net)	9	43.09	8.02
	(b) Deferred tax assets (net)	10	1.51	1.36
	(c) Other non-financial assets	11	6.26	10.95
	Total Non-Financial assets		**50.86**	**20.33**
(3)	Assets pertaining to discontinued operations on account of demerger (see Note 1 and 30)	30	–	94,885.19
	Total Assets (1+2+3)		**32,489.29**	**126,779.02**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	***Financial Liabilities***			
	(a) Payables	12		
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		–	–
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		10.22	9.44
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		–	–
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		197.80	114.83
	(b) Borrowings (Other than debt securities)	13	100.00	–
	(c) Other financial liabilities	14	1,010.30	225.59
	Total Financial Liabilities		**1,318.32**	**349.86**
(2)	***Non-Financial Liabilities***			
	(a) Provisions	15	39.19	44.55
	(b) Other non-financial liabilities	16	10.52	29.25
	Total Non-Financial Liabilities		**49.71**	**73.80**
(3)	Liabilities pertaining to discontinued operations on account of demerger (see Note 1 and 30)	30	–	8,936.54
(4)	***EQUITY***			
	(a) Equity Share capital	17	1,098.50	1,098.50
	(b) Other Equity	18	30,022.76	116,320.32
	Total Equity		**31,121.26**	**117,418.82**
	Total Liabilities and Equity (1+2+3+4)		**32,489.29**	**126,779.02**

@ restated - see Note 1 and 29

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For GFL Limited

A. D. TALAVLIKAR
Partner
Mem No: 130432

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: Pune
Dated: 28th June, 2021

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Standalone Statement of Profit and Loss

for the year ended on 31st March, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020@
(I)	**Revenue from operations**	19		
	(i) Dividend income		–	527.86
	(ii) Fees and commission income		101.11	246.40
	(iii) Net gain on fair value changes		2.96	13.31
	Total Revenue from operations		**104.07**	**787.57**
(II)	Other Income	20	6.23	–
	Total Income (I+II)		**110.30**	**787.57**
(III)	**Expenses**			
	Finance costs	21	0.46	–
	Employee benefits expenses	22	236.60	188.55
	Others expenses	23	50.41	95.22
	Total Expenses (III)		**287.47**	**283.77**
(IV)	Profit/(loss) before exceptional items and tax (I+II-III)		(177.17)	503.80
(V)	Exceptional items	32	99.18	–
(VI)	**Profit/(loss) before tax (IV-V)**		**(276.35)**	**503.80**
(VII)	**Tax Expenses:**	24		
	(1) Current tax		–	5.50
	(2) Deferred tax		0.37	(0.77)
			0.37	**4.73**
(VIII)	**Profit/(loss) for the year from continuing operations(VI-VII)**		**(276.72)**	**499.07**
(IX)	Profit from discontinued operations	30	106.71	893.38
(X)	Tax expense of discontinued operations	30	2,951.94	(475.02)
(XI)	**Profit/(loss) from discontinued operations (after tax) (IX-X)**		**(2,845.23)**	**1,368.40**
(XII)	**Profit/(loss) for the year (VIII+XI)**		**(3,121.95)**	**1,867.47**
(XIII)	**Other Comprehensive Income**			
	i. In respect of continuing operations			
	A. Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefits plans		(2.08)	(2.36)
	(ii) Tax on above		0.52	0.59
	ii. In respect of discontinued operations			
	A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefits plans		13.29	3.96
	(ii) Tax on above		(3.34)	(1.15)
	Total other comprehensive income		**8.39**	**1.04**
(XIV)	**Total Comprehensive Income for the year (XII+XIII) (Comprising Profit/(loss) and other Comprehensive Income for the year)**		**(3,113.56)**	**1,868.51**
(XV)	Earnings/(loss) per equity share of Re. 1 each	35		
	Basic and Diluted (in ₹)			
	From continuing operations		(0.25)	0.45
	From discontinued operations		(2.59)	1.25
	From total operations		(2.84)	1.70

@ restated - see Note 1 and 29

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A. D. TALAVLIKAR
Partner
Mem No: 130432

Place: Pune
Dated: 28th June, 2021

For GFL Limited

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Standalone Statement of Cash Flows

for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flow from operating activities		
Profit/(loss) after tax from continuing operations	**(276.72)**	**499.07**
Adjustments for continuing operations:		
Tax expense	0.37	4.73
Dividend income	–	(527.86)
Finance costs	0.46	–
Liabilities and provisions no longer required, written back	(6.23)	–
Net gain on investments carried at FVTPL	(2.96)	(13.31)
	(285.08)	**(37.37)**
Movements in working capital for continuing operations:		
(Increase)/decrease in trade receivables	80.69	(290.01)
(Increase)/decrease in other receivables	(821.00)	–
(Increase)/decrease in other non-financial assets	4.69	(10.95)
Increase/(decrease) in trade payables	0.78	9.44
Increase/(decrease) in other payables	82.97	114.83
Increase /(decrease) in other financial liabilities	802.57	234.28
Increase/(decrease) in provisions	(1.21)	42.19
Increase /(decrease) in other non-financial liabilities	(18.73)	29.25
Dividend received	–	527.86
Cash generated from/(used in) operations	**(154.32)**	**619.52**
Income-tax paid (net)	(41.22)	(14.88)
Net cash generated from/(used in) operating activities from continuing operations	**(195.54)**	**604.64**
Net cash used in discontinued operations (See note 1 and 30)	(4,324.77)	(746.77)
Net cash used in operating activities	**(4,520.31)**	**(142.13)**
Cash flow from investing activities		
From continuing operations:		
Purchase of current investments	(134.99)	(1,129.00)
Sale/redemption of current investments	368.66	912.60
From discontinued operations (See note 1 and 30)	4,333.33	3,735.96
Net cash generated from investing activities	**4,567.00**	**3,519.56**
Cash flow from financing activities		
From continuing operations:		
Proceeds from borrowings	100.00	–
Finance costs	(0.03)	–
Dividend paid (including dividend distribution tax)	–	(4,635.05)
From discontinued operations (See note 1 and 30)	(5.21)	(49.23)
Net cash generated from/(used in) financing activities	**94.76**	**(4,684.28)**
Net increase in cash and cash equivalents	**141.45**	**(1,306.85)**
Cash and cash equivalents as at the beginning of the year	41.89	3,122.74
Cash and cash equivalents received pursuant to amalgamation (See note 1 and 29)	–	1,348.74
Cash and cash equivalents transferred pursuant to demerger (See note 1 and 29)	(75.12)	(3,122.74)
Cash and cash equivalents as at the end of the year	**108.22**	**41.89**

@ restated - see Note 1 and 29

Standalone Statement of Cash Flows

for the year ended 31st March, 2021

Changes in liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Opening Balance	–	–
Interest expenses	0.46	–
Cash flows	99.97	–
Closing Balance	**100.43**	**–**

Notes:

(a) Components of cash and cash equivalents are as per Note 5.

(b) The above Standalone Statement of cash flows has been prepared under the indirect method.

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

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A. D. TALAVLIKAR
Partner
Mem No: 130432

Place: Pune
Dated: 28th June, 2021

For GFL Limited

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Standalone Statement of Changes in Equity

for the year ended 31st March, 2021

A. Equity Share Capital

Particulars	(₹ in Lakhs)
Balance as at 1st April, 2019	**1,098.50**
Changes during 2019-20	–
Balance as at 31st March, 2020	**1,098.50**
Changes during 2020-21	–
Balance as at 31st March, 2021	**1,098.50**

(see Note 17)

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus			Items of other comprehensive income	Total
	Capital Redemption Reserve	Securities Premium	Retained Earnings	Revaluation Reserve	
Balance as at 1st April, 2019	**59.30**	**–**	**1,19,283.11**	**–**	**1,19,342.41**
Transferred on amalgamation (see Note 29)	–	12,545.00	(8,237.41)	8,026.98	12,334.57
Adjusted on amalgamation (see Note 29)	–	(12,545.00)	7,981.86	(8,026.98)	(12,590.12)
Net Impact on amalgamation	–	–	(255.55)	–	(255.55)
Profit for the year	–	–	1,867.47	–	1,867.47
Other comprehensive income for the year, net of income tax (*)	–	–	1.04	–	1.04
Total comprehensive income	**–**	**–**	**1,868.51**	**–**	**1,868.51**
Payment of dividend (including dividend distribution tax)	–	–	(4,635.05)	–	(4,635.05)
Restated balance as at 31st March, 2020	**59.30**	**–**	**1,16,261.02**	**–**	**1,16,320.32**
On account of demerger (see Note 29)	**–**	**–**	**(83,183.00)**	**–**	**(83,183.00)**
Cancellation of investment on demerger (see Note 29)	–	–	(1.00)	–	(1.00)
Net Impact on demerger	–	–	(83,184.00)	–	(83,184.00)
Loss for the year	–	–	(3,121.95)	–	(3,121.95)
Other comprehensive income for the year, net of income tax (*)	–	–	8.39	–	8.39
Total comprehensive income	**–**	**–**	**(3,113.56)**	**–**	**(3,113.56)**
Balance as at 31st March, 2021	**59.30**	**–**	**29,963.46**	**–**	**30,022.76**

(*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For GFL Limited

A. D. TALAVLIKAR
Partner
Mem No: 130432

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: Pune
Dated: 28th June, 2021

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

1 Company information

GFL Limited ("the Company"), earlier known as Gujarat Fluorochemicals Limited, is a public limited company incorporated and domiciled in India. After the demerger of its Renewable Energy Undertaking (see details below), the Company now holds strategic investments, mainly in entertainment sector. The Company's parent company is INOX Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Survey No. 16/3, 26 & 27, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380.

Composite scheme of arrangement

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25th January, 2021 has approved a composite scheme of arrangement (the "Scheme") between the Company, INOX Renewables Limited and INOX Wind Energy Limited (wholly-owned subsidiaries of the Company) as detailed below:

a) Part A - Amalgamation of its wholly-owned subsidiary Inox Renewables Limited into GFL Limited w.e.f. 1st April, 2020, and

b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL Limited into its wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020.

The aforesaid Scheme was filed with the Registrar of Companies (ROC) on 9th February, 2021 making the Scheme operative.

The amalgamation stated in the Part A of the Scheme is accounted in accordance with Appendix C of Ind AS 103: Business Combination being common control business combination. Accordingly, the financial information in the financial statements in respect of the comparative period have been restated (See Note 29).

Consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business, as more particularly defined in the Scheme, including employees and investment in subsidiaries and associates pertaining to the said Renewable Energy Business, stand transferred and vested into INOX Wind Energy Limited (IWEL), the resulting company, from its Appointed Date i.e. 1st July, 2020. As a consideration for the Part B of the Scheme, all the shareholders of GFL Limited are allotted one fully paid-up equity share of ₹ 10 each in Inox Wind Energy Limited, for every ten fully paid- up equity shares of Re. 1 each held by them in GFL Limited. The shares of IWEL are separately listed on BSE and NSE on 11th June, 2021. Further, shares of IWEL held by GFL Limited stand cancelled and IWEL has ceased to be a subsidiary of GFL Limited. Certain assets, particularly the immovable properties, are in the process of being registered in the name of the resulting company.

The demerger is accounted in accordance with Ind AS 103: Business Combinations (see Note 29 for details). Further, as required by Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations, the figures for the comparative period have been restated and the financial information pertaining to the said Renewable Energy Business has been presented and disclosed as Discontinued Operations.

The demerged Renewable Energy Business comprised of generation and sale of wind energy, providing services for Erection, Procurement and Commissioning (EPC) and operation & maintenance of wind farms, manufacturing of wind turbine generators, including parts and components thereof, holding strategic interest in such businesses and such similar activities.

Demerger of Chemical business undertaking during the year ended 31st March, 2020:

During the preceding year, as per the Scheme of Arrangement between GFL Limited ("GFL") and Gujarat Fluorochemicals Limited ("GFCL"), the Chemical Business Undertaking of GFL was transferred to and vested with GFCL. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the said scheme, stood transferred and vested into GFCL from the Appointed Date i.e. 1st April, 2019 (See Note 29). The immovable properties are in the process of being registered in the name of GFCL.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

2 Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (see Note 2.4).

On approval of the composite scheme of arrangement referred to in Note 1, the Company has now become a "Core Investment Company". Accordingly, the Company has presented the financial statements in the format prescribed for NBFCs i.e. Division III of Schedule III to the Companies Act, 2013. Consequently, the income from financial assets viz. interest, dividend, guarantee commission and fair value gains on investments, is classified as 'revenue from operations' as against 'other income' and the figures for the comparative period have been reclassified accordingly.

Ministry of Corporate Affairs (MCA), vide its Notification dated 24th March, 2021, amended Schedule III to the Companies Act, 2013 with effect from 1st April, 2021. In the opinion of the management since the changes are effective from 1st April, 2021, they are applicable to financial statements in respect of accounting years commencing on or after 1st April, 2021. Therefore, the related disclosure requirements are not considered in these financial statements for the year ended 31st March, 2021.

These financial statements were authorized for issue by the Company's Board of Directors on 28th July, 2021.

2.2 Basis of preparation, presentation and measurement

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

These financial statements have been prepared on an accrual basis and under the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

2.3 Particulars of investments in subsidiaries as at 31st March, 2021 are as under:

Name of the subsidiary	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
INOX Leisure Limited (*)	India	46.85 %
INOX Infrastructure Limited	India	100 %

All the above investments are measured at cost.

(*) As per the Articles of Association of INOX Leisure Limited, GFL Limited is entitled to appoint majority of directors on the Board of INOX Leisure Limited if GFL Limited holds not less than 40% of the paid-up equity capital of INOX Leisure Limited.

The investments in subsidiaries pertaining to the Renewable Energy Business have been transferred and vested with the resulting company w.e.f. 1st July, 2020 in terms of the Scheme (see Note 1).

2.4 Amendments to existing accounting and recent accounting pronouncements

a. Amendments to existing accounting standards applicable to the Company:

i. Standard issued and effective during the year: There is no new accounting standard which has been become effective during the year.

ii. Amendments to existing accounting standards applicable to the Company:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 24th July, 2020 amendments to the existing standards have been notified and all these amendments are effective for annual periods beginning from 1st April, 2020. Amendments to the following accounting standards have become applicable for the current reporting period:

- Amendments to Ind AS 103 Business Combination: The amendments substitute the existing definition of "business" with a more detailed definition and also provides optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive. These amendments will apply to future business combinations.

- Amendments to Ind AS 107 Financial Instruments – Disclosures: The amendments prescribe additional disclosures in respect of uncertainty arising from interest rate benchmark reform. These amendments did not have any impact on the Company's financial statements.

- Amendments to Ind AS 109 Financial Instruments: The amendments provide certain temporary exceptions from applying specific hedge accounting requirements. These amendments did not have any impact on the Company's financial statements.

- Amendments to Ind AS 116 Leases: The amendments provide a practical expedient for treatment of rent concessions occurring as a direct consequence of COVID-19 pandemic and related clarifications. These amendments did not have any impact on the Company's financial statements.

- Amendments to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors: The amendments provide a new definition of the term "material" and also provides related clarifications.

- Amendments to Ind AS 10 Events after the Reporting Period: The conditions requiring disclosure for a non-adjusting event has been elaborated.

- Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets: The amendments are consequent to amendments to Ind AS 1, Ind AS 8 and Ind AS 10, and also provides clarifications in respect of restructuring plans.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

b. New accounting pronouncements:

Ministry of Corporate Affairs notifies new standards or amendments to the existing standards. As per Notification dated 18th June, 2021 amendments to the existing standards have been notified. All these amendments are effective for annual periods beginning 1st April, 2021. The summary of these amendments is as under:

- Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116 relate to the effect of interest rate benchmark reforms and related additional disclosures.
- Amendments to Ind AS 116 extend the period of availing the practical expedient relating to rent concessions in paragraph 46A.

These amendments will have no impact on the Company's financial statements.

3 Significant Accounting Policies

a) Following are the significant accounting policies in respect of the continuing business

3.1 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C of Ind AS 103: Business Combinations. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their respective carrying values. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise the accounting policies. Issue of fresh securities towards the consideration for the business combination is recorded at nominal value. The identity of the reserves transferred by the acquired entity is preserved and they are carried in the same form and manner. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.2 Revenue recognition

Dividend income from investments is recognized when the right to receive payment is established. Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Guarantee Commission income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Guarantee Commission income is accrued on a time basis by reference to guarantee amount outstanding.

3.3 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Statement of profit and loss. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, commission, performance incentives, short-term compensated absences etc.

Long-term employee benefits:

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans:

Retirement benefit in the form of provident and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense when employees have rendered service entitling them to the contributions.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan and is unfunded. For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'.

Other long-term employee benefits:

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accumulating compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.4 Taxation

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax:

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Presentation of current and deferred tax:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

3.5 Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.7 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

3.8 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the 'Other income' line item.

c) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i. The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, loans, certain investments and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

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for the year ended 31st March, 2021

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

This category does not apply to any of the financial assets of the Company.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiaries. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

a) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

b) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

c) Impairment of financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost.

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as i and ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head ‘Other expenses’/ ‘Other income’.

B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

ii. Financial Liabilities:-

a) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability as at FVTPL.

c) Derecognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.9 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

In addition to above, the significant accounting policies applied in respect of the discontinued operations viz. the Renewable Energy Business were as under:

3.10 Revenue recognition

- Revenue from generation and sale of electricity is recognized on the basis of actual power sold (net of reactive energy consumed) in accordance with the terms of the power purchase agreements entered with the respective customers and when no significant uncertainty exists regarding the amount of consideration that will be derived.
- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm’s length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition

- The Company’s contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis

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of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

3.11 Property, plant and equipment

An item of Property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalized.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.

- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.12 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.13 Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives, as either fair value hedges, or cash flow hedges.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge relationship so designated as fair value is accounted for in accordance with the accounting principles prescribed for hedge accounting under Ind AS 109, 'Financial Instruments'.

a) **Fair value hedge:**

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss and is included in line item 'Loss on foreign currency translation and transactions'.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

4 Critical accounting judgements, assumptions and use of estimates

The preparation of Company's financial statements requires management to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision or future periods if the revision affects both current and future periods.

Following are the critical judgements, assumptions and use of estimates that have the most significant effects on the amounts recognized in these financial statements:

a) Defined employee benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

b) Income taxes

Provision for current tax is made based on reasonable estimate of taxable income computed as per the prevailing Income tax laws. The amount of such provision is based on various factors including interpretation of tax regulations, changes in tax laws, acceptance of tax positions in the tax assessments etc.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

5 Cash & cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Balances with banks in current accounts	108.22	34.60
Total	**108.22**	**34.60**

6 Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Earmarked Balances with Banks:-		
In unpaid dividend accounts	148.93	167.22
Total	**148.93**	**167.22**

7 Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Trade receivables		
Receivables considered good - unsecured		
- From related parties (see Note 27)	1,347.81	1,428.50
Other receivables		
Receivables considered good - unsecured		
- From related parties (see Note 27)	821.00	–
Total	**2,168.81**	**1,428.50**

@ - restated see Note 1 and 29

8 Investments

(₹ in Lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020@	
		Nos.	Amounts	Nos.	Amounts
A) Investments in mutual funds - measured at fair value through Profit or Loss (FVTPL)					
Unquoted investments (fully paid up)					
HDFC Liquid Fund-Regular Plan-Growth	1000	–	–	3,358	130.40
ABSL Liquid Fund - Growth	100	–	–	31,569	100.31
Total Investment in mutual funds			**–**		**230.71**
B) Investment in subsidiaries (measured at cost)					
I. Quoted investments (fully paid up)					
Investments in equity instruments					
INOX Leisure Limited (see Note 1 below)	₹10	5,27,86,467	25,012.47	5,27,86,467	25,012.47
Total Quoted investments			**25,012.47**		**25,012.47**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

8 Investments (Contd..)

(₹ in Lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020@	
		Nos.	Amounts	Nos.	Amounts
II. Unquoted investments (fully paid up)					
Investments in equity instruments					
INOX Infrastructure Limited	₹10	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Total Unquoted investments			**5,000.00**		**5,000.00**
Total investment in subsidiaries(I+II)			**30,012.47**		**30,012.47**
Total Investment (A+B)			**30,012.47**		**30,243.18**
Category - wise other investments - as per Ind AS 109 classification:					
Investments carried at cost or deemed cost			30,012.47		30,012.47
Investments carried at fair value through profit or loss			–		230.71
			30,012.47		**30,243.18**
Out of above					
In India			30,012.47		30,243.18
Outside India			–		–

@ - restated see Note 1 and 29

Note:

1. 64,00,000 shares are locked-in upto 14th January, 2022.
2. Investments in subsidiaries pertaining to the Renewable Energy Business are transferred and vested in the resulting company on demerger of the Renewable Energy Business (see Note 1 and 29). Prior to the demerger, these companies were subsidiaries of the Company.

9 Current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Income tax paid (net of provisions)	43.09	8.02
Total	**43.09**	**8.02**

10 Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Deferred tax assets	1.51	1.36
Total	**1.51**	**1.36**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

10 Deferred tax assets (net) (Contd..)

Deferred tax assets/(liabilities) in relation to:

As at 31st March, 2021

(₹ in Lakhs)

Particulars	As at 1st April, 2020	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2021
Gratuity and compensated absences	1.54	(0.55)	0.52	1.51
Investments classified as FVTPL	(0.18)	0.18	–	–
	1.36	**(0.37)**	**0.52**	**1.51**

As at 31st March, 2020

(₹ in Lakhs)

Particulars	As at 1st April, 2019	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2020
Gratuity and compensated absences	–	0.95	0.59	1.54
Investments classified as FVTPL	–	(0.18)	–	(0.18)
	–	**0.77**	**0.59**	**1.36**

11 Other non -financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Advances to related parties (see Note 27)	6.24	–
Advance to suppliers	0.01	5.89
Balance with government authorities: In GST accounts	0.01	5.06
Total	**6.26**	**10.95**

12 Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Trade Payables		
- Dues of micro enterprises and small enterprises	–	–
- Dues of creditors other than micro enterprises and small enterprises	10.22	9.44
	10.22	**9.44**
Other Payables		
- Dues of micro enterprises and small enterprises	–	–
- Dues of creditors other than micro enterprises and small enterprises	197.80	114.83
	197.80	**114.83**
Total	**208.02**	**124.27**

There is no amount due to “Micro or Small Enterprises” under Micro, Small and Medium Enterprises Development Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Further no interest is paid/payable to in terms of section 16 of the said Act.

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

13 Borrowings (other than debt securities)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
In India, at amortised cost		
Loan from Related Party - unsecured		
Inter-corporate deposits from holding company (see Note 27)	100.43	–
Sub-total	**100.43**	**–**
Less: Interest disclosed under Note 14 "Other financial liabilities"	(0.43)	–
Total	**100.00**	**–**

The terms of unsecured loan: The Inter-corporate deposit from the holding company is for period of 6 months, repayable on 7th September, 2021 and carries interest @ 7.00% p.a.

14 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Interest accrued (see Note 13)	0.43	–
Unclaimed dividend (*)	148.93	167.22
Employees dues payable	16.85	46.91
Expenses and other payables	844.09	11.46
	1,010.30	**225.59**

(*) investor Education and Protection Fund will be credited as and when due.

15 Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Provision for employee benefits (see Note 25)		
– for Gratuity	20.17	19.68
– for Compensated absences	19.02	24.87
Total	**39.19**	**44.55**

16 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Statutory dues and taxes payable	10.52	29.25
Total	**10.52**	**29.25**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

17 Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised capital (see Note below)		
20,00,00,000 (31st March, 2020: 20,00,00,000) equity shares of Re 1 each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
10,98,50,000 (31st March, 2020: 10,98,50,000) equity shares of Re 1 each	1,098.50	1,098.50
Total	**1,098.50**	**1,098.50**

Note: Pursuant to the Composite Scheme of arrangement (See note 1), the authorised capital of the Company had increased by ₹ 11,010.00 lakhs i.e. 11,01,00,000 Equity Shares of ₹ 10 each, from 1st April, 2020. Subsequently, pursuant to the demerger of Renewable Energy Business w.e.f. 1st July, 2020 (see Note 1), the authorised capital has been reduced by ₹ 11,010.00 lakhs i.e. 11,01,00,000 Equity Shares of ₹ 10 each.

17.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amounts (₹ in Lakhs)	No. of shares	Amounts (₹ in Lakhs)
At the beginning of the year	10,98,50,000	1,098.50	10,98,50,000	1,098.50
Movement during the year	–	–	–	–
At the end of the year	**10,98,50,000**	**1,098.50**	**10,98,50,000**	**1,098.50**

17.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re 1 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

17.3 Shares held by holding company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amounts (₹ in Lakhs)	No. of shares	Amounts (₹ in Lakhs)
INOX Leasing & Finance Limited	5,81,49,021	581.49	5,81,49,021	581.49
TOTAL	**5,81,49,021**	**581.49**	**5,81,49,021**	**581.49**

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

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amounts (₹ in Lakhs)	No. of shares	Amounts (₹ in Lakhs)
INOX Leasing and Finance Limited	5,81,49,021	52.93%	5,81,49,021	52.93%
Devansh Trademart LLP	66,62,360	6.06%	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%	55,76,440	5.08%
Meenu Bhanshali	54,95,182	5.00%	54,95,182	5.00%

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

18 Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Capital redemption reserve	59.30	59.30
Retained earnings	29,963.46	1,16,261.02
	30,022.76	**1,16,320.32**

18.1 Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Balance as at beginning of the year	59.30	59.30
Movement during the year	–	–
Balance as at the end of the year	**59.30**	**59.30**

In FY 2008-09, the Company has bought back and extinguished 59,30,000 equity shares of Re 1 per share at an average price of ₹ 103.48 per share from open market, and accordingly the face value of Re 1 per share is reduced from the paid up equity share capital and correspondingly the amount of ₹ 59.30 Lakhs was transferred to Capital Redemption Reserve from Statement of Profit and Loss.

18.2 Retained earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Balance as at beginning of the year	1,16,261.02	1,19,283.11
On account of amalgamation (see note 29)	–	(255.55)
On account of demerger (see note 29)	(83,183.00)	–
Cancellation of investment	(1.00)	–
Profit/(loss) for the year	(3,121.95)	1,867.47
Other comprehensive income for the year, net of income tax	8.39	1.04
Dividend paid on equity shares (including dividend distribution tax)	–	(4,635.05)
Balance as at the end of the year	**29,963.46**	**1,16,261.02**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined after considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in entirety.

19 Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
(i) Dividend received	–	527.86
(ii) Fees and commission income		
– Guarantee commission income	101.11	246.40
(iii) Net gain on investments carried at FVTPL	2.96	13.31
Total	**104.07**	**787.57**
Note: Realised gain on sale of investments	3.66	12.60

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

20 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Liabilities and provisions no longer required, written back	6.23	–
Total	**6.23**	**–**

21 Finance Costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Interest expenses, calculated using effective interest method		
Interest on borrowings	0.46	–
Total	**0.46**	**–**

22 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Salaries	229.32	180.54
Contribution to provident fund	7.28	5.57
Gratuity	–	2.44
Total	**236.60**	**188.55**

23 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Insurance	1.65	–
Director's sitting fees	8.80	5.60
Commission to non-executive director	–	7.77
Corporate Social Responsibility (CSR) expenses	821.00	41.12
Less: Reimbursed as per the scheme	(821.00)	–
Corporate Social Responsibility (CSR) expenses (see Note 31)	**–**	**41.12**
Auditor's fees and expenses (see Note (i) below)	6.50	6.50
Legal and professional fees and expenses	23.23	22.40
Other expenditure (see Note (ii) below)	10.23	11.83
Total	**50.41**	**95.22**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

23 Other expenses (Contd..)

(i) Payments to Auditors:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Statutory Audit (including consolidated accounts)	5.00	5.00
Corporate governance certificate	1.00	1.00
Other certification fees	0.50	0.50
Total	**6.50**	**6.50**

Note: The above amounts are exclusive of Goods and service tax.

(ii) Details of other expenditure:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Printing and stationery	1.20	5.10
Advertisement and publicity	3.35	6.09
Repairs and maintenance	2.44	0.18
Travelling and conveyance	1.43	0.06
Miscellaneous expenses	1.81	0.40
Total	**10.23**	**11.83**

24 Tax expense:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
(i) Income tax recognized in Statement of Profit and Loss		
Current tax		
In respect of current year	–	992.00
In respect of earlier years	–	(534.78)
	–	**457.22**
Deferred Tax		
In respect of current year	0.37	(927.51)
In respect of earlier years	2,951.94	–
	2,952.31	**(927.51)**
Income tax recognized in Statement of Profit and Loss	**2,952.31**	**(470.29)**
(ii) Income tax recognized in Other Comprehensive Income		
Deferred tax on remeasurement of defined benefit plans	2.82	0.56
Total tax expense	**2,955.13**	**(469.73)**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

24 Tax Expense (Cont..)

24.1 The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Profit/(loss) before tax from continued operations	(276.35)	503.80
Profit before tax from discontinued operations	106.71	893.38
	(169.64)	**1,397.18**
Income tax using the Company's domestic tax rate @ 25.168%	(42.69)	351.64
Effect of expenses that are not deductible in determining taxable profits and effect of business combinations	42.14	16.64
Effect of income that is exempt from tax	–	(132.85)
Effect of gain on fair value of investments / sale of investments set-off against business loss on which deferred tax asset is not recognised	0.92	–
Effect of change in tax rate of amalgamated company	–	(119.22)
Others (net)	–	(51.72)
	0.37	**64.49**
Taxation pertaining to earlier years	**2,951.94**	**(534.78)**
Tax expense as per the Statement of Profit and Loss	**2,952.31**	**(470.29)**

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 with effect from 1st April, 2019. Thus, the applicable tax rate for the company is 25.168%.

24.2 Tax pertaining to earlier years:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Income tax	–	(534.78)
Deferred tax	2,951.94	–
Total	**2,951.94**	**(534.78)**

INOX Renewables Limited ("IRL") is amalgamated with the Company w.e.f. 1st April, 2020 (see Note 1). The assets and liabilities of IRL, recorded at book values, included deferred tax asset of ₹ 2,951.94 lakhs in respect of accumulated tax losses, unabsorbed depreciation and MAT credit. Consequent to the amalgamation, the said tax losses, unabsorbed depreciation and MAT credit are not available for set-off in the hands of the Company. Accordingly, the same is charged to the statement of profit and loss.

25 Employee Benefits:

(a) Defined Contribution Plans

The Company contributes to the Government managed provident & pension fund for all qualifying employees. Contribution to Provident fund recognized as an expense and included in Contribution to Provident & Other funds' in the Statement of Profit and Loss is as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Defined contribution plan		
– Continued operations	7.28	5.57
– Discontinued operations	1.37	8.94
Total	**8.65**	**14.51**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

25 Employee Benefits: (Contd..)

(b) Defined Benefit Plans

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of services and salary at retirement age. The Company's defined benefit plan is unfunded. There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31 March, 2021 by Mr. Charan Gupta, fellow member of the institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020@
Opening defined benefit obligation	50.03	1,839.86
Effect of business combinations (net)	(18.32)	(1,793.82)
Current service cost	2.53	5.29
Interest cost	1.30	1.85
Actuarial gains /(losses) on obligation:		
a) arising form experience adjustments	(11.21)	(1.60)
Benefits paid	(4.16)	(1.55)
Present value of obligation as at year end	**20.17**	**50.03**
- Continuing operations	20.17	19.68
- Discontinued operations	–	30.35
	20.17	**50.03**

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Current Service Cost		
– Continued operations	1.66	2.44
– Discontinued operations	0.87	2.85
Interest expense		
– Continued operations	0.91	–
– Discontinued operations	0.39	1.85
Amount recognized in profit & loss	**3.83**	**7.14**
Actuarial gains/(losses):		
a) arising form experience adjustments		
– Continued operations	(2.08)	(2.36)
– Discontinued operations	13.29	3.96
Amount recognized in other comprehensive income	**11.21**	**1.60**
Total	**15.04**	**8.74**

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

25 Employee Benefits: (Contd..)

(iii) The principal assumptions used for the purposes of the actuarial valuation of gratuity are as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Discount rate	5.70%	4.60%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5%	5%
Mortality	IALM (2012-14) Ult.	

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

This plan typically expose the company to actuarial risks such as interest rate risk and salary risk

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

(iv) Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
if discount rate increased by 1%	(0.05)	(0.02)
if discount rate decreased by 1%	0.06	0.01
if salary escalation rate increased by 1%	0.06	0.01
if salary escalation rate decreased by 1%	(0.05)	(0.02)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

@ - restated see Note 1 and 29

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

(v) Expected contribution to the defined benefit plan in future years

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Expected outflow in 1st Year	19.91	17.94
Expected outflow in 2nd Year	0.26	1.82
Expected outflow in 3rd Year	–	–
Expected outflow in 4th Year	–	–
Expected outflow in 5th Year	–	–
Expected outflow in 6th to 10th Year	–	–

The average duration of the defined benefits plan obligation at the end of the reporting period is 7.88 years (as at 31st March, 2020 12.54 years).

(c) Other short term and long term employment benefits:

Annual leave and short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31st March, 2021 is based on actuarial valuation carried out by using Projected Unit Credit Method.

The expenses on compensated absences which are included in employee benefits in the Statement of Profit and Loss are as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020@
Compensated absences recognised in the statement of Profit & Loss		
– Continued operations	(3.69)	1.72
– Discontinued operations	(11.18)	(3.31)
Total	**(14.87)**	**(1.59)**

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
Discount rate	5.70%	4.60%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5%	5%
Mortality	IALM (2012-14) Ult.	

@ restated - see Note 1 and 29

26 Financial Instruments:

As described in Note 1 and 29, the Renewable Energy Business is demerged w.e.f. 1st July, 2020 and the same is disclosed as discontinued operations in the financial statements. Hence the information included in the disclosures of financial instruments for the comparative period is in respect of the continuing operations only, unless stated otherwise.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

26 Financial Instruments (Contd..)

26.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's Board of Directors (BOD) reviews the capital structure of the Company. As part of this review, BOD considers the cost of capital and risk associated with each class of capital.

26.2 Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) mandatorily measured as at FVTPL		
(i) Investments in mutual funds	–	230.71
Sub Total	**–**	**230.71**
Measured at amortised cost		
(a) Cash & cash equivalents	108.22	34.60
(b) Other bank balances	148.93	167.22
(c) Receivables	2,168.81	1,428.50
Sub Total	**2,425.96**	**1,630.32**
Total financial assets	**2,425.96**	**1,861.03**
b) Financial liabilities		
Measured at amortised cost		
(a) Payables	208.02	124.27
(b) Borrowings	100.43	–
(c) Other financial liabilities	1,009.87	225.59
Total financial Liabilities	**1,318.32**	**349.86**

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

26.3 Financial risk management

The Company is exposed to financial risks which include market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Market Risk

Market risk comprises of currency risk, interest rate risk and other price risk. The Company does not have any exposure to foreign currency nor interest rate risk, since the interest rates are fixed.

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The company is not exposed to equity price risks arising from equity investments since the entire equity investments is in subsidiaries which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company is also exposed to price risk arising from investments in debt mutual funds, but these being debt instruments, the exposure to risk of changes in market rates is minimal.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

26 Financial Instruments (Contd..)

b. Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from cash and cash equivalents, investments in mutual funds and receivables. Credit risk arising from investment in money market liquid mutual funds is limited. Credit risk arising from receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk in respect of receivables is limited due to the fact that the customers are group concerns. Hence credit risk is minimal for the Company.

c. Liquidity Risk Management

Ultimate responsibility for Company's liquidity risk management rests with the Company's Board of Directors. The Company generally manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

26.4 Liquidity and Interest risk tables

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the entity can be required to pay. The table below include only principal cash flows in relation to financial liabilities.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
	INR	INR	INR	INR
As at 31st March, 2021				
Borrowings	100.43	–	–	100.43
Payables	208.02	–	–	208.02
Other financial liabilities	1,009.87	–	–	1,009.87
Total	**1,318.32**	**–**	**–**	**1,318.32**
As at 31st March, 2020				
Payables	124.27	–	–	124.27
Other financial liabilities	225.59	–	–	225.59
Total	**349.86**	**–**	**–**	**349.86**

The above liabilities will be met by the Company from internal accruals and realization of financial assets.

26.5 Fair Value Measurements

This note provides information about how the entity determines fair values of various financial assets and financial liabilities

a. Fair Value of the Entity's financial assets and financial liabilities that are measured at fair value on a recurring basis

Financial assets/Financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2021 (₹ in Lakhs)	31st March, 2020 (₹ in Lakhs)		
Investments in Mutual Funds (see Note 8)	–	230.71	Level 1	Quoted prices in an active market

b. Fair Value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

27 Related Party disclosures

(A) Where control exists:

Holding company

INOX Leasing and Finance Limited

Subsidiary companies:

Subsidiaries of the Company

INOX Leisure Limited (ILL)

INOX Infrastructure Limited

INOX Renewables Limited (IRL) - amalgamated w.e.f. 1st April, 2020

Subsidiaries of INOX Leisure Limited (ILL)

Shouri Properties Private Limited

INOX Leisure Limited - Employees' Welfare Trust- controlled trust

INOX Benefit Trust - controlled trust wound up w.e.f. 23rd November, 2020

Subsidiaries upto 30th June, 2020 and subsequently reclassified as fellow subsidiary - see Note 1 and 29

INOX Wind Limited (IWL)

INOX Wind Energy Limited (IWEL) - incorporated on 6th March, 2020

a. **Subsidiaries of INOX Wind Limited**

INOX Wind Infrastructure Services Limited (IWISL)

Waft Renergy Private Limited

b. **Subsidiaries of INOX Wind Infrastructure Services Limited**

Suswind Power Private Limited

Vasuprada Renewables Private Limited

Ripudaman Urja Private Limited

Vibhav Energy Private Limited

Haroda Wind Energy Private Limited

Vigodi Wind Energy Private Limited

Aliento Wind Energy Private Limited

Flurry Wind Energy Private Limited

Tempest Wind Energy Private Limited

Vuelta Wind Energy Private Limited

Flutter Wind Energy Private Limited

Marut Shakti Energy India Limited

Sarayu Wind Power (Kondapuram) Private Limited

Sarayu Wind Power (Tallimadugula) Private Limited

Vinirrmaa Energy Generation Private Limited

Satviki Energy Private Limited

RBRK Investments Limited

Shri Pavan Energy Private Limited (upto 21.05.2020)

Khatiyu Wind Energy Private Limited

Ravapar Wind Energy Private Limited

Nani Virani Wind Energy Private Limited

Resco Global Wind Services Private Limited (incorporated on 21.01.2020)

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

27 Related Party disclosures (Contd..)

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

Fellow subsidiary

Gujarat Fluorochemicals Limited (earlier known as INOX Fluorochemicals Limited)

Reclassified as fellow subsidiaries w.e.f. 1st July, 2020 on demerger - see Note 1 and 29

INOX Wind Limited (IWL)

INOX Wind Energy Limited (IWEL)

(Note: the list of subsidiaries of IWL is given above)

Key Management Personnel

a) **Whole-time director**

Mr. D K Jain (also appointed as Managing Director w.e.f. 1st August, 2019)

b) **Non-executive directors**

Mr. P K Jain

Mr. V K Jain

Mr. Deepak Asher (upto 12th October, 2020)

Ms. Vanita Bhargava

Mr. Shailendra Swarup

Mr. Shanti Prasad Jain

C) Details of transactions between the Company and related parties are disclosed below:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A) Transactions during the year		
1) Transactions with Holding company		
INOX Leasing and Finance Limited		
a) Inter-corporate deposits taken	100.00	–
b) Interest paid on Inter-corporate deposit	0.46	–
2) Transactions with subsidiary companies		
INOX Leisure Limited		
Dividend Income	–	527.86
INOX Wind Energy Limited		
Equity shares subscribed	–	1.00
Reimbursement of expenses (received)/Payments made on behalf by the Company	6.24	0.50
INOX Renewables Limited		
Interest income	–	2,190.65
INOX Wind Limited		
Sale of assets	4,333.33	–
Inter corporate deposits given	–	515.00
Inter corporate deposits received back	–	530.00

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

27 Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income	165.53	884.17
Reimbursement of expenses (received)/payments made on behalf by the Company	14.92	–
INOX Wind Infrastructure Services Limited		
Guarantees given	–	5,000.00
Interest income	174.52	925.41
Guarantee commission Income	101.11	245.77
Operation and maintenance charges	19.87	–
Gujarat Fluorochemicals Limited		
Reimbursement towards CSR expenditure	821.00	–
Reimbursement of expenses (received)/payments made on behalf of the Company	50.39	–
Reimbursement of expenses (paid)/payments made on behalf of the Company	66.30	114.83

Note: The above amounts are exclusive of taxes, wherever applicable.

The following balances were outstanding at the end of the year:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
B) Amounts outstanding		
1. Receivables		
Inter corporate deposits receivable		
INOX Wind Infrastructure Services Limited	–	10,000.00
INOX Wind Limited	–	9,485.00
INOX Renewables Limited	–	24,200.00
Interest accrued		
INOX Wind Infrastructure Services Limited	–	382.87
INOX Wind Limited	–	363.02
INOX Renewables Limited	–	911.84
Trade/other receivable		
INOX Wind Infrastructure Services Limited	1,347.81	1,428.50
INOX Wind Energy Limited	6.24	0.50
Gujarat Fluorochemicals Limited	821.00	–
Advances for purchase of assets		
INOX Wind Limited	–	22,010.00
INOX Wind Infrastructure Services Limited	–	5,060.00
Guarantees given		
INOX Wind Infrastructure Services Limited	10,878.00	26,987.00
GFL GM Fluorspar SA	2,045.07	4,337.53
2. Payables		
INOX Leasing & Finance Limited		
Inter corporate deposit Payable	100.00	–
Interest accrued on Inter-corporate deposit	0.43	–
Gujarat Fluorochemicals Limited		
Other payables	197.80	114.83

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

27 Related Party disclosures (Contd..)

Compensation of Key management personnel

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Remuneration and commission paid to Mr. D. K. Jain	120.00	193.17
Director's sitting fees paid	8.80	5.60

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company.

Notes

(a) Sales, purchase and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for the year ended 31st March, 2021 and 31st March, 2020 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) The Company has been provided with Inter-corporate deposit at rate comparable to the commercial rate of interest. This loan is unsecured.

28 (a) Disclosure as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Amount of inter-corporate deposits at the year end		
INOX Renewables Limited (IRL)	–	24,200.00
INOX Wind Limited (IWL)	–	9,485.00
INOX Wind Infrastructure Limited Services (IWISL)	–	10,000.00
Maximum balance during the year		
INOX Renewables Limited (IRL)	–	24,200.00
INOX Wind Limited (IWL)	9,485.00	10,000.00
INOX Wind Infrastructure Limited Services (IWISL)	10,000.00	10,000.00

Notes:

(a) Intercorporate deposit given to IRL stands cancelled consequent to amalgamtion of IRL with the Company w.e.f. 1st April, 2020

(b) Intercorporate deposits given to IWL and IWISL stand vested with INOX Wind Energy Limited pursuant to demerger of Renewable Energy Business w.e.f. 1st July, 2020

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

(i) The above inter-corporate deposits were unsecured and given for general business purpose. The inter-corporate deposits were repayable at call and carried interest in the range of @ 7 % p.a. to 10 % p.a.

(ii) For corporate guarantees given by the Company - see Note 33.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

29 Business Combinations

a) Amalgmation of wholly owned subsidiary and demerger of Renewable Energy Business (see Note 1)

The Hon'ble National Company Law Tribunal, Ahmedabad Bench (""NCLT"") vide its order dated 25th January, 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, INOX Renewables Limited and INOX Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below:

a) Part A - Amalgamation of its wholly-owned subsidiary Inox Renewables Limited into GFL Limited w.e.f. 1st April, 2020, and

b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL Limited into its wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020.

The aforesaid Scheme was filed with the Registrar of Companies (ROC) on 9th February, 2021 making the Scheme operative.

Amalgmation of wholly owned subsidiary w.e.f. 1st April, 2020

The amalgamation stated in the Part A of the Scheme is accounted in accordance with Appendix C of Ind AS 103: Business Combination being common control business combination. Accordingly the previous period comparative figures have been restated as if the business combination had occurred with effect from 1st April, 2019 and accordingly, adjustments to reserves is calculated based on the net assets as on 1st April, 2019.

No new shares are being issued and the investments and Inter Corporate deposits held in IRL by the Company stand cancelled and difference has been adjusted against Retained earnings as under:

Summary of net assets received on amalgamation:

(₹ in Lakhs)

Particulars	As at 1st April, 2019
Total assets (a)	**65,149.35**
Gross liabilities	52,477.28
Less: Inter-company dues	(27,263.56)
Net liabilities (b)	**25,213.72**
Net assets (a-b)	**39,935.63**

Summary of net reserves transferred on amalgmation and net effect on the retained earnings:

(₹ in Lakhs)

Particulars	As at 1st April, 2019	Adjusted on amalgamation (see note below)	Balance
Securities premium	12,545.00	(12,545.00)	–
Revaluation reserve	8,026.98	(8,026.98)	–
Retained earnings	(8,237.41)	20,571.98	12,334.57
Less: Cost of investment by the Company in IRL, reduced by share capital of IRL			12,590.12
Net impact on retained earning			**(255.55)**

Notes:

(a) The entire balance in the securities premium of IRL was in respect of the investment made by the Company in IRL and included in the cost of investment by the Company in IRL.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

29 Business Combinations (Contd..)

(b) The entire balance in revaluation reserve of IRL was in respect of the assets transferred by the Company to IRL in earlier year, at a nominal value and subsequently revalued by IRL.

INOX Renewables Limited was engaged in the business of generation and sale of wind energy and providing services for Erection, Procurement and Commissioning (EPC) of wind farms. The summary of assets and liabilities received on amalgamation (before inter-company eliminations) as on 1st April, 2020 is as under:

(₹ in Lakhs)

Particulars	As at 1st April, 2020
ASSETS	
1) Non-current assets	
(a) Property, plant & equipment	14,463.96
(b) Capital work-in-progress	3,782.49
(c) Other financial assets	1.50
(d) Income tax assets (net)	1,015.98
Sub-total	**19,263.93**
2) Current assets	
(a) Financial assets	
(i) Trade receivables	521.30
(ii) Cash & cash equivalents	7.28
(iii) Bank balances other than (ii) above	113.86
(iv) Other financial assets	2,262.71
(b) Other current assets	1,161.15
Sub-total	**4,066.30**
3) Asset held for sale	**21,723.81**
Total assets (1+2+3)	**45,054.04**

(₹ in Lakhs)

Particulars	As at 1st April, 2020
LIABILITIES	
1) Non-current liabilities	
(a) Other financial liabilities	3,753.59
(b) Provisions	23.16
(c) Deferred tax liabilities (net)	525.04
Sub-total	**4,301.79**
2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	24,200.00
(ii) Trade payables	1,633.46
(iii) Other financial liabilities	1,218.68
(b) Other current liabilities	2,539.17
(c) Provisions	26.96
Sub-total	**29,618.27**
Total liabilities (1+2)	**33,920.06**

The entire business of INOX Renewables Limited, being part of the Renewable Energy Business, is demerged w.e.f. 1st July, 2020 in terms of Part B of the Scheme.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

29 Business Combinations (Contd..)

Demerger of Renewable Energy Business w.e.f. 1st July, 2020

Consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business (as more particularly defined in the Scheme) stand transferred and vested into INOX Wind Energy Limited (IWEL) from its appointed date i.e. 1st July, 2020. As a consideration for the Part B of the Scheme, all the Shareholders of GFL Limited will be issued one fully paid-up equity share of ₹ 10 each in Inox Wind Energy Limited, for every ten fully paid- up equity shares of Re. 1 each held by them in GFL Limited. The shares of IWEL are separately listed. Further, shares of IWEL held by GFL Limited stand cancelled and IWEL has ceased to be a subsidiary of GFL Limited.

Summary of assets and liabilities transferred on demerger w.e.f. 1st July, 2020 is as under:

Particulars	(₹ in Lakhs)
ASSETS	
1) Non-current assets	
(a) Property, plant & equipment	14,223.71
(b) Capital work-in-progress	3,782.49
(c) Financial assets	
(i) Investments	2,528.77
(ii) Other financial assets	1.50
(d) Income tax assets (net)	1,015.98
(e) Other non-current assets	27,070.00
Sub-total	**48,622.45**
2) Current assets	
(a) Financial assets	
(i) Trade receivables	454.48
(ii) Cash & cash equivalents	75.12
(iii) Bank balances other than (ii) above	115.78
(iv) Loans	20,545.45
(v) Other financial assets	6,893.50
(b) Other current assets	944.08
Sub-total	**29,028.41**
3) Asset held for sale	**17,390.48**
Total assets (1+2+3)	**95,041.34**

Particulars	(₹ in Lakhs)
LIABILITIES	
1) Non-current liabilities	
(a) Other financial liabilities	3,673.90
(b) Provisions	25.75
(c) Deferred tax liabilities (net)	3,480.32
Sub-total	**7,179.97**
2) Current liabilities	
(a) Financial liabilities	
(ii) Trade payables	1,769.36
(ii) Other financial liabilities	327.99
(b) Other current liabilities	2,579.86
(c) Provisions	1.16
Sub-total	**4,678.37**
Total liabilities (1+2)	**11,858.34**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

29 Business Combinations (Contd..)

As per the Scheme, the difference between the net assets transferred to the resulting company is adjusted against retained earnings as under:

Particulars	(₹ in Lakhs)
Assets transferred on demerger	95,041.34
Less: liabilities transferred on demerger	11,858.34
Net assets transferred on demerger	**83,183.00**

Details of Property, Plant and Equipment transferred on demerger:

(₹ in Lakhs)

Particulars	Gross Block - at Cost or deemed cost	Accumulated Depreciation	Net Block as at 1st July 2020
Freehold land	160.05	–	160.05
Plant and equipment	24,134.04	10,078.42	14,055.62
Office equipments	8.05	7.90	0.15
Furniture and fixtures	27.51	19.99	7.52
Vehicles	1.42	1.05	0.37
Total	**24,331.07**	**10,107.36**	**14,223.71**

Details of Investments transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1st July, 2020
Investment in Subsidiary	
INOX Wind Limited	2,528.77
Total	**2,528.77**

Details of Contingent Liabilities and Capital Commitments transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1st July, 2020
A) Contingent liabilities	
a) Claims against the Company not acknowledged as debt	102.32
b) Other money for which the Company is contingently liable:	
i) Litigation with one of the state electricity distribution boards	870.00
ii) Income Tax demand in respect of assessment years 2013-14, 2014-15 & 2015-16. The Company is contesting the demand and has filed appeal under the applicable laws. Against this demand company has deposited ₹ 96.40 Lakhs under protest.	483.24
iii) Rajasthan VAT demand in respect of financial year 2012-13. The Company is contesting the demand and has filed appeal under the applicable laws. Against this demand company has deposited ₹ 5.81 Lakhs under protest.	96.38
B) Capital commitments	4,309.40

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

29 Business Combinations (Contd..)

b) Demerger of Chemical Business Undertaking during the year ended 31st March, 2020 (see Note 1)

During the previous year, the scheme of arrangement for the demerger of Chemical Business Undertaking from the Company to its wholly owned subsidiary, Gujarat Fluorochemicals Limited ("the resulting company") under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 ("the Scheme") was approved by Honourable National Company Law Tribunal, Ahmedabad Bench on 4th July, 2019. The said NCLT Order was filed by both the companies with the Registrar of Companies on 16th July, 2019 i.e. making the Scheme operative. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, including employees and investment in subsidiaries and joint ventures pertaining to the said Chemical Business, stood transferred and vested into the resulting company from its Appointed Date i.e. 1st April, 2019. Certain assets, particularly the immovable properties, are in the process of being registered in the name of the resulting company.

All the shareholders of the Company were allotted one fully paid-up equity share of Re. 1 each in the resulting company, for every one fully paid-up equity share of Re. 1 each held by them in the Company. The name of the Company was changed from Gujarat Fluorochemicals Limited to GFL Limited w.e.f. 17th July, 2019. The demerger was accounted in accordance with AS 103: Business Combinations.

As per the Scheme, the difference between the net assets transferred to the resulting company and the reserves transferred to the resulting company, was adjusted against retained earnings as under:

Particulars	(₹ in Lakhs)
a) Assets transferred on demerger	4,82,954.48
Less: liabilities transferred on demerger	1,32,498.19
Net assets transferred on demerger (a)	**3,50,456.29**
b) Reserves transferred on demerger	
Capital reserve	12,827.46
General reserve	3,20,000.00
Cash flow hedge reserve	84.98
Retained earnings	16,726.31
Total reserves transferred on demerger(b)	**3,49,638.75**
Difference adjusted in retained earnings (a-b)	**817.54**

The movement in other equity on account of the said demerger was as under:

(₹ in Lakhs)

Particulars	Reserves & Surplus				Items of other comprehensive income
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Cash flow hedge reserve
Balance as at 31st March, 2019	**12,827.46**	**59.30**	**3,20,000.00**	**1,36,827.96**	**84.98**
On account of demerger (see Note above)					
Transfer on account of demerger	(12,827.46)	–	(3,20,000.00)	(16,726.31)	(84.98)
Cancellation of investment on demerger	–	–	–	(1.00)	–
Adjusted pursuant to demerger	–	–	–	(817.54)	(84.98)
Net effect of demerger	**(12,827.46)**	**–**	**(3,20,000.00)**	**(17,544.85)**	**(84.98)**
Balance as at 1st April, 2019	**–**	**59.30**	**–**	**1,19,283.11**	**–**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

30 Discontinued Operations - demerger of Renewable Energy Business

As detailed in Note 29, consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business (as more particularly defined in the Scheme) stand transferred and vested into INOX Wind Energy Limited (IWEL) from its Appointed Date i.e. 1st July, 2020.

The demerger is accounted in accordance with AS 103: Business Combinations. Accordingly, the financial information pertaining to the demerged Renewable Energy Business for the comparative period have been classified as Discontinued Operations in the standalone financial statements. Break-up of these is presented below:

Statement of Profit and loss of discontinued operation

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from operations	176.94	1,001.75
Other income	342.62	1,916.65
Total Income	**519.56**	**2,918.40**
Operation and maintenance charges	135.61	529.97
Employee benefits expense	21.39	286.39
Finance costs	5.21	49.23
Depreciation and amortisation expense	240.24	963.66
Other expenses	10.40	195.77
Total expenses	**412.85**	**2,025.02**
Profit before tax	**106.71**	**893.38**
Tax expense (including tax pertaining to earlier years-see Note 24)	2,951.94	(475.02)
Profit/(loss) for the year	**(2,845.23)**	**1,368.40**

Summary of assets/liabilities of discontinued operations:

(₹ in Lakhs)

Particulars	As at 31st March, 2020
ASSETS	
(1) Non-current assets	
(a) Property, plant & equipment	14,463.95
(b) Capital work-in-progress	3,782.49
(c) Financial assets	
(i) Investments in subsidiaries	2,529.77
(ii) Other financial assets	1.50
(d) Income tax assets (net)	1,015.98
(e) Other non-current assets	27,070.00
Sub-total	**48,863.69**
(2) Current assets	
(a) Financial assets	
(i) Trade receivables	521.30
(ii) Cash and cash equivalents	7.28
(iii) Bank balances other than (iii) above	113.86
(iv) Loans	20,230.89
(v) Other financial assets	2,262.71
(b) Other current assets	1,161.65
Sub-total	**24,297.69**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

30 Discontinued Operations - demerger of Renewable Energy Business (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2020
3) Asset Held for Sale	**21,723.81**
Total assets pertaining to discontinued operations	**94,885.19**
LIABILITIES	
(1) Non-current liabilities	
(a) Other financial liabilities	3,753.59
(b) Provisions	23.16
(c) Deferred tax liabilities (net)	525.04
Sub-total	**4,301.79**
(2) Current liabilities	
(a) Financial liabilities	
(i) Trade payables	1,633.46
(ii) Other financial liabilities	403.49
(b) Other current liabilities	2,570.84
(c) Provisions	26.96
Sub-total	**4,634.75**
Total liabilities pertaining to discontinued operations	**8,936.54**

Cash flows from discontinued operations:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Net cash used in operating activities	(4,324.77)	(746.77)
Net cash generated from investing activities	4,333.33	3,735.96
Net cash used in financing activities	(5.21)	(49.23)
Total Cash flow from discontinued operations	**3.35**	**2,939.96**

Details of Property, Plant and Equipment of discontinued operations:

(₹ in Lakhs)

Particulars	As at 30th June, 2020	As at 31st March, 2020
Carrying amounts:		
Freehold land	160.05	160.05
Plant and equipment	14,055.62	14,294.79
Office equipments	0.15	0.22
Furniture and fixtures	7.52	8.47
Vehicles	0.37	0.42
Total	**14,223.71**	**14,463.95**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

30 Discontinued Operations - demerger of Renewable Energy Business (Contd..)

(₹ in Lakhs)

Description of Assets	Freehold land	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Cost or Deemed cost						
Balance as at 1st April, 2019	**160.05**	**24,134.04**	**8.05**	**27.51**	**1.42**	**24,331.07**
Additions	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
Balance as at 31st March, 2020	**160.05**	**24,134.04**	**8.05**	**27.51**	**1.42**	**24,331.07**
Additions	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
Balance as at 30th June, 2020	**160.05**	**24,134.04**	**8.05**	**27.51**	**1.42**	**24,331.07**
Accumulated depreciation						
Balance as at 1st April, 2019	**–**	**8,879.95**	**7.47**	**15.23**	**0.80**	**8,903.45**
Depreciation for the year	–	959.30	0.36	3.81	0.20	963.67
Balance as at 31st March, 2020	**–**	**9,839.25**	**7.83**	**19.04**	**1.00**	**9,867.12**
Depreciation for the year	–	239.17	0.07	0.95	0.05	240.24
Balance as at 30th June, 2020	**–**	**10,078.42**	**7.90**	**19.99**	**1.05**	**10,107.36**

Net carrying amount	Freehold land	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Balance as at 31st March, 2020	160.05	14,294.79	0.22	8.47	0.42	14,463.95
Balance as at 30th June, 2020	**160.05**	**14,055.62**	**0.15**	**7.52**	**0.37**	**14,223.71**

Details of Intangible assets of discontinued operations

(₹ in Lakhs)

Description of Assets	Computer software	Total
Cost or Deemed cost		
Balance as at 1st April, 2019	0.25	0.25
Balance as at 31st March, 2020	0.25	0.25
Balance as at 30th June, 2020	**0.25**	**0.25**
Accumulated amorisation		
Balance as at 1st April, 2019	0.25	0.25
Balance as at 31st March, 2020	0.25	0.25
Balance as at 30th June, 2020	**0.25**	**0.25**

(₹ in Lakhs)

Net carrying amount	Computer software	Total
Balance as at 31st March, 2020	–	–
Balance as at 30th June, 2020	**–**	**–**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

31 Corporate Social Responsibility (CSR)

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹ 821.00 Lakhs (31st March, 2020: ₹ 897.57 Lakhs)

(b) Amount spent during the year on:

(₹ in Lakhs)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any fixed assets	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)
(ii)	On purposes other than (i) above	Nil	821.00	Nil
		(41.20)	(Nil)	(Nil)

(Figures in brackets pertain to previous year)

(c) During the year ended 31st March, 2020, the Chemical Business Undertaking of the Company was demerged as per the Scheme of Arrangement ("the Scheme") between the Company and its wholly owned subsidiary, INOX Fluorochemicals Limited, now known as Gujarat Fluorochemicals Limited ("the resulting company"). As per the legal opinion obtained by the Company, the mandatory obligation towards expenditure to be incurred on Corporate Social Responsibility (CSR) in respect of the profits of the Demerged Chemical Business Undertaking vests with the resulting company i.e. Gujarat Fluorochemicals Limited. Accordingly, the amount of Corporate Social Responsibility (CSR) obligation of ₹ 821.00 lakhs has been recovered by the Company from resulting company. Consequently, the Corporate Social Responsibility (CSR) expenses charged to the statement of profit and loss are net of such recovery as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross CSR obligation	821.00	41.12
Less: Amount recovered	821.00	–
Net amount charged in profit or loss	**–**	**41.12**

32 Exceptional Items

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Expenses incurred on demerger of Renewable Energy Business (see Note 1 and 29)	99.18	–

33 Contingent Liabilities and Commitments:

a) Corporate guarantees given to banks/financial institutions/lenders in respect of loans taken by a step down subsidiary and a fellow subsidiary: ₹ 12,923.07 Lakhs (as at 31st March, 2020: ₹ 31,324.53 Lakhs) - see Note 27.

b) For contingent liabilities and capital commitments transferred and vested on demerger with resulting company, see Note 29.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

34 The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

35 Earning/(Loss) per share:

For continuing operations:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year after tax (₹ in Lakhs)	(276.72)	499.07
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (in ₹)	1.00	1.00
Basic and Diluted earnings/(loss) per share (in. ₹)	(0.25)	0.45

From discontinued operations:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year after tax (₹ in Lakhs)	(2,845.23)	1,368.40
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (in ₹)	1.00	1.00
Basic and Diluted earnings/(loss) per share (in. ₹)	(2.59)	1.25

From total operations:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year after tax (₹ in Lakhs)	(3,121.95)	1,867.47
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (in ₹)	1.00	1.00
Basic and Diluted earnings/(loss) per share (in. ₹)	(2.84)	1.70

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A. D. TALAVLIKAR
Partner
Mem No: 130432

Place: Pune
Dated: 28th June, 2021

For GFL Limited

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

Place: New Delhi
Dated: 28th June, 2021

BHAVI SHAH
Company Secretary

Place: Vadodara

Independent Auditor's Report

to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **GFL Limited** ("the Holding Company"), earlier known as Gujarat Fluorochemicals Limited, its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its associates which comprise the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2021, the loss and total comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in Note 2.2, in preparation of these financial statements, the Group has considered the effect of uncertainties due to COVID-19 pandemic on the operations of the Group. The actual impact of COVID-19 pandemic may be different from that estimated as on the date of approval of these financial statements. Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor's Response
1	**Business combination of Renewable energy business** As described in Note 1 and 52 to the Consolidated Financial Statements, as part of a composite scheme of arrangement ("the Scheme"), the Holding Company has amalgamated its wholly-owned subsidiary Inox Renewables Limited w.e.f. 1st April, 2020 and demerged the Renewable Energy Business to its other wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020. The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25th January, 2021 has approved the Scheme.	To address this key audit matter, our audit procedures included the following: • Examination of the Scheme pursuant to which the amalgamation and the demerger was carried out along with the regulatory approvals required for the Scheme to take effect; • Evaluation of the appropriateness of the accounting treatment followed by the Holding Company in this regard, including the effects given in the reserves and surplus, with reference to the Scheme, relevant Ind AS and the requirements of the accounting principles generally accepted in India; and

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the Consolidated Financial Statements for the year ended 31st March, 2021 (continued)

Sr.	Key Audit Matter	Auditor's Response
	This has been identified as a key audit matter since it is a significant event, requiring compliances of the terms of the Scheme, accounting as per the relevant Ind AS and also complexities involved in the presentation in financial statements	• Examination the disclosures given in the Consolidated Financial Statements for adequacy and appropriateness, including disclosure of comparative figures.
	The Key Audit Matters in the auditor's report of its subsidiary company is reproduced as under:	
2.	**In respect of the Consolidated Financial Statements of INOX Leisure Limited**	
a)	**Claims and exposure relating to indirect taxation** The Group has disclosed in Note 43 the contingent liabilities as at 31st March, 2021 which includes amount of ₹ 25,214.20 lakhs in respect of indirect tax matters viz. entertainment tax and service tax. This has been identified as a key audit matter due to magnitude of the amount involved, uncertainty of the matter and the potential financial impact on the financial statements. There is significant judgement required by management in assessing the exposure of each case due to the complexities of the cases and timescales for resolution.	To address this key audit matter, our audit procedures included the following: • Obtained the summary of all pending indirect tax matters of the Group and assessed the management's position through discussion with the CEO, CFO and legal head, on both the probability of success and the amounts involved. • Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues. • Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and circumstances of the potential exposures are in accordance with Ind AS 37.
b)	**Carrying amount of goodwill, right-of-use assets and property, plant & equipment** As at 31st March, 2021, the carrying amount of goodwill, right-of-use assets (ROU) and property, plant & equipment (PPE) is ₹ 1,750.97 Lakhs, ₹ 2,11,639.39 lakhs and ₹ 94,139.23 Lakhs respectively. The goodwill is in respect of the acquisition of one of the multiplexes and goodwill on consolidation of a subsidiary. The Group is required to annually assess the carrying amount of goodwill by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). As a result of performing value in use calculations, there is no impairment of the goodwill. The Group has also reviewed the carrying amounts of the PPE to determine whether the recoverable amount of a CGU is estimated to be less than its carrying amount by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). For this purpose, each multiplex of the Group is treated as a separate CGU. Based on this analysis, there is no impairment loss. This has been identified as a key audit matter since the value in use calculations includes key assumptions and judgments in the calculation of the recoverable amount, viz. forecast revenue growth rates, discount rate assumptions and the parameters used for growth forecast.	To address this key audit matter, our audit procedures included the following: • In case of ROU and PPE, we evaluated the appropriateness of the parameters used to identify whether any indication of impairment existed for the purpose of identification of CGUs to be tested. • Obtained an external valuation report in respect of the goodwill. • For all CGUs identified for impairment testing and the CGU with goodwill, we obtained the discounted cash flow forecasts prepared by the management. • We evaluated the appropriateness of management's model used for the impairment assessment and considered the reasonableness of the cash flow forecast, judgments and assumptions used in the calculations. • For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations.

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the Consolidated Financial Statements for the year ended 31st March, 2021 (continued)

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report and Shareholder Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Other Matters

We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 1,490.30 lakhs as at 31st March, 2021, total revenues of ₹ 22.33 lakhs, total net loss after tax of ₹ 0.94 lakhs and total comprehensive income of ₹ (0.94) lakhs and net cash outflows amounting to ₹ 30.06 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

The discontinued operations in the Consolidated Financial Statements include the financial statements of twenty-six subsidiaries and five associates whose financial statements reflect total net loss after tax of ₹ 7,344.41 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements for the period from 1st April, 2020 to 30 June, 2020. These financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the review reports of the other auditors.

In case of one associate the unaudited financial statements reflect Group's share of net profit of ₹ 4.62 lakhs for the year ended 31st March, 2021, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) with respect to the preparation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities;

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the Consolidated Financial Statements for the year ended 31st March, 2021 (continued)

selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the Group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and its associate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit

Independent auditor's report to the members of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) on the Consolidated Financial Statements for the year ended 31st March, 2021 (continued)

findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company, and on the basis of reports of the independent auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and its subsidiaries' internal financial controls with reference to financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies where applicable to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

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

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432
UDIN: 21130432AAAABN5564

Place: Pune
Date: 28th June, 2021

Annexure to Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31st March, 2021 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

In conjunction with our audit of the Consolidated Financial Statements of **GFL Limited** (hereinafter referred to as "the Holding Company") earlier known as Gujarat Fluorochemicals Limited, as of and for the year ended 31st March, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies', internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's, its subsidiary companies' internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;

Annexure to Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31st March, 2021 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (continued)

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2021, based on the internal controls over financial reporting criteria established by the Holding Company and its subsidiaries, considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one subsidiary which is a company incorporated in India, is based on the corresponding report of the auditor of this company. Our opinion is not modified in respect of this matter.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432
UDIN: 21130432AAAABN5564

Place: Pune
Date: 28th June, 2021

Consolidated Balance Sheet

as at 31st March, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
1	***Non - current assets***			
	(a) Property, plant and equipment	5(a)	94,139.23	97,538.77
	(b) Capital work-in-progress	5(b)	5,695.01	8,534.92
	(c) Right-of-use assets	5(c)	2,11,639.39	2,14,182.77
	(d) Investment Property	6	253.79	255.57
	(e) Goodwill	7	1,750.97	1,750.97
	(f) Other intangible assets	8	563.93	841.04
	(g) Investments accounted for using the equity method	9	688.70	125.10
	(h) Financial assets			
	(i) Other investments	10	9.49	1,228.36
	(ii) Loans	11	10,477.52	10,164.33
	(iii) Other financial assets	12	8,653.26	9,505.62
	(i) Deferred tax assets (net)	13	28,405.42	17,729.34
	(j) Income tax assets (net)	14	171.38	745.40
	(k) Other non-current assets	15	2,767.62	3,114.58
	Total non - current assets		**3,65,215.71**	**3,65,716.77**
2	***Current assets***			
	(a) Inventories	16	1,033.53	1,364.54
	(b) Financial assets			
	(i) Other investments	10	1,514.73	1,461.29
	(ii) Trade receivables	17	1,778.24	6,274.64
	(iii) Cash and cash equivalents	18	887.24	4,062.45
	(iv) Bank balances other than (iii) above	19	7,112.27	614.91
	(v) Loans	11	30.00	884.00
	(vi) Other financial assets	12	2,646.28	3,255.86
	(c) Other current assets	15	4,916.52	4,318.18
	Total current assets		**19,918.81**	22,235.87
3	**Assets held for sale**	20	3,200.00	3,200.00
4	**Assets pertaining to discontinued operations on account of demerger**	53	–	5,67,467.54
	Total assets (1+2+3+4)		**3,88,334.52**	**9,58,620.18**
	EQUITY AND LIABILITIES			
1	***Equity***			
	(a) Equity share capital	21	1,098.50	1,098.50
	(b) Other equity	22	36,159.97	2,16,774.55
	Equity attributable to owners of the Company		**37,258.47**	**2,17,873.05**
	Non-controlling interests	23	33,592.52	1,01,309.63
	Total equity		**70,850.99**	3,19,182.68

Consolidated Balance Sheet

as at 31st March, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
	LIABILITIES		–	–
2	***Non-current liabilities***			
	(a) Financial liabilities			
	(i) Borrowings	24	4,701.69	3,729.30
	(ii) Lease Liabilities	25	2,65,925.65	2,59,220.10
	(iii) Other financial liabilities	26	666.66	748.54
	(b) Provisions	27	1,669.15	1,798.48
	(c) Deferred tax liabilities (net)	13	28.34	0.87
	(d) Other non-current liabilities	28	5,765.33	6,648.40
	Total non - current liabilities		**2,78,756.82**	2,72,145.69
3	***Current liabilities***			
	(a) Financial Liabilities			
	(i) Borrowings	29	2,100.00	10,264.13
	(ii) Lease liabilities	25	8,109.57	6,965.45
	(iii) Trade payables			
	a. total outstanding dues of micro enterprises and small enterprises	30	796.68	1,660.09
	b. total outstanding dues of creditors other than micro enterprises and small enterprises	30	9,751.01	11,415.13
	(iv) Other financial liabilities	26	11,829.77	11,714.91
	(b) Other current liabilities	31	4,184.79	5,093.84
	(c) Provisions	27	1,950.84	1,985.79
	(d) Current tax liabilities (net)	14	4.05	288.45
	Total current liabilities		**38,726.71**	**49,387.79**
4	***Liabilities pertaining to discontinued operations on account of demerger***	53	–	3,17,904.02
	Total Equity and Liabilities (1+2+3+4)		**3,88,334.52**	**9,58,620.18**

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors
For GFL Limited

A. D. TALAVLIKAR
Partner
Mem No: 130432

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: Pune
Dated: 28th June, 2021

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Consolidated Statement of Profit and Loss

for the year ended on 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from operations	32	10,697.20	1,89,757.65
Other income	33	4,339.47	1,915.23
Total Income (I)		**15,036.67**	**1,91,672.88**
Expenses			
Cost of materials consumed		787.66	12,472.07
Exhibition cost	34	2,639.23	49,645.78
Employee benefits expense	35	8,903.88	14,395.40
Finance costs	36	25,254.59	21,905.52
Depreciation and amortisation expense	37	28,322.48	26,422.09
Rent concessions	25	(22,201.40)	–
Other expenses	38	15,792.29	53,861.36
Total expenses (II)		**59,498.73**	**1,78,702.22**
Share of profit/(loss) of associate (III)	9	563.60	(74.90)
Profit/(loss) before exceptional items and tax (I-II+III = IV)		**(43,898.46)**	**12,895.76**
Exceptional items (V)	46	507.29	–
Profit/(loss) before tax (IV-V = VI)		**(44,405.75)**	**12,895.76**
Tax expense	39		
Current tax		4.20	7,317.80
Deferred tax		(10,661.92)	(2,768.99)
Impact of deferred tax assets remeasurement on account of change in tax rate		–	6,886.09
Taxation pertaining to earlier years		(180.05)	(57.70)
Total tax expense(VII)		**(10,837.77)**	**11,377.20**
Profit/(loss) for the year from continuing operations (VI-VII=VIII)		**(33,567.98)**	**1,518.56**
Loss from discontinued operations before tax (IX)	53	(10,183.94)	(40,691.59)
Tax expense of discontinued operations (X)	53	(754.38)	(15,526.41)
Loss for the year from discontinued operations (IX-X=XI)		**(9,429.56)**	**(25,165.18)**
Loss for the year (VIII+XI=XII)		**(42,997.54)**	**(23,646.62)**
Other Comprehensive Income (XIII)			
A. In respect of continuing operations			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		168.32	(201.75)
(ii) Tax on above		(42.37)	70.26
B. In respect of discontinued operations			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(12.03)	75.37
Gains and (losses) on effective portion of hedging instruments in a cash flow hedge		–	81.96
(ii) Tax on above		5.50	(54.75)
Total other comprehensive Income (A+B)		**119.42**	**(28.91)**
Total Comprehensive income for the year (XII + XIII)		**(42,878.12)**	**(23,675.53)**

Consolidated Statement of Profit and Loss

for the year ended on 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
Loss for the year attributable to:			
Equity holders of the Parent		(23,171.79)	(12,337.99)
Non-controlling interests		(19,825.75)	(11,308.63)
Other comprehensive income for the year attributable to			
– Owners of the Company		64.84	(11.78)
– Non-controlling interests		54.58	(17.13)
Total comprehensive income for the year attributable to:			
– Equity holders of the Parent		(23,106.95)	(12,349.77)
– Non-controlling interests		(19,771.17)	(11,325.76)
Total comprehensive income for the year attributable to owners of the Company:			
From continuing operations		(16,830.55)	756.52
From discontinued operations		(6,276.40)	(13,106.29)
From total operations		(23,106.95)	(12,349.77)
Basic and diluted earnings/(loss) per equity share of Re. 1 each (in ₹)			
From continuing operations	58	(30.56)	1.38
From discontinued operations	58	(8.58)	(22.91)
From total operations	58	(39.14)	(21.53)

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors
For GFL Limited

A. D. TALAVLIKAR
Partner
Mem No: 130432

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: Pune
Dated: 28th June, 2021

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flows from operating activities		
Profit/(loss) for the year after tax from continuing operations	**(33,567.98)**	**1,518.56**
Adjustments for:		
Tax expense	(10,837.77)	11,377.20
Finance costs	25,254.59	21,905.52
Interest income	(840.81)	(729.62)
Share of (profit)/loss of associate	(563.60)	74.90
Deferred revenue	(694.17)	(908.72)
Gain on investments measured at FVTPL	(175.54)	(465.12)
Loss on disposal of property, plant and equipment (net)	35.36	332.55
Liabilities and provisions, no longer required, written back	(606.04)	(765.04)
ESOP charges	17.86	53.19
Bad debt & remissions	1.31	6.85
Allowance for doubtful advances and deposits	–	58.00
Inventories written off	131.17	149.61
Allowance for doubtful trade receivables and expected credit losses	191.34	393.76
Depreciation and amortisation expense	28,322.47	26,422.09
Rent concessions	(22,960.24)	–
Exceptional items	408.11	–
Unrealised foreign exchange loss (net)	1.77	61.24
Unrealized MTM loss on financial assets (net)	–	162.37
	(15,882.17)	**59,647.34**
Movements in working capital:		
(Increase)/decrease in trade receivables	4,911.25	2,148.76
(Increase)/decrease in inventories	199.84	(295.40)
(Increase)/decrease in loans	(128.35)	(1,001.18)
(Increase)/decrease in other financial assets	252.31	(1,174.30)
(Increase)/decrease in other assets	(502.33)	(5,399.38)
Increase/(decrease) in trade payables	(2,026.24)	(2,377.76)
Increase/(decrease) in provisions	85.00	874.71
Increase/(decrease) in other financial liabilities	126.46	(1,108.92)
Increase/(decrease) in other liabilities	(794.03)	1,301.04
Cash generated from/(used in) operations	**(13,758.26)**	**52,614.91**
Income taxes refund/(paid)	430.26	(5,147.92)
Net cash generated from/(used in) operating activities		
From continuing operations	(13,328.00)	47,466.99
From discontinued operations	(2,245.91)	73,956.42
Net cash generated from/(used in) operating activities	**(15,573.91)**	**1,21,423.41**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment (including changes in capital work in progress, capital creditors & capital advances)	(5,956.75)	(20,620.42)
Acquisition of other intangible assets/right-of-use assets	(107.66)	(739.50)
Proceeds from disposal of property, plant and equipment	11.78	36.37
Investment in associate	–	(2,000.00)
Interest received	270.36	135.96
Maturity of Government securities	46.55	334.09
Purchase of current investments	(13,434.99)	(45,833.00)
Sale/redemption/maturity of non-current investments	798.91	–
Sale/redemption of current investments	13,909.22	45,703.38
Movement in other bank balances	(6,484.92)	(203.14)
From discontinued operations:	18,327.59	(33,571.35)
Net cash generated from/(used in) investing activities	**7,380.09**	**(56,757.61)**

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flows from financing activities		
Proceeds from sale of treasury shares (net of expenses)	10,066.02	–
Proceeds from issue of equity shares through QIP (net of expenses)	24,655.56	–
Shares issued under ESOP	5.06	6.25
Repayment of borrowings - non current	(5,413.67)	(3,500.00)
Proceeds from borrowings - non current	7,600.00	1,729.30
Proceeds from / (repayments of) borrowings - current (net)	(8,264.13)	8,331.39
Dividend paid (including tax on dividend)	–	(5,297.99)
Payment of lease liabilities	(5,759.27)	(25,817.06)
Finance costs	(1,724.81)	(1,136.16)
From discontinued operations:	(15,564.06)	(37,239.12)
Net cash generated from/(used in) financing activities	**5,600.70**	**(62,923.39)**
Net increase/(decrease) in cash and cash equivalents	**(2,593.12)**	**1,742.41**
Cash and cash equivalents at the beginning of the year	4,801.00	7,125.00
Eliminated on disposal of subsidiary	13.37	–
Cash and cash equivalents transferred pursuant to demerger of Chemical Business Undertaking	–	4,066.41
Cash and cash equivalents transferred pursuant to demerger of Renewable Energy Business	1,307.27	–
Cash and cash equivalents at the end of the year	**887.24**	**4,801.00**

Changes in liabilities arising from financing activities during the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	**7,230.82**	**10,280.38**
Interest expense	953.35	610.92
Cash flows	1,181.34	(8,732.33)
Closing balance	**9,365.51**	**2,158.97**

Changes in liabilities arising from financing activities during the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	**9,002.75**	**2,012.89**
Interest expense	670.90	220.78
Cash flows	(2,442.83)	8,046.71
Closing balance	**7,230.82**	**10,280.38**

Notes:

1. The above Consolidated Statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per Note 18.
3. Cash and Cash equivalents for the year ended 31st March, 2020 includes ₹ 738.55 lakhs pertaining to discontinued operations (see Note 53).

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A. D. TALAVLIKAR
Partner
Mem No: 130432

Place: Pune
Dated: 28th June, 2021

For and on behalf of the Board of Directors
For GFL Limited

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

A. Equity Share Capital

	Balance as at 1st April, 2019	Changes during 2019-20	Balance as at 31st March, 2020	Changes during 2020-21	Balance as at 31st March, 2021
(see Note 21)	1,098.50	–	1,098.50	–	1,098.50

B. Other Equity

(₹ in Lakhs)

Particulars	ATTRIBUTABLE TO OWNERS OF THE COMPANY													Non controlling interests (d)	Total (c+d)
	Reserves and surplus									Items of Other comprehensive income			Other equity (c=a+b)		
	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	Shares options outstanding account	General reserve	Treasury share reserve	Retained earnings	Sub Total (a)	Cash flow hedge reserve	Foreign currency translation reserve	Sub total (b)			
Balance as at 1st April, 2019	**13,004.82**	**46,715.52**	**59.30**	**1,135.55**	**101.51**	**3,21,729.72**	**–**	**2,12,839.62**	**5,95,586.04**	**12.30**	**985.62**	**997.92**	**5,96,583.96**	**1,28,786.71**	**7,25,370.67**
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	(12,827.46)					(3,20,000.00)		(10,304.27)	(3,43,131.73)	(84.98)	(985.62)	(1,070.60)	(3,44,202.33)	314.69	(3,43,887.64)
	177.36	**46,715.52**	**59.30**	**1,135.55**	**101.51**	**1,729.72**	**–**	**2,02,535.35**	**2,52,454.31**	**(72.68)**	**–**	**(72.68)**	**2,52,381.63**	**1,29,101.40**	**3,81,483.03**
Additions during the year:															
Loss for the year								(12,337.99)	(12,337.99)			–	(12,337.99)	(11,308.63)	(23,646.62)
Other comprehensive income for the year, net of tax (*)								(84.46)	(84.46)	72.68		72.68	(11.78)	(17.13)	(28.91)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(12,422.45)**	**(12,422.45)**	**72.68**	**–**	**72.68**	**(12,349.77)**	**(11,325.76)**	**(23,675.53)**
Transactions with owners in their capacity as owners:															
Transition impact Ind AS 116, net of tax (see Note 48)								(18,507.05)	(18,507.05)			–	(18,507.05)	(15,930.79)	(34,437.84)
Share issue expenses		(24.27)							(24.27)			–	(24.27)	(18.48)	(42.75)
Payment of dividend including dividend distribution tax								(4,745.02)	(4,745.02)			–	(4,745.02)	(552.97)	(5,297.99)
On account of stock options in subsidiary		50.28			(31.25)				19.03			–	19.03	36.23	55.26
Balance as at 31st March, 2020	**177.36**	**46,741.53**	**59.30**	**1,135.55**	**70.26**	**1,729.72**	**–**	**1,66,860.83**	**2,16,774.55**	**–**	**–**	**–**	**2,16,774.55**	**1,01,309.63**	**3,18,084.18**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	ATTRIBUTABLE TO OWNERS OF THE COMPANY													Non controlling interests (d)	Total (c+d)
	Reserves and surplus									Items of Other comprehensive income			Other equity (c=a+b)		
	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	Shares options outstanding account	General reserve	Treasury share reserve	Retained earnings	Sub Total (a)	Cash flow hedge reserve	Foreign currency translation reserve	Sub total (b)			
On account of demerger of Renewable Energy Business (see Note 1 and 52)		(40,691.41)		(1,135.55)				(1,24,404.81)	(1,66,231.77)			–	(1,66,231.77)	(69,548.70)	(2,35,780.47)
Additions during the year:															
Loss for the year								(23,171.79)	(23,171.79)			–	(23,171.79)	(19,825.75)	(42,997.54)
Other comprehensive income for the year, net of tax (*)								64.84	64.84			–	64.84	54.58	119.42
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(23,106.95)**	**(23,106.95)**	**–**	**–**	**–**	**(23,106.95)**	**(19,771.17)**	**(42,878.12)**
On issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses		8,156.31				(188.47)	3,190.75	(2,433.94)	8,724.65	–	–	–	8,724.65	21,566.76	30,291.41
On account of stock options in subsidiary		42.21			(42.72)				(0.51)			–	(0.51)	36.00	35.49
Balance as at 31st March, 2021	**177.36**	**14,248.64**	**59.30**	**–**	**27.54**	**1,541.25**	**3,190.75**	**16,915.13**	**36,159.97**	**–**	**–**	**–**	**36,159.97**	**33,592.52**	**69,752.49**

(*) Other comprehensive income for the year is in respect of remeasurement of defined benefit plans

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors
For GFL Limited

A. D. TALAVLIKAR
Partner
Mem No: 130432

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

BHAVI SHAH
Company Secretary

Place: Pune
Dated: 28th June, 2021

Place: New Delhi
Dated: 28th June, 2021

Place: Vadodara

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

1 Group information

GFL Limited ("the Company"), earlier known as Gujarat Fluorochemicals Limited, is a public limited company incorporated and domiciled in India. These Consolidated Financial Statements ("these CFS") relate to the Company, its subsidiaries (collectively referred to as the "Group") and the Group's interest in associates. The Company's holding company is INOX Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Survey No. 16/3, 26 & 27, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380.

The Group is now mainly engaged in operating and managing multiplexes and cinema theatres. The Group's Renewable Energy Business which was engaged in manufacture and sale of wind turbine generators (WTGs), providing Erection, Procurement and Commissioning (EPC) services, Operations and Maintenance (O&M) services, wind farms development services and common infrastructure facilities for WTGs and power generation through renewable energy, is demerged w.e.f. 1st July, 2020.

Composite scheme of arrangement

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25th January, 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, INOX Renewables Limited and INOX Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below:

a) Part A - Amalgamation of its wholly-owned subsidiary Inox Renewables Limited into GFL Limited w.e.f. 1st April, 2020, and

b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL Limited into its wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020.

The aforesaid Scheme was filed with the Registrar of Companies (ROC) on 9th February, 2021 making the Scheme operative.

The amalgamation stated in the Part A of the Scheme is accounted in accordance with Appendix C of Ind AS 103: Business Combination being common control business combination.

Consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business (as more particularly defined in the Scheme) stand transferred and vested into INOX Wind Energy Limited (IWEL) from its Appointed Date i.e. 1st July, 2020. As a consideration for the Part B of the Scheme, all the Shareholders of GFL Limited are allotted one fully paid-up equity share of ₹ 10 each in Inox Wind Energy Limited, for every ten fully paid- up equity shares of Re. 1 each held by them in GFL Limited. The shares of IWEL are separately listed on BSE and NSE on 11th June, 2021. Further, shares of IWEL held by GFL Limited stand cancelled and IWEL has ceased to be a subsidiary of GFL Limited.

The demerger is accounted in accordance with Ind AS 103: Business Combinations (see Note 52 for details). Further, as required by Ind AS 105: Non-current Assets held for Sale and Discontinued Operations, the figures for the previous year have been restated and the financial information pertaining to the demerged business has been presented and disclosed as Discontinued Operations.

Demerger of Chemical Business Undertaking:

During the preceding year, as per the Scheme of Arrangement between GFL Limited (earlier known as Gujarat Fluorochemicals Limited) ("GFL") and Gujarat Fluorochemicals Limited (earlier known as INOX Fluorochemicals Limited) ("GFCL"), the Chemical Business Undertaking of GFL was transferred to and vested with GFCL. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the said scheme, stood transferred and vested into GFCL from the Appointed Date i.e. 1st April, 2019. The immovable properties are in the process of being registered in the name of GFCL.

2 Statement of compliance and basis of preparation and presentation

2.1 Statement of Compliance

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

of the Companies Act, 2013 (“the Act”), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (see Note 2.4).

On approval of the composite scheme of arrangement referred to in Note 1, the Company has now become a “Core Investment Company”. Division III of Schedule III to the Companies Act, 2013, permits presentation of the consolidated financial statement on a mixed basis. For the Group, on a consolidated basis, the NBFC operations are not significant. Accordingly, the Consolidated Financial Statements are presented predominantly as per Division II of Schedule III to the Companies Act, 2013. The income of Holding Company from financial assets viz. interest, dividend, guarantee commission and fair value gains on investments, is classified as ‘revenue from operations’ as against ‘other income’ in the Consolidated Financial Statements and the figures for the comparative period have been reclassified accordingly.

Ministry of Corporate Affairs (MCA), vide its Notification dated 24th March, 2021, amended Schedule III to the Companies Act, 2013 with effect from 1st April, 2021. In the opinion of the management since the changes are effective from 1st April, 2021, they are applicable to financial statements in respect of accounting years commencing on or after 1st April, 2021. Therefore, the related disclosure requirements are not considered in these financial statements for the year ended 31st March, 2021.

These CFS for the year ended 31st March, 2021 are approved for issue by the Board of Directors at its meeting held on 28th June, 2021.

2.2 Assessment of COVID-19 pandemic impact on the Group

On the theatrical exhibition business: The COVID-19 pandemic and the resultant lockdown declared by the Government of India in March 2020 has impacted the entire entertainment industry and consequently the multiplex business activities of the Group is also adversely affected. The cinema exhibition sector started to commence operations based on the opening announcement by various State Governments in a phased manner from mid-October 2020 onwards. However, due to the second wave of COVID-19 from the beginning of 2021, various State Governments have imposed fresh restrictions/lockdown which has continued the adverse impact on the cinema exhibition industry. The management has already initiated effective steps to reduce its operational costs.

In developing the assumptions relating to the possible future uncertainties, the Group has considered all relevant internal and external information available up to the date of approval of these financial statements and the Group has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis. Given the continuing uncertainties due to the COVID- 19 pandemic, its actual impact may be different from that estimated as on the date of approval of these financial statements, which will require the impact assessment on the Group’s operations to be continuously monitored.

2.3 Basis of preparation, presentation and measurement

These CFS are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

These CFS have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months.

Ministry of Corporate Affairs (MCA), vide its Notification dated 24th March, 2021, amended Schedule III to the Companies Act, 2013 with effect from 1st April, 2021. In the opinion of the Company's management since the changes are effective from 1st April, 2021, they are applicable to financial statements in respect of accounting years commencing on or after 1st April, 2021. Therefore, the related disclosure requirements are not considered in these Consolidated Financial Statements for the year ended 31st March, 2021

2.4 New accounting standards and recent accounting pronouncements

a. Amendments to existing accounting standards applicable to the Group:

i. Standard issued and effective during the year: There is no new accounting standard which has been become effective during the year.

ii. Amendments to existing accounting standards applicable to the Group:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 24th July, 2020 amendments to the existing standards have been notified and all these amendments are effective for annual periods beginning from 1st April, 2020. Amendments to the following accounting standards have become applicable for the current reporting period:

- Amendments to Ind AS 103 Business Combination: The amendments substitute the existing definition of "business" with a more detailed definition and also provides optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive. These amendments will apply to future business combinations.
- Amendments to Ind AS 107 Financial Instruments – Disclosures: The amendments prescribe additional disclosures in respect of uncertainty arising from interest rate benchmark reform. These amendments did not have any impact on the Consolidated Financial Statements.
- Amendments to Ind AS 109 Financial Instruments: The amendments provide certain temporary

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

exceptions from applying specific hedge accounting requirements. These amendments did not have any impact on the Consolidated Financial Statements.

- Amendments to Ind AS 116 Leases: The amendments provide a practical expedient for treatment of rent concessions occurring as a direct consequence of COVID-19 pandemic and related clarifications. The Group has applied the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases and elected not to assess whether such rent concession is a lease modification. see Note 48 for the details.
- Amendments to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors: The amendments provide a new definition of the term “material” and also provides related clarifications.
- Amendments to Ind AS 10 Events after the Reporting Period: The conditions requiring disclosure for a non-adjusting event has been elaborated.
- Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets: The amendments are consequent to amendments to Ind AS 1, Ind AS 8 and Ind AS 10, and also provides clarifications in respect of restructuring plans.

b. New accounting pronouncements:

Ministry of Corporate Affairs notifies new standards or amendments to the existing standards. As per Notification dated 18th June, 2021 amendments to the existing standards have been notified. All these amendments are effective for annual periods beginning 1st April, 2021. The summary of these amendments is as under:

- Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116 relate to the effect of interest rate benchmark reforms and related additional disclosures.
- Amendments to Ind AS 116 extend the period of availing the practical expedient relating to rent concessions in paragraph 46A.

The Group is currently evaluating the effect of these amendments on the Consolidated Financial Statements.

3 Basis of Consolidation and Significant Accounting Policies

3.1 Basis of consolidation

These CFS incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries of the Group to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group losses control of a subsidiary, gain or loss is recognised in profit or loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

3.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date (see Note 3.13); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter,

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C of Ind AS 103: Business Combinations. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their respective carrying values. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise the accounting policies. Issue of fresh securities towards the consideration for the business combination is recorded at nominal value. The identity of the reserves transferred by the acquired entity is preserved and they are carried in the same form and manner. The difference, if any,

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 3.2 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associate is described in Note 3.4 below.

3.4 Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these CFS using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associates is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture or an investment in joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a associate of the Group, unrealised gains and losses resulting from such transactions are eliminated to the extent of the interest in the associate.

3.5 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of investment, or a portion of an investment, in an associate, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continued to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate.

After the disposal takes place, the Group accounts for any retained interest in the associate in accordance with Ind AS 109 unless retained interest continues to be an associate, in which case the Group uses the equity method (see the accounting policy regarding investment in associates above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value and less costs to sell.

3.6 Revenue recognition

Revenue from contract with customers is recognized when the Group satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration, which the Group expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

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In the case of theatrical exhibition business:

i. **Revenue from services:**

Revenue from services is recognized, at a point in time or over time, on satisfaction of performance obligation for the services rendered, as under:

Revenue from sale of movie tickets (box office revenue) is recognized as and when the movie is exhibited viz. at a point in time. Advertisement revenue is recognized on exhibition of the advertisement or over the period of contract, as applicable. Revenue from other services is recognized over the period of contract or at a point in time, as per the contractual terms.

ii. **Food and beverages revenue:**

Food and beverages revenue is recognized when the control of goods have been transferred to the customers. The performance obligation is case of sale of products is satisfied at a point in time i.e. at the point of sale.

iii. **Loyalty programme:**

The Group operates a loyalty programme where a customer earns points as and when the customer transacts with the Group, these points can be redeemed in the future for goods and services. Under Ind AS 115, the loyalty programme gives rise to a separate performance obligation as it provides a material right to the customer. The Group allocates a portion of transaction price to the loyalty programme based on relative standalone selling price, instead of allocating using the fair value of points issued. As at year-end, loyalty points which are not redeemed by the customers are lapsed and amount allocated to those points are transferred to other income.

iv. Generally, no element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term of 60-90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money. Non-cash consideration (or promise of non-cash consideration) is measured at fair value. If the fair value of the non-cash consideration cannot be reasonably estimated, the same is measured indirectly by reference to the standalone selling price of the goods or services promised to the customer (or class of customer) in exchange for the consideration.

v. **Contract balances:**

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.7 Revenue recognition in respect of the discontinued operations viz. the demerged Renewable Energy Business

a) **In the case of wind energy business:**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

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- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.

- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:

  Revenue from EPC is recognised point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.

- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.

- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

- Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract

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and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of license whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

b) **In the case of power business:**

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

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.

- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

- Revenue also excludes taxes collected from customers. Contract assets are recognised when there is excess of revenue earned over billings on contracts.

- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

- Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

- In accordance with Ind AS 37, the Group recognises an onerous contract provision when

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the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

- Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of license whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Other income

Dividend income from investments is recognized when the right to receive payment is established. Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.8 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grants.

Government grants, whose primary condition is that the Group should establish and operate multiplexes in specified areas, are initially recognised as deferred revenue in the consolidated balance sheet and subsequently transferred to profit or loss as other operating revenue on a systematic and rational basis over the useful lives of the related assets of the respective multiplexes.

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Grants that compensate the group for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants in the form of non-monetary asset given at a concessional rate are accounted for at their fair value. The related grant is presented as deferred income and subsequently transferred to profit or loss as other income on a systematic and rational basis.

3.9 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease viz. whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises a right-of-use asset and lease liabilities at the lease commencement date.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, entity's incremental borrowing rate.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

"Lease liabilities" and "Right-of-use asset" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Variable lease payments that are not included in the measurement of lease liabilities is charged as expense in the statement of profit and loss under the head 'Rent'. Rent concessions that are not assessed as lease modification are recognised in the statement of profit and loss.

3.10 Foreign currency transactions and translation

In preparing the financial statements of each individual Group Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured. Exchange differences arising of settlement or translation of monetary items are recognised in the statement of profit and loss in the period in which they arise.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to

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the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.12 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Statement of profit and loss. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, performance incentives, short-term compensated absences etc.

Long-term employee benefits:

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans:

Retirement benefit in the form of provident and pension fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

The Group's gratuity scheme is a defined benefit plan and is unfunded. For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'.

Other long-term employee benefits

The employees of the Group are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accumulating compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.13 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair

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value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.14 Taxation

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. Deferred tax assets include Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as deferred tax assets in the Balance Sheet if there is convincing evidence that the Group will pay normal tax within the period specified for utilization of such credit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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Presentation of current and deferred tax:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

3.15 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On leasehold improvements, electrical installations & air conditioners in leased premises, over the period of useful life on the basis of the respective agreements, ranging from 10-25 years or the useful life as per Part C of Schedule II to the Companies Act, 2013, whichever is shorter.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.16 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

Depreciation is recognised so as to write off the cost of investment properties less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of investment properties at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Investment properties are depreciated over its estimated useful lives, determined as under:

- Cost of leasehold land is amortised over the period of lease
- On other assets, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.17 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Operating software 3 years
- Other software 6 years
- Website 5 years

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For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.18 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.19 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis.

Cost of inventories comprises all costs of materials, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.20 Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

3.21 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "other income' line item.

c) Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

i. The Group's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVTOCI.

This category does not apply to any of the financial assets of the Group other than the derivative instrument for the cash flow hedges.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group excluding investments in subsidiaries and an associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

e) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial

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asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f) Impairment of financial assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.

B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

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Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

ii. **Financial Liabilities:**

a) **Initial recognition and measurement:**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) **Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Group has not designated any financial liability as at FVTPL.

c) **Foreign exchange gains and losses:**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

d) **Derecognition of financial liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.22 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

4 Critical accounting judgements, use of estimates and assumptions

The preparation of Group's financial statements requires management to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

For estimation uncertainty relating to COVID-19 pandemic, see Note 2.2 above.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Following are the other critical judgements, significant estimates and assumptions used in preparation of these financial statements:

a) In respect of leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option when determining the lease term. Accordingly, the Group has considered the entire term of lease for the purpose of Ind AS 116 as the Group has the sole right to cancel the agreement (after the initial lock-in period) and the Group intends to operate the underlying asset for the entire term. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

b) Impairment of goodwill, right-of-use assets and property, plant and equipment:

For the purpose of impairment testing, each multiplex / cinema theatre is identified as a Cash-Generating Unit (CGU) being the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Group of assets.

Where it is not possible to estimate the recoverable amount of a CGU, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

Further, it is not possible to measure fair value less cost of disposal of a CGU (viz. a multiplex or a cinema theatre) because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between the market participant at the measurement date in case of such operating CGUs. Hence the asset's value in use is used as recoverable amount of such CGUs in determining the extent of impairment loss, if any.

The value in use calculation requires the management of the Group to estimate the present value of future cash flows expected to arise from the CGU which includes forecast of revenue growth rates and a suitable discount rate assumption.

c) In respect of Government Grants:

Some of the multiplexes operated by the Group are entitled to exemption from payment of entertainment tax in terms of the schemes notified by the respective State Governments, whose primary condition is that the Group should establish and operate multiplexes in specified areas. Therefore, in terms of Ind AS 20 Accounting for Government Grants, these grants are classified as grants related to assets of such multiplexes. Accordingly, the Group presents the same in the balance sheet by setting up the grant as deferred income and is recognised in the statement of profit and loss as other operating revenue on a systematic basis over the useful lives of the related assets.

d) Useful lives of Property, Plant & Equipment (PPE) and intangible assets (other than goodwill):

The Group has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.15 & 3.17 above. Depreciation and amortisation are based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. The Group reviews the estimated useful lives of PPE & intangible assets (other than goodwill) at the end of each reporting period.

e) Fair value measurements and valuation processes:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are

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for the year ended 31st March, 2021

determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

f) Defined employee benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

g) Expected credit losses on financial assets:

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Recognition and measurement of provisions and contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

i) Income taxes:

Provision for current tax is made based on reasonable estimate of taxable income computed as per the prevailing tax laws. The amount of such provision is based on various factors including interpretation of tax regulations, changes in tax laws, acceptance of tax positions in the tax assessments etc.

In respect of INOX Leisure Limited, deferred tax asset is recognized on losses on the basis of assumptions and estimates of future taxable income.

j) In respect of INOX Employee Welfare Trust and INOX Benefit Trust:

INOX Employees Welfare Trust manages the ESOP Scheme of INOX Leisure Limited and INOX Benefit Trust holds treasury shares for the benefit of INOX Leisure Limited. INOX Leisure Limited is the Settlor for both these trusts. As a settlor, the company has the power to remove the trustees as it may deem necessary. Hence, the directors of the Holding Company have concluded that the Group has control over these trusts and the same has been consolidated in these CFS.

k) Investment in associates:

In respect of investment in LLP, after considering the Group's interest in the entity and the terms of the LLP agreement, it is concluded that the Group exercises only significant influence over the entity and does not have joint control and hence the investment is classified as investment in an associate.

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for the year ended 31st March, 2021

5 (a) Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Carrying amounts of:		
Freehold land	2,669.66	2,669.66
Buildings	10,866.32	11,096.44
Leasehold improvements	33,721.98	33,506.29
Plant and equipment	35,562.67	37,277.42
Furniture and fixtures	8,567.15	9,388.60
Vehicles	104.78	126.42
Office equipment	2,646.67	3,473.94
Total	**94,139.23**	**97,538.77**

Details of property, plant and equipment pledged as security towards borrowings (see Note 41)

a) Details of freehold land and buildings that are mortgaged are as under.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Freehold Land	–	1,743.99
Buildings	2,954.36	4,231.46
Total	**2,954.36**	**5,975.45**

b) Details of leasehold improvements, plant and equipment, office equipment and furniture and fixtures that are hypothecated are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Leasehold improvements	8,317.76	10,325.14
Plant and equipment	9,881.19	12,116.15
Furniture and fixtures	2,502.80	3,207.27
Office equipment	696.11	896.39
Total	**21,397.86**	**26,544.95**

The Group is not allowed to mortgage/hypothecate these assets as security for other borrowings.

For impairment testing, see Note 5(d)

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for the year ended 31st March, 2021

5 (a) Property, plant and equipment (Contd..)

A. Continuing Business:

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Leasehold Improve-ments	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at 1st April, 2019	**2,669.66**	**12,309.49**	**37,049.29**	**46,389.38**	**13,610.38**	**182.53**	**7,267.67**	**1,19,478.40**
Additions	–	–	7,136.90	7,939.87	2,503.02	–	1,342.82	18,922.61
Disposals	–	–	(477.28)	(472.08)	(146.04)	(7.10)	(55.84)	(1,158.34)
Balance as at 31st March, 2020	**2,669.66**	**12,309.49**	**43,708.91**	**53,857.17**	**15,967.36**	**175.43**	**8,554.65**	**1,37,242.67**
Additions	–	20.27	3,180.18	2,891.16	1,071.08	–	459.34	7,622.03
Disposals	–	(0.88)	(13.96)	(227.90)	(121.18)	(4.87)	(51.64)	(420.43)
Balance as at 31st March, 2021	**2,669.66**	**12,328.88**	**46,875.13**	**56,520.43**	**16,917.26**	**170.56**	**8,962.35**	**1,44,444.27**
Accumulated depreciation and impairment								
Balance as at 1st April, 2019	**–**	**963.92**	**7,740.65**	**12,604.24**	**4,915.39**	**33.98**	**3,833.67**	**30,091.85**
Depreciation expense	**–**	**249.13**	**2,754.43**	**4,318.09**	**1,770.09**	**22.13**	**1,287.75**	**10,401.62**
Eliminated on disposal of assets	–	–	(292.46)	(342.58)	(106.72)	(7.10)	(40.71)	(789.57)
Balance as at 31st March, 2020	**–**	**1,213.05**	**10,202.62**	**16,579.75**	**6,578.76**	**49.01**	**5,080.71**	**39,703.90**
Depreciation expense	–	249.60	2,964.49	4,573.51	1,881.66	21.64	1,283.53	10,974.43
Eliminated on disposal of assets	–	(0.09)	(13.96)	(195.50)	(110.31)	(4.87)	(48.56)	(373.29)
Balance as at 31st March, 2021	**–**	**1,462.56**	**13,153.15**	**20,957.76**	**8,350.11**	**65.78**	**6,315.68**	**50,305.04**

(₹ in Lakhs)

Carrying amounts	Land - Freehold	Buildings	Leasehold Improve-ments	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31st March, 2020	2,669.66	11,096.44	33,506.29	37,277.42	9,388.60	126.42	3,473.94	97,538.77
As at 31st March, 2021	2,669.66	10,866.32	33,721.98	35,562.67	8,567.15	104.78	2,646.67	94,139.23

B. Discontinued Business (see Note 1 and 53)

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance as at 1st April, 2019	**1,630.00**	**21,512.06**	**1,07,650.93**	**507.01**	**261.85**	**365.06**	**1,31,926.91**
Additions	400.00	1,000.00	28,930.79	11.70	55.06	9.57	30,407.12
Disposals	(32.12)	–	(2,557.17)	–	–	–	(2,589.29)
Reclassified	165.00	–	(165.00)	–	–	–	–
Balance as at 31st March, 2020	**2,162.88**	**22,512.06**	**1,33,859.55**	**518.71**	**316.91**	**374.63**	**1,59,744.74**
Additions	–	–	–	–	–	–	–
Disposals	(165.00)	–	(2,786.34)	–	–	–	(2,951.34)
Balance as at 30th June, 2020	**1,997.88**	**22,512.06**	**1,31,073.21**	**518.71**	**316.91**	**374.63**	**1,56,793.40**
Accumulated depreciation							
Balance as at 1st April, 2019	**–**	**3,453.32**	**18,262.17**	**149.61**	**86.43**	**275.59**	**22,227.12**
Eliminated on disposal of assets	–	–	(603.15)	–	–	–	(603.15)
Depreciation expense	–	1,632.34	6,387.72	55.05	33.07	51.15	8,159.33
Balance as at 31st March, 2020	**–**	**5,085.66**	**24,046.74**	**204.66**	**119.50**	**326.74**	**29,783.30**

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5 (a) Property, plant and equipment (Contd..)

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Depreciation expense	–	389.72	1,633.47	13.68	9.69	9.22	2,055.78
Eliminated on disposal of assets	–	–	(87.84)	–	–	–	(87.84)
Balance as at 30th June, 2020	**–**	**5,475.38**	**25,592.37**	**218.34**	**129.19**	**335.96**	**31,751.24**

(₹ in Lakhs)

Carrying amounts	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31st March, 2020	2,162.88	17,426.40	1,09,812.81	314.05	197.41	47.89	1,29,961.44
As at 30th June, 2020	1,997.88	17,036.68	1,05,480.84	300.37	187.72	38.67	1,25,042.16

5 (b) Capital work in progress

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital work-in-progress	4,961.67	7,422.34
Pre-operative expenditure pending allocation	733.34	1,112.58
Total	**5,695.01**	**8,534.92**

Particulars of pre-operative expenditure incurred during the period are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	1,112.58	911.12
Add: Expenses incurred during the year		
Salaries and wages	78.88	577.28
Contribution to provident and other funds	9.80	45.66
Staff welfare	0.44	2.27
Lease Rent	–	13.93
Legal & professional fees and expenses	169.27	908.69
Travelling & conveyance	57.31	397.40
Power & fuel	38.80	89.47
Housekeeping expenses	1.57	44.12
Outsourced personnel cost	1.25	93.96
Security expenses	35.04	127.82
Miscellaneous expenses	13.32	30.20
	405.68	**2,330.80**
Sub-total	1,518.26	3,241.92
Less: Capitalised during the year	784.92	2,129.34
Closing balance	**733.34**	**1,112.58**

Capital work in progress includes amount of ₹ 1,787.36 Lakhs (as at 31st March, 2020: Nil) in respect of multiplex premises under construction which have been hypothecated to secured loans from banks (see Note 41). The Group is not allowed to hypothecate these assets as security for other borrowings or to sell them to another entity.

Notes to the Consolidated Financial Statements

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5 (c) Right of use assets

A. Continuing Business:

(₹ in Lakhs)

Particulars	Class of assets		
	Leasehold Land	Building	Total
Gross Block			
On recognition and reclassification as at 1st April, 2019	**280.70**	**1,74,361.35**	**1,74,642.05**
Additions	–	55,347.73	55,347.73
Deductions/Adjustments	–	(166.37)	(166.37)
Balance as at 31st March, 2020	**280.70**	**2,29,542.71**	**2,29,823.41**
Additions	–	15,972.80	15,972.80
Deductions/ Adjustments	–	(1,566.34)	(1,566.34)
Balance as at 31 March 2021	**280.70**	**2,43,949.17**	**2,44,229.87**
Accumulated depreciation			
On recognition and reclassification as at 1st April, 2019	**–**	**–**	**–**
Depreciation expense	6.96	15,633.68	15,640.64
Balance as at 31st March, 2020	**6.96**	**15,633.68**	**15,640.64**
Depreciation expense	6.96	17,001.63	17,008.59
Deductions/ Adjustments	–	(58.75)	(58.75)
Balance as at 31st March, 2021	**13.92**	**32,576.56**	**32,590.48**

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	Total
As at 31st March, 2020	273.74	2,13,909.03	2,14,182.77
As at 31st March, 2021	266.78	2,11,372.61	2,11,639.39

For impairment testing, see Note 5(d)

B. Discontinued Business (see Note 1 and 53)

(₹ in Lakhs)

Particulars	Class of assets		
	Leasehold Land	Building	Total
Gross Block			
On recognition and reclassification as at 1st April, 2019	**185.03**	**4,532.78**	**4,717.81**
Additions	–	–	–
Balance as at 31st March, 2020	**185.03**	**4,532.78**	**4,717.81**
Additions	–	272.47	272.47
Balance as at 30th June, 2020	**185.03**	**4,805.25**	**4,990.28**
Accumulated depreciation			
On recognition and reclassification as at 1st April, 2019	**–**	**–**	**–**
Depreciation expense	43.54	162.45	205.99
Balance as at 31st March, 2020	**43.54**	**162.45**	**205.99**
Depreciation expense	40.50	22.74	63.24
Balance as at 30th June, 2020	**84.04**	**185.19**	**269.23**

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	Total
As at 31st March, 2020	141.49	4,370.33	4,511.82
As at 30th June, 2020	100.99	4,620.06	4,721.05

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

5 (d) Impairment of right-of-use assets and property, plant & equipment

Multiplex Business:

The Group has reviewed the carrying amounts of right of use assets, property, plant and equipment to determine whether the recoverable amount of a cash generating unit (CGU) is estimated to be less than its carrying amount by performing value in use calculation based on cash flow projections of the relevant CGU. For this purpose, each multiplex of the Group is treated as a separate CGU.

In view of the economic uncertainties due to COVID-19, the Group has reassessed the discount rates, revisited the growth rates and other assumptions used in the financial projections based on which the future cash flows have been estimated for CGU. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Group. The Group has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on current indicators of the future economic conditions, there is no impairment in current year and preceding year.

6 Investment Property

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Carrying amount of		
Land (*)	168.45	168.45
Building	85.34	87.12
	253.79	**255.57**

(₹ in Lakhs)

Particulars	Land	Building	Total
Cost or Deemed Cost			
Balance as at 1st April, 2019	**168.45**	**96.32**	**264.77**
Additions	–	–	–
Balance as at 31st March, 2020	**168.45**	**96.32**	**264.77**
Additions	–	–	–
Balance as at 31st March, 2021	**168.45**	**96.32**	**264.77**
II. Accumulated depreciation			
Balance as at 1st April, 2019	**–**	**7.42**	**7.42**
Depreciation expense	–	1.78	1.78
Balance as at 31st March, 2020	**–**	**9.20**	**9.20**
Depreciation expense	–	1.78	1.78
Balance as at 31st March, 2021	**–**	**10.98**	**10.98**

(₹ in Lakhs)

Carrying amounts	Land	Building	Total
As at 31st March, 2020	168.45	87.12	255.57
As at 31st March, 2021	168.45	85.34	253.79

(*) The land is taken on lease for 999 years.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

a) **Fair Value of Investment Properties:**

Fair valuation of Investment Properties as at 31st March, 2021 and 31st March, 2020 have been arrived at on the basis of valuation carried out on the respective dates by an independent valuer not related to the Group. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the area and locality, facilities available and present rate of similar type of buildings in the vicinity. The value adopted is made with reference to the rates observed by the valuers for similar properties in the locality and adjusted based on the valuer' s knowledge of the factors specific to the respective properties.

b) **Details of the investment properties and information about fair value hierarchy:**

(₹ in Lakhs)

Particulars	Fair value as at	
	31st March, 2021	31st March, 2020
Land	586.35	586.35
Building	353.17	353.17
Total	**939.52**	**939.52**

c) **The expenses related to investment property are as under :**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Insurance	0.25	0.14
Housekeeping & maintenance expenses	3.55	4.29
Electricity expenses	0.17	0.11
	3.97	**4.54**

7 Goodwill

(₹ in Lakhs)

Particulars	On business combination	On consolidation	Total
Gross carrying amount			
As at 1st April, 2019	1,750.00	41.85	1,791.85
As at 31st March, 2020	1,750.00	41.85	1,791.85
As at 31st March, 2021	1,750.00	41.85	1,791.85
Accumulated impairment loss			
As at 1st April, 2019	–	40.88	40.88
As at 31st March, 2020	–	40.88	40.88
As at 31st March, 2021	–	40.88	40.88
Net carrying amount			
As at 1st April, 2019	1,750.00	0.97	1,750.97
As at 31st March, 2020	1,750.00	0.97	1,750.97
As at 31st March, 2021	1,750.00	0.97	1,750.97

1) Goodwill on business combination is in respect of one of the multiplexes of the Group acquired through business combination.

2) Goodwill on consolidation is in respect of consolidation of Shouri Properties Private Limited, a subsidiary of INOX Leisure Limited.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

7 Goodwill (Contd..)

a) In respect of goodwill on business combination

Goodwill on business combination is in respect of one of the multiplexes of the Group acquired through business combination. This multiplex is considered as cash generating unit (CGU). The Group has performed an annual impairment test to ascertain the recoverable amount of CGU based on a value in use calculation. This calculations use cash flow projections of the CGU based on management's estimates and business plans over a period of 10 years. The Group has used a period greater than five years since the Group has a long term lease arrangement in respect of this multiplex.

In view of the economic uncertainties due to COVID-19, the Group has reassessed the discount rates, revisited the growth rates and other assumptions used in the financial projections based on which the future cash flows have been estimated for CGU. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Group. The Group has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis.

Key assumptions on which the management has based its cash flow projections:

a) Budgeted footfalls are expected to grow by 5% p.a.

b) Budgeted Average Ticket Price (ATP) is expected to grow by 9% p.a.

c) Budgeted Refuel Per Person (RPP) is expected to grow by 11% p.a.

The Group has considered the impact of COVID-19 pandemic on revenue during the initial period of forecast and then applied the above growth rates for the balance period.

The discount rate used is 9.85% p.a. which is based on Weighted Average Cost of Capital (WACC) for the Group.

The calculations performed indicate that there is no impairment of CGU.

b) In respect of goodwill on consolidation of Shouri Properties Private Limited (SPPL)

SPPL holds a license to operate a multiplex cinema theatre which is operated by INOX Leisure Limited and this multiplex is considered as cash generating unit (CGU). The Group has performed an annual impairment test to ascertain the recoverable amount of CGU based on a value in use calculation. The discount rate used in 9.85% p.a. and growth rates used to estimate future performance are based on conservative estimates from past performance and after considering the impact of COVID-19, as stated above.

Based on above, there is no impairment loss required to be recognized in the current year.

8 Other intangible assets

(₹ in Lakhs)

Particulars	**Year ended 31st March, 2021**	**Year ended 31st March, 2020**
Carrying amounts of:		
Software	563.93	841.04
Website	–	–
	563.93	**841.04**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

8 Other intangible assets (Contd..)

A. Continuing Business

(₹ in Lakhs)

Description of Assets	Software	Website	Total
Cost or deemed Cost			
Balance as at 1st April, 2019	**2,065.54**	**46.00**	**2,111.54**
Additions	113.81	–	113.81
Disposals	(11.05)	–	(11.05)
Balance as at 31st March, 2020	**2,168.30**	**46.00**	**2,214.30**
Additions	60.57	–	60.57
Balance as at 31st March, 2021	**2,228.87**	**46.00**	**2,274.87**
Accumulated amortisation			
Balance as at 1st April, 2019	**967.95**	**38.16**	**1,006.11**
Amortisation expense	370.21	7.84	378.05
Eliminated on disposal of assets	(10.90)	–	(10.90)
Balance as at 31st March, 2020	**1,327.26**	**46.00**	**1,373.26**
Amortisation expense	337.68	–	337.68
Balance as at 31st March, 2021	**1,664.94**	**46.00**	**1,710.94**

(₹ in Lakhs)

Carrying amounts	Software	Website	Total
As at 31st March, 2020	841.04	–	841.04
As at 31st March, 2021	563.93	–	563.93

B. Discontinued Business (see Note 1 and 53)

(₹ in Lakhs)

Particulars	Software	Technical Know How	Total
Cost or Deemed Cost			
Balance as at 1st April, 2019	**197.51**	**4,906.83**	**5,104.34**
Additions	366.37	–	366.37
Reclassified	43.54	(43.54)	–
Balance as at 31st March, 2020	**607.42**	**4,863.29**	**5,470.71**
Additions	–	–	–
Balance as at 30th June, 2020	**607.42**	**4,863.29**	**5,470.71**
Accumulated amortisation			
Balance as at 1st April, 2019	**169.89**	**1,904.51**	**2,074.40**
Amortisation expense	31.87	596.57	628.44
Balance as at 31st March, 2020	**201.76**	**2,501.08**	**2,702.84**
Amortisation expense	97.76	116.96	214.72
Balance as at 30th June, 2020	**299.52**	**2,618.04**	**2,917.56**

(₹ in Lakhs)

Carrying amounts	Software	Technical Know How	Total
Balance as at 31st March, 2020	405.66	2,362.21	2,767.87
Balance as at 30st June, 2020	307.90	2,245.25	2,553.15

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

9 Investments accounted for using the equity method

(a) Investment in associate

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
		Nos.	Amounts	Nos.	Amounts
Non-current Investments					
Unquoted Investments					
Investment in Limited Liability Partnership					
Nexome Realty LLP			688.70		125.10
Total investment in associate			**688.70**		**125.10**
Total of Investments measured at Cost			**688.70**		**125.10**
Aggregate book value of quoted investments			–		–
Aggregate market value of quoted investments			–		–
Aggregate carrying value of unquoted investments			688.70		125.10
Aggregate amount of impairment in value of investments			–		–

(b) Details and financial information of associate

Details of the Group's associate at the end of the reporting period are as follows:

Associates of INOX Infrastructure Limited

Nexome Realty LLP

Nexome Realty LLP is incorporated in India and is engaged in the business of real estate development:

(₹ in Lakhs)

Name of associate	Proportion of ownership interest/ voting rights held	
	31st March, 2021	31st March, 2020
Nexome Realty LLP	20.00%	20.00%

(₹ in Lakhs)

Name of associate	Proportion of ownership interest/ voting rights held	
	31st March, 2021	31st March, 2020
The Group's share of profit/(loss)	563.60	(74.90)
The Group's share of other comprehensive income	–	–
The Group's share of total comprehensive income	**563.60**	**(74.90)**

(c) Notes:

(i) Investments in associates pertaining to the Renewable Energy Business are transferred and vested in the resulting company on demerger of the Renewable Energy Business (see Note 1 and 52). Prior to the demerger, these companies were associates of the Group.

(ii) For investment in an associate reclassified as held for sale, see Note 20.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

10 Other Investments

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
		Nos.	Amounts	Nos.	Amounts
Non-current					
I. Quoted Investments (fully paid up)					
Investments in mutual funds (Measured at FVTPL)					
HDFC FMP 1430 Days July, 2017(1)-Direct-Growth - Sr. 38	10.00	1,00,00,000	1,286.84	1,00,00,000	1,212.27
Kotak FMP Series 210-Direct-Growth	10.00	65,00,000	–	65,00,000	776.94
			1,286.84		**1,989.21**
Less: Current portion of Non-current investments disclosed under current investments			(1,286.84)		(776.94)
Total quoted investments			**–**		**1,212.27**
II. Unquoted Investments					
Investment in Government securities (unquoted, fully paid up)					
National Savings Certificates			19.98		87.81
Less: Current portion of Non-current investments			(10.49)		(71.72)
Total unquoted investments			**9.49**		**16.09**
Total non-current Investments (A)			**9.49**		**1,228.36**
Current					
I. Quoted Investments (Fully paid up)					
Current portion of Non-current investments					
Investments in mutual funds (Measured at FVTPL)			1,286.84		776.94
II. Unquoted Investments (Fully paid up)					
a. Investment in Government Securities (measured at amortised cost)					
Current portion of Non-current investments					
National Savings Certificate			10.49		71.72
b. Investments in mutual funds (Measured at FVTPL)					
Nippon India Liquid Fund-Direct Plan-Growth	1,000.00	588	–	588	28.53
HDFC Liquid Fund - Direct Plan - Growth	1,000.00	4,612	186.56	8,284	323.62
HDFC Liquid Fund-Regular Plan-Growth	1,000.00	–	–	3,358	130.40
ABSL Liquid Fund - Growth	100.00	–	–	31,569	100.31
ICICI Prudential Liquid Plan-Growth-Regular Plan	100.00	10,177	30.84	10,177	29.77
			217.40		**612.63**
Total unquoted Investments			**227.89**		**684.35**
Total Current investments (B)			**1,514.73**		**1,461.29**
Total Other investments (A+B)			**1,524.22**		**2,689.65**
Aggregate book value of quoted investments			1,286.84		1,989.21
Aggregate market value of quoted investments			1,286.84		1,989.21
Aggregate carrying value of unquoted investments			237.38		700.44
Aggregate amount of impairment in value of investments			–		–

Note: The Group has kept on lien certain mutual funds (including current portion of non-current investments) against long-term borrowing (see Note 41)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

10 Other Investments (Contd..)

Investment in National Savings Certificate (NSC) carries interest in the range of 8.00% to 8.68% p.a as per the issue series invested. Interest is compounded on yearly basis and payable on maturity. These NSC's are pledged with Government authorities and held in the name of directors/ex-director/ employees.

(₹ in Lakhs)

Category-wise other investments – as per Ind AS 109 classification	As at 31st March, 2021	As at 31st March, 2020
Financial assets measured at FVTPL		
Mandatorily measured at FVTPL - Mutual funds	1,504.24	2,601.84
Financial assets measured at amortised cost		
National Savings Certificates	19.98	87.81
Total	**1,524.22**	**2,689.65**

11 Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Security deposits		
Unsecured - considered good	10,477.52	10,164.33
Unsecured - credit impaired	147.46	147.46
	10,624.98	**10,311.79**
Less: Provision for impairment	**(147.46)**	**(147.46)**
Total	**10,477.52**	**10,164.33**
Current		
Security deposits		
Unsecured - considered good	30.00	884.00
Total	**30.00**	**884.00**
The above financial assets are carried at amortised cost.		
Carrying amount of security deposits whose contractual cash flow characteristics have been assessed based on the facts and circumstances that existed at the date of transition to Ind AS.	4,062.31	4,909.09

12 Other financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Entertainment tax and GST subsidy claimed	782.90	1,578.88
Electricity charges refund claimed (see Note 43)	389.83	389.83
Non-current bank balances (from Note 19)	341.54	341.59
Amount recoverable towards claims		
Unsecured - considered good	–	–
Unsecured - credit impaired	914.16	914.16
	914.16	**914.16**
Less: Provision for impairment	(914.16)	(914.16)
	–	**–**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

12 Other financial assets(Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other advances (*)		
Unsecured - considered good	7,138.99	7,195.32
Unsecured - credit impaired	80.50	80.50
	7,219.49	**7,275.82**
Less: Provision for impairment	(80.50)	(80.50)
	7,138.99	**7,195.32**
Total	**8,653.26**	**9,505.62**
Current		
Current account with Nexome Realty LLP	1,800.00	1,800.00
Interest accrued - other	25.28	27.36
Other receivables		
-From related party (see Note 51)	821.00	1,428.50
Total	**2,646.28**	**3,255.86**

(*) Other advances represents advances given for properties to be taken on lease, pending execution of final agreement.

13 Deferred tax assets/(liabilities)

The major components of deferred tax assets/(liabilities) arising on account of timing differences are as follows:

(₹ in Lakhs)

Category-wise other investments – as per Ind AS 109 classification	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets	28,405.42	17,729.34
Deferred tax liabilities	(28.34)	(0.87)
Net deferred tax assets	**28,377.08**	**17,728.47**

Year ended 31st March, 2021

13.1 The Major components of Deferred tax assets/(liabilities) in relation to:

A) Continuing operations:

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,051.54)	(478.63)	–	(1,530.17)
Gratuity and leave benefits	527.83	13.67	(42.37)	499.13
Expenses allowable on payment basis	694.78	48.06	–	742.84
Allowance for doubtful trade receivables and expected credit loss	137.29	48.16	–	185.45
Government grants - deferred income	1,755.10	(210.99)	–	1,544.11
Lease Liabilities	13,692.48	2,564.87	–	16,257.35
Business losses (see Note 13.3)	–	5,522.10	–	5,522.10
Unabsorbed Depreciation (see Note 13.3)	–	2,914.99	–	2,914.99
Others deferred tax assets	1,973.40	296.22	–	2,269.62
Others deferred tax liabilities	(0.87)	(27.47)	–	(28.34)
Total	**17,728.47**	**10,690.98**	**(42.37)**	**28,377.08**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

13 Deferred tax assets/(liabilities) (Contd..)

B) Discontinued operations (see Note 1 and 53)

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against consolidation	Transfer on demerger	Closing Balance
Property, Plant and equipment	(8,549.59)	92.41	–	–	8,457.18	–
Gratuity and Leave benefits	379.46	(45.08)	5.50	–	(339.88)	–
Allowance for doubtful trade receivables and expected credit losses	7,152.65	164.06	–	–	(7,316.71)	–
Straight lining of O & M revenue	(14,462.29)	(333.10)	–	–	14,795.39	–
Government grants - deferred income	672.27	(0.30)	–	–	(671.97)	–
Effect of measuring financial instruments at fair value	(1,152.57)	(174.29)	–	–	1,326.86	–
Lease Liabilities	16.10	7.00	–	–	(23.10)	–
Business losses	27,427.50	2,038.11	–	(206.58)	(29,259.03)	–
Other deferred tax assets	1,387.68	(8.50)	–	–	(1,379.18)	–
Other deferred tax liabilities	1,727.80	70.41	–	–	(1,798.21)	–
	14,599.01	**1,810.72**	**5.50**	**(206.58)**	**(16,208.65)**	**–**
MAT credit entitlement	10,950.20	(1,056.34)	–	–	(9,893.86)	–
Total	**25,549.21**	**754.38**	**5.50**	**(206.58)**	**(26,102.51)**	**–**

13.2 The Major components of Deferred tax assets/(liabilities) in relation to:

Year ended 31st March, 2020

A) Continuing operations:

(₹ in Lakhs)

Particulars	Opening Balance	Impact of transition to Ind AS 116 (*)	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,032.21)	–	(19.33)	–	–	(1,051.54)
Gratuity and leave benefits	509.72	–	(52.15)	70.26	–	527.83
Expenses allowable on payment basis	702.79	–	(8.01)	–	–	694.78
Allowance for doubtful trade receivables and expected credit loss	128.90	–	8.39	–	–	137.29
Government grants - deferred income	2,698.01	–	(942.91)	–	–	1,755.10
Lease Liabilities (*)	–	18,493.26	(4,800.78)	–	–	13,692.48
Others deferred tax assets	151.25	–	1,822.15	–	–	1,973.40
Others deferred tax liabilities	(8.33)	–	7.46	–	–	(0.87)
	3,150.13	**18,493.26**	**(3,985.18)**	**70.26**	**–**	**17,728.47**
MAT credit entitlement	2,126.88	–	–	–	(2,126.88)	–
Total	**5,277.01**	**18,493.26**	**(3,985.18)**	**70.26**	**(2,126.88)**	**17,728.47**

(*) See Note 48

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

13 Deferred tax assets/(liabilities) (Contd..)

B) Discontinued operations (see Note 1 and 53)

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing Balance
Property, Plant and Equipment	(9,905.86)	1,356.27	–	–	(8,549.59)
Gratuity and Leave benefits	354.57	51.00	(26.11)	–	379.46
Allowance for doubtful trade receivables and expected credit losses	599.42	6,553.23	–	–	7,152.65
Straight lining of O & M revenue	(11,302.07)	(1,428.01)	–	(1,732.21)	(14,462.29)
Government grants - deferred income	797.57	(125.30)	–	–	672.27
Effect of measuring financial instruments at fair value	(990.69)	(161.88)	–	–	(1,152.57)
Business losses	18,336.50	8,903.61	–	187.39	27,427.50
Lease Liabilities	–	16.10	–	–	16.10
Other deferred tax assets	2,365.48	(977.80)	–	–	1,387.68
Other deferred tax liabilities	(28.47)	1,784.91	(28.64)	–	1,727.80
	226.45	**15,972.13**	**(54.75)**	**(1,544.82)**	**14,599.01**
MAT credit entitlement	10,912.07	10.36	–	27.77	10,950.20
Total	**11,138.52**	**15,982.49**	**(54.75)**	**(1,517.05)**	**25,549.21**

13.3 In respect of INOX Leisure Limited (ILL), deferred tax asset is recognised on tax losses comprising of unabsorbed depreciation and business loss as per the Income-tax Act, 1961. The financial year 2020-21 is the first year of incurring such losses which is consequent to the COVID-19 pandemic and the resultant lockdown (see Note 2.2). On the basis of projections and estimates, ILL is expected to generate taxable income from financial year 2022-23 onwards and accordingly concluded that the deferred tax assets will be recoverable using the estimated future taxable income. The business losses can be carried forward for a period of 8 years and the unabsorbed depreciation can be carried forward indefinitely as per the Income-tax Act, 1961 and the company expects to recover the losses.

13.4 As at 31st March, 2021, one of the subsidiary has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

Nature of tax loss	Financial Year	Gross amount (₹ in Lakhs)	Expiry date
Business Losses	2014-15	9.27	31-Mar-23
Business Losses	2015-16	13.76	31-Mar-24
Business Losses	2020-21	1.34	31-Mar-29

13.5 No deferred tax liability has been recognised in respect of temporary differences associated with the investments in subsidiaries (on account of undistributed earnings of the subsidiaries) aggregating to ₹ 25,353.22 lakhs (as at 31st March, 2020 ₹ 1,15,032.42 lakhs) as the holding company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

14 Income tax assets and Current tax liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non current	Current	Non current
Income tax assets (net)				
Income tax paid (net of provisions)	–	171.38	–	745.40
Total	**–**	**171.38**	**–**	**745.40**
Current tax liabilities (net)				
Provision for income tax (net of payments)	4.05	–	288.45	–
Total	**4.05**	**–**	**288.45**	**–**

15 Other non-current and current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Capital advances	464.33	715.28
Security deposits with government authorities	1,748.18	1,868.35
Prepayments	555.11	530.95
Total	**2,767.62**	**3,114.58**
Current		
Advances to suppliers	493.21	292.51
Other advances for expense	36.29	1,550.83
Balances with government authorities - GST credit available	3,356.62	1,351.57
Prepayments	1,015.93	1,123.27
Contract assets - unbilled revenue	14.47	–
Total	**4,916.52**	**4,318.18**

16 Inventories

(at lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Food & beverages	524.63	707.25
Stores, spares & fuel	508.90	657.29
	1,033.53	**1,364.54**

The mode of valuation of inventories is stated in Note 3.19

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

17 Trade receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
(unsecured)		
Considered good	1,778.24	6,274.64
Trade receivables which have significant increase in credit risk	20.48	194.84
Trade receivables which are credit impaired	716.36	350.66
	2,515.08	**6,820.14**
Less: Provision for expected credit loss and impairment	(736.84)	(545.50)
Total	**1,778.24**	**6,274.64**
Trade receivable includes amount due from a private company in which a director of the Company is a director (see Note 51)	0.04	0.64

18 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks in current accounts	764.70	4,041.21
Cash on hand	122.54	21.24
Total	**887.24**	**4,062.45**

19 Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance in unclaimed dividend accounts	150.38	168.67
Bank deposits with original maturity period of more than 3 months but less than 12 months	6,949.36	299.12
Bank deposits with original maturity for more than 12 months	354.07	488.71
	7,303.43	**787.83**
Less: Amount disclosed under Note 12 - 'Other financial assets - non current'	(341.54)	(341.59)
	6,961.89	**446.24**
Total	**7,112.27**	**614.91**

Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Bank deposits with original maturity for more than 3 months but less than 12 months	356.27	299.12
b) Bank deposits with original maturity for more than 12 months	354.07	473.60

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

20 Assets held for Sale

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in associate company		
Unquoted Investments (partly paid)		
Megnasolace City Private Limited - Equity shares of ₹ 10/- each - Paid up ₹ 1.60 per share (*)	3,200.00	3,200.00
	3,200.00	**3,200.00**

The Group had exercised its put option to divest its entire investment in Megnasolace City Private Limited (MCPL). This was disputed by the promoters of MCPL and the matter was contested before the appropriate Civil Court. During the previous year, as per the order dated 29th July, 2019 passed by the Civil Court, the matter was disposed of in terms of the consent terms reached between the two parties. Accordingly, the put option exercised by the Group is held to be valid and the other party is required to pay a sum of ₹ 3,200.00 lakhs to the Group for transfer of the Group's investment in MCPL, within a period of eighteen months from the date of the order. Accordingly, the Group's investment in MCPL has been classified as asset held for sale and the same is measured in accordance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The Group is not entitled to any profit or losses of MCPL since the Group will receive the agreed consideration of ₹ 3,200.00 lakhs. In view of the Covid-19 pandemic situation, the transaction has been delayed. However, the Group expects to complete the transfer as per the consent terms and the court order.

(*) Uncalled amount payable by the Group in respect of above shares is ₹ 16,800.00 Lakhs (as at 31st March, 2020 ₹ 16,800.00 lakhs)

21 Share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised capital		
20,00,00,000 (31st March, 2020: 20,00,00,000) equity shares of Re 1 each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
10,98,50,000 (31st March, 2020: 10,98,50,000) equity shares of Re 1 each	1,098.50	1,098.50
	1,098.50	**1,098.50**

Note: Pursuant to the Composite Scheme of arrangement (see Note 1), the authorised capital of the Company had increased by ₹ 11,010.00 Lakhs i.e. 11,01,00,000 equity shares of ₹ 10 each, from 1st April, 2020. Subsequently, pursuant to the demerger of Renewable Energy Business w.e.f. 1th July, 2020 (see Note 1), the authorised capital has been reduced by ₹ 11,010.00 lakhs i.e. 11,01,00,000 equity shares of ₹ 10 each.

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
At the beginning of the year	10,98,50,000	1,098.50	10,98,50,000	1,098.50
Movement during the year	–	–	–	–
Shares outstanding at the end of the year	**10,98,50,000**	**1,098.50**	**10,98,50,000**	**1,098.50**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

21 Share capital (Contd..)

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Re. 1 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(iii) Particulars of dividend paid to shareholders

During the previous year i.e. on 19th September, 2019, final dividend of ₹ 3.50 per share (Total dividend of ₹ 4,635.05 Lakhs including dividend distribution tax (DDT) of ₹ 790.30 Lakhs) for FY 2018-19 was paid to holders of equity shares.

(iii) Shares held by holding company and ultimate holding company:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
INOX Leasing & Finance Limited	5,81,49,021	581.49	5,81,49,021	581.49
TOTAL	**5,81,49,021**	**581.49**	**5,81,49,021**	**581.49**

(iv) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	% of holding	No. of shares	% of holding
INOX Leasing and Finance Limited	5,81,49,021	52.93%	5,81,49,021	52.93%
Devansh Trademart LLP	66,62,360	6.06%	66,62,360	6.06%
Siddhapavan Trading LLP	55,76,440	5.08%	55,76,440	5.08%
Meenu Bhanshali	54,95,182	5.00%	54,95,182	5.00%

22 Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital reserve	177.36	177.36
Securities premium	14,248.64	46,741.53
Capital redemption reserve	59.30	59.30
Debenture redemption reserve	–	1,135.55
Shares option outstanding account	27.54	70.26
General reserve	1,541.25	1,729.72
Treasury share reserve	3,190.75	–
Retained earnings	16,915.13	1,66,860.83
Cash flow hedge reserve	–	–
Foreign currency translation reserve	–	–
	36,159.97	**2,16,774.55**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

22.1 Capital reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	177.36	13,004.82
Movement during the year		
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	(12,827.46)
Balance at the end of the year	**177.36**	**177.36**

The balance in Capital reserve represents the capital reserve on consolidation.

22.2 Securities premium

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	46,741.53	46,715.52
Movement during the year		
On account of demerger of Renewable Energy Business (see Note 1 and 52)	(40,691.41)	–
On issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses	8,156.31	(24.27)
On account of stock option in subsidiary	42.21	50.28
Balance at the end of the year	**14,248.64**	**46,741.53**

Securities Premium represents premium on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

22.3 Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	59.30	59.30
Movement during the year	–	–
Balance at the end of the year	**59.30**	**59.30**

In FY 2008-2009, the Group has bought back and extinguished 59,30,000 equity shares of Re. 1 per share at an average price of ₹ 103.48 per share from open market, and accordingly the face value of Re. 1 per share is reduced from the paid up equity share capital and correspondingly the amount of ₹ 59.30 Lakhs was transferred to Capital Redemption Reserve from the Statement of Profit and Loss account.

22.4 Debenture redemption reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	1,135.55	1,135.55
Movement during the year		
On account of demerger of Renewable Energy Business (see Note 1 and 52)	(1,135.55)	–
Balance at the end of the year	**–**	**1,135.55**

The Group had issued redeemable non-convertible debentures. Accordingly, as required by the Companies (Share capital and Debentures) Rules, 2014 (as amended), Debenture Redemption Reserve (DRR) was created out of profits available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and will be reclassified to retained earnings on redemption of debentures.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

22.5 Share options outstanding account

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	70.26	101.51
Movement during the year		
On account of stock option in subsidiary	(42.72)	(31.25)
Balance at the end of the year	**27.54**	**70.26**

The above reserve relates to share option granted by the Group to its employees under the employee share option plan. Further information about share based payment to employees is set out in Note 40.

22.6 General reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	1,729.72	3,21,729.72
Movement during the year		
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	(3,20,000.00)
On issue of fresh equity shares & sale of treasury shares by a subsidiary	(188.47)	–
Balance at the end of the year	**1,541.25**	**1,729.72**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

22.7 Treasury share reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	–	
Movement during the year		
On account of sale of Treasury Shares, net of expenses	3,190.75	
Balance at the end of the year	**3,190.75**	**–**

The above reserve relates to gain on sale of treasury shares sold during the year, held by INOX Benefit Trust. (See Note 54)

22.8 Retained Earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	1,66,860.83	2,12,839.62
Movement during the year		
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	(10,304.27)
On account of demerger of Renewable Energy Business (see Note 1 and 52)	(1,24,404.81)	–
Transition impact of Ind AS 116, net of tax (see Note 48)	–	(18,507.05)
Loss attributable to owners of the Company	(23,171.79)	(12,337.99)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	64.84	(84.46)
Payment of dividend on equity shares (including dividend distribution tax)	–	(4,745.02)
On issue of fresh equity shares & sale of treasury shares by a subsidiary	(2,433.94)	–
Balance at the end of the year	**16,915.13**	**1,66,860.83**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

22 Other equity (Contd..)

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in entirety.

22.9 Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	–	12.30
Movement during the year		
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	(84.98)
Other comprehensive income for the year, net of income tax	–	72.68
Balance at the end of the year	**–**	**–**

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedge. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non -financial hedged item, or when it becomes ineffective.

22.10 Foreign currency translation reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	–	985.62
Movement during the year		
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	(985.62)
Balance at the end of the year	**–**	**–**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) were recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve and are transferred to retained earnings on disposal of such foreign operations.

23 Non-controlling interests

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	1,01,309.63	1,28,786.71
On account of demerger of Chemical Business Undertaking (see Note 1 and 52)	–	314.69
On account of demerger of Renewable Energy Business (see Note 1 and 52)	(69,548.70)	–
	31,760.93	**1,29,101.40**
Movement during the year on account of:		
Share of Total Comprehensive Income for the year	(19,771.17)	(11,325.76)
On issue of fresh equity shares & sale of treasury shares by a subsidiary (see Note 56)	21,566.76	(18.48)
On account of stock options in a subsidiary	36.00	36.23
Transition impact of Ind AS 116, net of tax (see Note 48)	–	(15,930.79)
Share in payment of dividend by a subsidiary (including dividend distribution tax)	–	(552.97)
Balance at the end of the year	**33,592.52**	**1,01,309.63**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

24 Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Term loans - from banks	8,418.24	5,501.52
Rupee Loan - from other Parties	947.27	1,729.30
Total borrowings	**9,365.51**	**7,230.82**
Less: Amounts disclosed under Note 26 "Other current financial liabilities"		
Current maturities	(4,613.94)	(3,500.00)
Interest accrued	(49.88)	(1.52)
Total	**4,701.69**	**3,729.30**

Note: For terms of repayment and securities etc. (see Note 41)

25 Lease liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current	2,65,925.65	2,59,220.10
Current	8,109.57	6,965.45
	2,74,035.22	**2,66,185.55**

Movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease liabilities at the beginning of the year	2,66,185.55	–
On recognition as at 1st April, 2019 (see Note 48)	–	2,19,223.77
Additions during the year (net of lease liability reversed amounting to	13,181.42	51,748.65
₹ 1,163.11 lakhs (as at 31st March, 2020 : ₹ 166.37 lakhs))		
Interest on lease liabilities	23,387.76	20,962.94
Payment of lease liabilities	(5,759.27)	(25,749.81)
Rent concessions	(22,960.24)	–
Lease liabilities at the end of the year	**2,74,035.22**	**2,66,185.55**

Consequent to the COVID-19 pandemic, the Group has invoked the force majeure clause under various lease agreements for its multiplex premises, contending complete waiver of rent and CAM charges for the shutdown period. The Group was successful in getting relief in majority of the contracts.

The Group has applied the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases, as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2020 and elected not to assess whether such rent concession is a lease modification. The Group has recognised rent concessions aggregating to ₹ 22,201.40 lakhs (after adjusting rent expenses of ₹ 758.84 lakhs). In accordance with principles of fair presentation, the amount of rent concessions recognized has been disclosed as a separate line item in the statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

26 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Security deposits	641.73	682.07
Retention money	24.93	66.47
	666.66	**748.54**
Current		
Current maturities of long-term debt (from Note 24)	4,613.94	3,500.00
Interest accrued	108.85	17.77
Unclaimed dividend (*)	150.38	168.67
Security deposits	151.85	188.48
Creditors for capital expenditure	3,246.49	4,670.30
Retention money	806.85	690.71
Employee dues	573.26	717.64
Expenses and other payable	2,178.15	1,761.34
	11,829.77	**11,714.91**
Total	**12,496.43**	**12,463.45**

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

27 Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Employee benefits (see Note 49)		
a) Gratuity	1,286.23	1,346.21
b) Compensated absences	382.92	452.27
Total	**1,669.15**	**1,798.48**
Current		
Employee benefits (see Note 49)		
a) Gratuity	155.34	141.43
b) Compensated absences	191.87	195.74
Other provisions (see Note below)	1,603.63	1,648.62
Total	**1,950.84**	**1,985.79**

(₹ in Lakhs)

Other provisions	Service Tax	Other indirect taxes	Total
Balance as at 1st April, 2019	1,035.02	214.11	1,249.13
Provided during the year	–	520.41	520.41
Paid during the year	–	(120.92)	(120.92)
Balance as at 31st March, 2020	**1,035.02**	**613.60**	**1,648.62**
Provided during the year	–	48.60	48.60
Reversed during the year	–	(93.59)	(93.59)
Balance as at 31st March, 2021	**1,035.02**	**568.61**	**1,603.63**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

27 Provisions (Contd..)

(i) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1st June, 2007 to 30th September, 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1st June, 2007. The matter is pending before the Hon'ble Supreme Court of India.

(ii) Provision for other indirect taxes is in respect of demands/notices received under indirect tax laws and the same are contested by the Group at appropriate levels.

28 Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred revenue arising from Government grant	6,135.22	6,973.54
Less: Current portion disclosed under Note 31 "Other current liabilities"	(586.62)	(674.96)
Revenue received in advance	216.73	349.82
Total	**5,765.33**	**6,648.40**

Movement in deferred revenue arising from government grant:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	6,973.54	7,720.95
Add: Recognised during the year	–	120.25
Less: Transferred to other operating revenue	(646.43)	(867.66)
Less: Reversed during the year (see Note 46)	(191.89)	–
Closing Balance	**6,135.22**	**6,973.54**

29 Current borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loan		
-From bank		
Short term working capital demand loan	–	3,000.72
Overdraft facility repayable on demand	–	424.57
	–	**3,425.29**
Unsecured loan		
-From bank		
Short term working capital demand loan	–	2,015.53
Overdraft facility repayable on demand	–	4,839.56
	–	**6,855.09**
-From holding company		
Inter-corporate deposit - see Note 51	2,158.97	–
Sub-total	**2,158.97**	**10,280.38**
Less: Interest disclosed under Note 26 "Other current financial liabilities"	(58.97)	(16.25)
Total	**2,100.00**	**10,264.13**

Note: For terms of repayment and securities etc. (see Note 41)

Notes to the Consolidated Financial Statements

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30 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
– Dues of micro enterprises and small enterprises	796.68	1,660.09
– Dues of creditors other than micro enterprises and small enterprises	9,751.01	11,415.13
Total	**10,547.69**	**13,075.22**

31 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advances received from customers	830.89	765.72
Revenue received in advance	1,747.94	2,358.37
Deferred revenue arising from Government grant (from Note 28)	586.62	674.96
Statutory dues		
– Taxes payable (other than income taxes)	549.18	957.60
– Employee recoveries and employer contributions	110.47	–
Other liabilities	359.69	337.19
Total	**4,184.79**	**5,093.84**

32 Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from contracts with customers:		
Revenue from services	7,098.96	1,38,993.72
Food and beverages revenue	2,775.60	49,719.45
	9,874.56	**1,88,713.17**
Fees and commission income - guarantee commission income	101.11	–
Gain on investments measured at fair value through profit or loss	2.96	13.31
Other operating revenue	718.57	1,031.17
Total revenue	**10,697.20**	**1,89,757.65**

Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Type of services or goods		
Revenue from box office	5,449.51	1,10,459.02
Revenue from advertisement services	266.61	17,897.01
Convenience fees	1,045.96	6,681.83
Virtual print fees	166.54	3,003.44
Other services	170.34	952.42
	7,098.96	**1,38,993.72**
Sale of food and beverages	2,775.60	49,719.45
Total revenue from contracts with customers	**9,874.56**	**1,88,713.17**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

32 Revenue from operations (Contd..)

Contract balances:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Trade receivables	1,778.24	6,274.64
Contract assets - unbilled revenue	14.47	–
Contract liabilities	2,795.56	3,473.91

During the year ended 31st March, 2021, the Group has recognized revenue of ₹ 1,014.11 Lakhs (as at 31st March, 2020 ₹ 2,216.99 Lakhs) arising from opening contract liabilities.

Performance obligations:

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Within one year	2,022.29	4,837.18
More than one year but less than five years	4,988.28	4,620.73
Total	**7,010.57**	**9,457.91**

The transaction price allocated to contracts for original expected duration of one year or less are not included in amounts disclosed above as permitted under Ind AS 115.

In case of theatrical exhibition business- COVID-19 impact

The COVID-19 pandemic and the resultant lockdown declared by the Government of India in March 2020 has impacted the entire entertainment industry and consequently the business activities of the Group are also adversely affected. The cinema exhibition sector has now started to commence operations based on the opening announcement by various State Government in a phased manner from mid-October 2020 onwards. However, due to the second wave of COVID-19 from the beginning of 2021, various State Governments have imposed fresh restrictions/lockdown which has continued the adverse impact on the cinema exhibition industry. While the Group strongly believes that the normalcy in business operations will gradually be restored towards the end of financial year ending 31st March, 2022, the impact on future revenue streams could come from:

- prolonged lock-down situation resulting in Group's inability to restart multiplexes;
- inability of the Group to operate at optimal capacity on account of Government imposed social distancing norms for multiplexes.
- retail customers being more prone to immediate impact on account of pandemic postponing their discretionary spend due to change in priorities.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

33 Other income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A) Interest income		
Interest income calculated using the effective interest method:		
On bank fixed deposits	208.05	50.29
On long term investments	3.47	7.56
On security deposits	563.16	606.34
	774.68	**664.19**
Other interest income		
Interest on income tax refunds	6.56	26.19
Others	59.57	32.42
	66.13	**58.61**
Total interest income	**840.81**	**722.80**
B) Other non-operating income		
Liabilities and provisions no longer required, written back	606.04	765.04
Insurance claims received	2,489.60	–
Bad debts recovered	88.48	–
Miscellaneous income	122.26	137.95
Total other non-operating income	**3,306.38**	**902.99**
C) Other gains and losses		
Gain on investments measured at fair value through profit or loss	172.58	289.44
Net gain on foreign currency transactions and translation	19.70	–
Total other gain and losses	**192.28**	**289.44**
Total	**4,339.47**	**1,915.23**
Note: Realised gains in respect of mutual funds	223.08	220.84

34 Exhibition cost

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Distributors' share	2,552.53	49,645.78
Other exhibition cost	86.70	–
Total	**2,639.23**	**49,645.78**

35 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and wages	7,961.27	12,403.51
Contribution to provident and other funds	514.50	818.49
Expense on ESOP	15.76	47.66
Gratuity	336.52	325.28
Staff welfare expenses	75.83	800.46
Total	**8,903.88**	**14,395.40**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

36 Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a) Interest on financial liabilities carried at amortised cost		
– loans from related parties (see Note 51)	63.75	–
– other borrowings	1,551.46	654.21
	1,615.21	**654.21**
b) Interest on lease liabilities (see Note 25)	23,387.76	20,962.94
c) Other Interest		
Interest on income tax	–	16.05
Other Interest expense	215.28	247.51
	215.28	**263.56**
Total interest (a+b+c)	**25,218.25**	**21,880.71**
Other borrowing costs	36.34	24.81
Total	**25,254.59**	**21,905.52**

37 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on property, plant and equipment	10,974.43	10,401.62
Depreciation on right-of-use assets	17,008.59	15,640.64
Depreciation on investment property	1.78	1.78
Amortisation of intangible assets	337.68	378.05
Total	**28,322.48**	**26,422.09**

38 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Power and fuel	2,928.26	11,502.73
Rent	–	8,918.08
Common facility charges	4,849.32	1,242.86
Repairs to :		
– Buildings	89.11	412.39
– Plant and equipment	1,175.00	2,862.03
– Others	390.46	867.72
Rates and taxes	744.15	929.35
Corporate Social Responsibility (CSR) expenses - see Note (i) below	264.84	159.95
Directors' sitting fees	17.20	25.80
Commission to non-executive director	–	130.77
Allowance for doubtful trade receivables and expected credit losses	191.34	393.76
Allowance for doubtful advances and deposits	–	58.00
Bad debts & remissions	1.31	6.85
Indirect tax expenses	660.33	3,501.31
Net loss on foreign currency transactions and translations	–	74.37

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

38 Other expenses (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Legal and professional fees and expense	914.36	1,955.19
Advertisement & sales promotion	121.70	–
Travelling & conveyance expenses	120.95	965.69
Housekeeping expenses	1,292.87	–
Security charges	526.26	–
Outsourced personnel cost	398.40	8,174.41
Loss on sale / disposal of property, plant and equipment (net of impairment loss adjusted Nil (as at 31st March, 2020 ₹ 32.00 lakhs))	35.36	332.55
Inventories written off - see Note (ii) below	131.17	149.61
Miscellaneous expenses	939.90	11,197.94
Total	**15,792.29**	**53,861.36**

(i) During the year ended 31st March, 2020, the Chemical Business Undertaking of the Company was demerged as per the Scheme of Arrangement ("the Scheme") between the Company and its wholly owned subsidiary, INOX Fluorochemicals Limited, now known as Gujarat Fluorochemicals Limited ("the Resulting company"). As per the legal opinion obtained by the Company, the mandatory obligation towards expenditure to be incurred on Corporate Social Responsibility (CSR) in respect of the profits of the Demerged Chemical Business Undertaking vests with the resulting company i.e. Gujarat Fluorochemicals Limited. Accordingly, the amount of Corporate Social Responsibility (CSR) obligation of ₹ 821.00 lakhs has been recovered by the Company from the Resulting company. Consequently, the Corporate Social Responsibility (CSR) expenses charged to the statement of profit and loss are net of such recovery as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross CSR obligation	1,085.84	159.95
Less: Amount recovered	821.00	–
Net amount charged in profit or loss	**264.84**	**159.95**

(ii) In view of the ongoing uncertainties due to COVID-19 pandemic, the inventory of perishable food and beverages expiring within short span of time is written off.

39 Tax expense

39.1 Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current tax		
In respect of the current year	4.20	8,308.66
In respect of earlier years	(150.99)	(460.56)
	(146.79)	**7,848.10**
Deferred tax		
In respect of the current year	(14,368.24)	(11,855.27)
MAT credit entitlement	–	(10.36)
In respect of earlier years	2,922.88	(131.68)
	(11,445.36)	**(11,997.31)**
Total income tax expense recognised in the current year	**(11,592.15)**	**(4,149.21)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

39 Tax expense (Contd..)

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) before tax from continued operations	(44,405.75)	12,895.76
Loss before tax from discontinued operations	(10,183.94)	(40,691.59)
	(54,589.69)	**(27,795.83)**
Income tax expense calculated @ 25.168%	(13,739.13)	(6,995.65)
Effect of non-deductible expenses	479.60	138.99
Effect of tax incentive provisions	–	(43.70)
Effect of income which is taxed at special rates	–	(43.42)
Effect of income that is exempted from tax	–	(132.85)
Impact of deferred tax asset remeasurement on account of change in tax rate (see note below)	–	6,886.09
Effect of differential tax rates of subsidiaries	(1,078.55)	(3,063.23)
Others (net)	(25.96)	(303.20)
	(14,364.04)	**(3,556.97)**
Taxation pertaining to earlier years	2,771.89	(592.24)
Tax expense as per the Statement of Profit and Loss	**(11,592.15)**	**(4,149.21)**

Note:

The tax rate used for the years ended 31st March, 2021 and 31st March, 2020 in reconciliations above is the corporate tax rate of 25.168% payable by the Company on taxable profits under the Indian tax law.

After the evaluation carried out during the year ended 31st March, 2020, the one of the subsidiaries, INOX Leisure Limited, exercised the option permitted under section 115BAA of the Income Tax Act, 1961 from the current financial year viz. w.e.f. 1st April, 2020. Consequently, the net deferred tax asset as at 31st March, 2020 was remeasured on the basis of the tax rate prescribed in the said section and the impact of this remeasurement of ₹ 6,886.09 lakhs were charged to the Statement of Profit and Loss for the year ended 31st March, 2020.

39.2 Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	36.87	(44.15)
Deferred tax on effective portion of gains and (loss) on hedging instruments in a cash flow hedge	–	28.64
Total income tax recognised in other comprehensive income	**36.87**	**(15.51)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

39 Tax expense (Contd..)

39.3 Breakup of taxation pertaining to earlier years is as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Income Tax	(150.99)	(460.56)
Deferred tax	2,922.88	(131.68)
Net credit	**2,771.89**	**(592.24)**

INOX Renewables Limited ("IRL") is amalgamated with the GFL Limited w.e.f. 1st April, 2020 (see Note 1). The assets and liabilities of IRL, recorded at book values, included deferred tax asset of ₹ 2,951.94 lakhs in respect of accumulated tax losses, unabsorbed depreciation and MAT credit. Consequent to the amalgamation, the said tax losses, unabsorbed depreciation and MAT credit are not available for set-off in the hands of the GFL Limited. Accordingly, the same is charged to the statement of profit and loss.

40 Share-based payments

Details of the employee share option plan of INOX Leisure Limited:

The company has a share option scheme applicable to the employees and Directors of the company, its subsidiary companies or its holding company and any successor company thereof, as determined by the Compensation, Nomination and Remuneration Committee on its own discretion. The Scheme is administered through INOX Leisure Limited - Employees Welfare Trust.

During the year ended 31st March, 2006, the company had issued 5,00,000 equity shares of ₹ 10 each at a premium of ₹ 5 per share to INOX Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the company under the scheme of ESOP framed by the company in this regard. The company has provided finance of ₹ 75.00 Lakhs to the ESOP Trust for subscription of these shares at the beginning of the plan.

Each share option converts into one equity share of the company on exercise. The options are granted at an exercise price of ₹ 15 per option. The option carries neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

On 23rd June, 2017, stock options of 1,67,500 shares had been granted to employees and on 5th January, 2017, stock options of 20,000 shares had been granted to an employee of holding company. The vesting period for these equity settled options is between one to four years from the date of the respective grants. 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 fair value method.

Fair value of share options granted

The fair value has been calculated using the Black Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option. The significant assumptions made in this regard are as under:

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

40 Share-based payments (Contd..)

Particular	Options granted	
	2017-2018	2016-2017
Date of grant	23rd June, 2017	5th January, 2017
Fair value of share option at grant date	269.10	217.56
No. of share options granted	1,67,500	20,000
Grant date share price (in ₹)	281.50	230.00
Exercise price in ₹	15.00	15.00
Expected volatility	33.53% to 39.82%	38.53% to 41.80%
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	0	0
Risk free interest rate	6.25% to 6.53%	6.09% to 6.47%

Movements in share options during the year

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance at beginning of year	67,500	1,16,875
Granted during the year	0	0
Forfeited during the year	5,000	7,500
Exercised during the year	33,750	41,875
Balance at end of year	28,750	67,500
Exercisable as at end of the year	Nil	Nil
Weighted average exercise price of all stock options (in ₹)	15.00	15.00

Method used for accounting of share based payment plan:

The company has used fair value method to account for the compensation cost of stock options granted to its employees and the employee of holding company. The compensation cost of ₹ 17.86 Lakhs (as at 31st March, 2020 ₹ 53.19 Lakhs) is recognised in the Statement of Profit and Loss.

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

For Options granted on 5th January, 2017:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Number of options outstanding	–	5,000
Weighted Average Remaining Contractual Life (in years)	–	1.77
Weighted Average Exercise Price (₹)	–	15.00

For Options granted on 23rd June, 2017:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Number of options outstanding	28,750	62,500
Weighted Average Remaining Contractual Life (in years)	1.23	2.23
Weighted Average Exercise Price (₹)	15.00	15.00

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

41 Nature of securities and terms of repayment:

I. In respect of loans taken by GFL Limited

(A) Terms of repayment and security for current borrowing

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

As at 31st March, 2021

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
Unsecured			
Intercorporate deposit from INOX Leasing and Finance Limited.	100.00	Repayable in bullet instalment of ₹ 100.00 lakhs in 6 months i.e. on 7th September, 2021.	7.00%

II. In respect of loans taken by INOX Leisure Limited (ILL)

(A) Terms of repayment and securities for non-current borrowings

(i) The terms of repayment of term loans from banks are as under:

As at 31st March, 2021

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
Secured			
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	937.50	The loan is repayable in 16 equal quarterly instalments of ₹ 312.50 Lakhs beginning from 7th February, 2018.	8.50% to 8.54%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	562.50	The loan is repayable in 16 equal quarterly instalments of ₹ 187.50 Lakhs beginning from 29th March, 2018.	8.27% to 8.50%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	500.00	The loan is repayable in 16 equal quarterly instalments of ₹ 125.00 lakhs beginning from 26th June, 2018.	7.47% to 8.50%
HDFC Bank Limited (Tranche 1)	2,083.33	The Loan is repayable in 18 equal quarterly instalments ₹ 138.89 lakhs beginning from 2nd September, 2020.	9.00%
HDFC Bank Ltd (Tranche 2)	2,083.33	The Loan is repayable in 18 equal quarterly instalments ₹138.89 lakhs beginning from 17th September, 2020.	9.00%
HDFC Bank Ltd (Tranche 3)	2,222.22	The Loan is repayable in 18 equal quarterly instalments ₹138.89 lakhs beginning from 15th October, 2020.	9.00%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

41 Nature of securities and terms of repayment: (Contd..)

As at 31st March, 2020

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
Secured			
HDFC Bank Limited	1,000.00	The loan is repayable in 16 equal quarterly instalments of ₹ 250.00 Lakhs beginning from 4th June, 2017.	8.85% to 9.30%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	2,187.50	The loan is repayable in 16 equal quarterly instalments of ₹ 312.50 Lakhs beginning from 7th February, 2018.	8.54% to 9.25%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	1,312.50	The loan is repayable in 16 equal quarterly instalments of ₹ 187.50 Lakhs beginning from 29th March, 2018.	8.27% to 8.96%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	1,000.00	The loan is repayable in 16 equal quarterly instalments of ₹ 125.00 lakhs beginning from 26th June, 2018.	8.53%

(ii) **Securities provided for secured loans:**

a. **HDFC Bank Limited**

Term loan from HDFC Bank is secured by first exclusive charge on all movable fixed assets of some multiplexes financed by the said term loan and extended charge on immovable property situated at Mumbai.

b. **The Hongkong and Shanghai Banking Corporation Limited**

Term loans from The Hongkong and Shanghai Banking Corporation Limited are secured by first exclusive charge on all movable fixed assets of multiplexes financed by the said term loans.

(B) Terms of repayment and securities for current borrowings

(i) **The terms of repayment of term loans are as under:**

As at 31st March, 2021:

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
Unsecured			
Intercorporate Deposit from INOX Leasing and Finance Limited.	2,000.00	Repayable in bullet instalment of ₹ 2,000 lakhs on 28th October, 2021	7.50%

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for the year ended 31st March, 2021

41 Nature of securities and terms of repayment: (Contd..)

As at 31st March, 2020:

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
Secured			
Short term working capital demand loan	3,000.00	Repayable in bullet instalment of ₹ 3,000 Lakhs on 29th June, 2020	9.00%
Unsecured			
Short term working capital demand loan (Term Loan I)	1,000.00	Repayable in bullet instalment of ₹ 1,000 Lakhs on 10th June, 2020.	9.00%
Short term working capital demand loan (Term Loan II)	500.00	Repayable in bullet instalment of ₹ 500 Lakhs on 15th June, 2020.	9.00%
Short term working capital demand loan (Term Loan III)	500.00	Repayable in bullet instalment of ₹ 500 Lakhs on 15th June, 2020.	9.00%

(ii) **Securities provided for secured loans:**

Overdraft facility is secured by first charge on entire current assets of the Company (except those charged against term loans). This facility carried interest rate ranging from 7.50% to 8.50%.

(iii) Unsecured overdraft facility carried interest rate ranging from 8.50% to 9.30%.

III. In respect of loans taken by INOX Infrastructure Limited (IIL)

(A) Terms of repayment and securities for non-current borrowings

(i) **The terms of repayment of term loans are as under:**

As at 31st March, 2021

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Effective rate of interest
Secured			
Axis Finance Limited	947.27	The entire term loan is repayable in a single bullet repayment after 18 months from date of disbursement i.e. 6th February, 2020.	7.01%

As at 31st March, 2020

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Effective rate of interest
Secured			
Axis Finance Limited	1,729.30	The entire term loan is repayable in a single bullet repayment after 18 months from date of disbursement i.e. 6th February, 2020.	9.22%

(ii) **Security provided for secured loan:**

The term loan from bank is secured by first charge by way of lien on certain mutual funds at loan-to-value (LTV) of 90% of the NAV.

IV. There are no defaults on repayment of principal or payment of interest on borrowings.

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42 Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	2,313.20	5,711.95
(b) Other commitments		
Commitments for the operating multiplexes for minimum period of operations in terms of respective State Government policies equivalent to the exemption availed from commencement till reporting date.	4,605.35	5,340.48

For capital commitments transferred and vested on demerger, see Note 52

43 Contingent liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
1) In respect of INOX Leisure Limited (ILL)		
a. Claims against the company not acknowledged as debt :	116.36	116.36
In the arbitration proceedings in respect of termination notice of MOU for a proposed multiplex, the arbitrator has awarded the matter against the company and directed the company to pay ₹ 116.36 Lakh towards rent for the lock in period. Further, the arbitrator has also directed the company to pay the amount of difference between the rent payable by the company as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable. The company has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.		
b. Entertainment Tax matters:	4,674.01	4,786.01
This includes		
i Demands in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.	4,571.69	4,683.69
iii Other demands are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.	102.32	102.32
The company has paid ₹ 578.43 Lakhs (as at 31st March, 2020 ₹ 578.43 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
c. Service Tax matters:	20,540.19	20,540.19
This includes		
i In respect of levy of service tax on film distributor's' share paid by the company and the matter is being contested by way of appeal / representation before the appropriate authorities.	14,226.97	14,226.97
ii In respect of levy of service tax on sale of food and beverages in multiplex premises and the matter is being contested by way of appeal before the appropriate authorities.	6,313.22	6,313.22
The company has paid ₹ 976.55 Lakhs (as at 31st March, 2020 ₹ 976.55 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		

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for the year ended 31st March, 2021

43 Contingent liabilities (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
d. Stamp duty matter:		
Authority has raised the demand for non-payment of stamp duty on Leave & License Agreement in respect of one of the multiplexes, holding the same as lease transaction. Stay has been granted and the matter is pending before Board of Revenue.	263.81	263.81
e. Custom duty matter in respect of import of projector:	4.36	4.36
In addition to above, the company had also received a show cause cum demand notice from customs on import of cinematographic films, the amount of duty is yet to be quantified.		
f. Income-tax matters, disputed in appeal by the company and includes:	21.79	253.78
In respect of assessment dues	–	253.78
g. The company may be required to charge additional cost 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, is passed in favor of the electricity supplier. The company has paid the whole amount to the respective authorities under protest (which is included in 'Other non current financial assets')	389.83	389.83
j. Consequent to COVID-19 pandemic, the company was required to shutdown its multiplexes in March 2020. The company had invoked the 'force majeure' clause under respective lease agreements due to COVID-19 pandemic for its multiplex premises, contending that rent and common area maintenance charges for the shutdown period are not payable. The company had also obtained expert opinion to the effect that the company can invoke the 'force majeure' clause on account of Government mandated shutdown of multiplexes. On this basis the company had not made a provision for rent and common area maintenance charges payable for the shutdown period and the matter was under discussion with the lessors and the same was disclosed as a contingent liability. The matter is settled during the year.	–	1,378.08
2) In respect of GFL Limited		
Corporate guarantees given to bank for loans taken by a fellow subsidiary (see Note 51)	2,045.07	4,337.53

In respect of above matters, no additional provision is considered necessary as the Group expects favourable outcome. Further, it is not possible for the Group to estimate the timing and amount of the further cash outflow, if any, in respect of these matters.

For contingent liabilities transferred and vested on demerger, see Note 52.

44 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020, which could impact the contributions by the Group towards certain employment benefits. However, the date from which the Code will come into effect has not been notified. The Group will assess and give appropriate impact in the financial statements in the period in which the Code comes into effect.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

45. In respect of Entertainment-tax exemption claimed and its treatment in these accounts:

The Entertainment tax exemption in respect of some of the multiplexes of the Group has been accounted on the basis of eligibility criteria as laid down in the respective Schemes but is subject to final orders yet to be received from respective authorities. The cumulative amount recognised in respect of such multiplexes is ₹ 3,631.96 lakhs as at 31st March, 2021 (as at 31st March, 2020 ₹ 3,631.96 lakhs).

46. Exceptional items:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a) Expenses incurred on demerger of Renewable energy business (see Note 52)	99.18	–
b) Entertainment tax subsidy recoverable in respect of one of the multiplexes, written off	600.00	–
Less: Corresponding balance in the deferred revenue account	(191.89)	–
	408.11	
Total	**507.29**	**–**

47 Segment information

47.1 After the demerger of Renewable Energy Business (see Note 1 and 52), the Group now has a single operating segment viz. Theatrical Exhibition – Comprising of operating and managing multiplex cinema theatres.

47.2 Revenue from major products and services in respect of continuing operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
(a) Sale of products		
Food & beverages	2,775.60	49,719.45
	2,775.60	**49,719.45**
(b) Sale of services		
Revenue from box office	5,449.51	1,10,459.02
Convenience Fees	1,045.96	6,681.83
Virtual Print fee	166.54	3,003.44
Revenue from advertising income	266.61	17,897.01
Others	170.34	952.42
	7,098.96	**1,38,993.72**
(c) Other operating revenue	822.64	1,044.48
Total	**10,697.20**	**1,89,757.65**

47.3 Other Information's

a) There is no single external customer who has contributed more than 10% to the Group's revenue for both FY 2021-2020 and FY 2019-2020.

b) All multiplexes/theatres are located in India.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

47 Segment information (Contd..)

47.4 Particulars of discontinued operations in respect of demerged Renewable Energy Business w.e.f. 1st July, 2020

a) Discontinued operations comprise of:

1) Wind Energy Business – Comprising of manufacture and sale of Wind Turbine Generators (WTGs), providing related Erection, Procurement & Commissioning (EPC), Common Infrastructure Facilities, development of wind farms and Operation & Maintenance (O&M) services.

2) Power - Comprising of Power Generation.

b) Particulars for information about discontinued operating segments are given in Note 53.

48 Leases

As described in Note 1 and 52, the Renewable Energy Business is demerged w.e.f. 1st July, 2020 and the same is disclosed as discontinued operations in the Consolidated Financial Statements. Hence the information included in the disclosures of leases for the comparative period is in respect of the continuing operations only, unless stated otherwise.

48.1 As a Lessee

The Group is operating most of its multiplexes under operating lease. These arrangements generally are for an initial period of 9-29 years with a minimum lock-in period of 5-15 years, after which the lessor does not have a right to terminate the arrangement. The agreements provide for escalation after pre-determined periods. Some of the agreements are fully or partially on revenue share basis. The Group does not have an option to purchase the leased premises at the expiry of lease period.

Change in accounting policy during preceding year

During the previous year, Ind AS 116: Leases had replaced the earlier lease standard Ind AS 17: Leases with the date of initial application being 1st April, 2019. The Group had transitioned to Ind AS 116 with effect from 1st April, 2019 using ‘modified retrospective approach’. Under this approach, the Group had recognized the right-of-use assets at its carrying amount as if the standard had been applied since the lease commencement date, but discounted at its incremental borrowing rate at the date of initial application and lease liability measured at the present value of the remaining lease payments.

Accordingly, the Group was not required to restate comparative information, instead the cumulative effect (net of deferred taxes) on transition to Ind AS 116 is debited to retained earnings as under:

(₹ in Lakhs)

Particulars	As at 1st April, 2019
Recognition of lease liabilities	(2,19,469.97)
Recognition of right-of-use assets	1,66,538.87
	(52,931.10)
Less: Deferred tax on above	18,493.26
Net impact on opening retained earnings	**(34,437.84)**

On transition to Ind AS 116, the opening balances in ‘Deferred lease rent expenses’ and ‘Prepayment - leasehold lands’ were reclassified as right-of-use assets.

The following is the summary of practical expedients elected on initial application:

1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

2) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

48 Leases (Contd..)

3) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

4) Applied the practical expedient to apply Ind AS 116 to the contracts that were previously identified as leases applying Ind AS 17: Leases and hence not reassessed whether a contract is, or contains, a lease at the date of the initial application.

There was no difference between the operating lease commitments disclosed applying Ind AS 17 as at 31st March, 2019, discounted using the incremental borrowing rate at the date of the application of Ind AS 116.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 was 9.16% p.a.

A) Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	30,838.96	28,890.37
One to five years	1,37,779.66	1,28,077.55
More than five years	3,47,725.09	3,52,672.38
Total	**5,16,343.71**	**5,09,640.30**

B) Amount recognized in statement of profit and loss:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A) Interest on lease liabilities	23,387.76	20,962.94
B) Included in rent expenses (see Note below):		
a) Variable lease payments not included in the measurement of lease liabilities	727.98	1,692.70
b) Expense relating to short-term leases	30.86	4.72
	758.84	1,697.42

As explained in Note 25: Lease Liabilities, during the year, the Group has recognised rent concessions aggregating to ₹ 22,960.24 and after adjusting the rent expenses of ₹ 758.84 lakhs as above, the net amount of ₹ 22,201.40 lakhs has been disclosed as a separate line item in the consolidated statement of Profit and Loss.

48.2 As lessor

A Operating lease

ILL has entered into operating leases for part of the multiplex premises. These leases have terms of between 1 to 9 years. The total rent recognised as income during the year is ₹ 125.89 lakhs (as at 31st March, 2020: ₹ 311.26 lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31st March are, as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	154.01	272.00
One to five years	1,056.54	232.45
More than five years	25.42	54.68
Total	**1,235.97**	**559.13**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

49 Employee Benefits:

(a) Defined Contribution Plans

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

Contribution to Provident fund recognized as an expense in the Statement of Profit and Loss. The details are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Defined contribution plan		
– Continuing operations (*)	498.41	813.62
– Discontinued operations	93.79	366.28
Total	**592.20**	**1,179.90**

(*) includes contribution to provident fund recognized in pre-operative expenses ₹ 9.80 lakhs (31st March, 2020: ₹ 45.66 lakhs)

(b) Defined Benefit Plans:

The Group has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of services and salary at retirement age. The Group's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Group.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31st March, 2021 by members of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

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

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Opening defined benefit obligation	2,130.97	3,438.77
Effect of business combinations (net)	(701.82)	(1,824.98)
Current Service Cost	293.81	439.15
Interest cost	103.40	115.37
Actuarial (gains)/losses on obligation:		
a) arising from changes in financial assumptions	38.77	147.75
b) arising from experience adjustments	(195.06)	(21.37)
Benefits paid	(228.50)	(163.72)
Present value of obligation as at year end	**1,441.57**	**2,130.97**
- Continuing operations	1,441.57	1,487.64
- Discontinued operations	–	643.33
	1,441.57	**2,130.97**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

49 Employee Benefits (Contd..)

(ii) Components of amount recognized in statement of profit and loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Current Service Cost		
– Continuing operations	246.07	250.39
– Discontinued operations	47.74	188.76
Net interest expense		
– Continuing operations	93.02	77.74
– Discontinued operations	10.38	37.64
Amount recognized in profit & loss	**397.21**	**554.53**
Actuarial (gains) /losses on:		
a) arising from changes in financial assumptions		
– Continuing operations	11.67	91.28
– Discontinued operations	27.10	56.47
b) arising from experience adjustments		
– Continuing operations	(179.99)	105.75
– Discontinued operations	(15.07)	(127.12)
Amount recognized in other comprehensive income	**(156.29)**	**126.38**
Total	**240.92**	**680.91**

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

Particulars	Valuation as at	
	As at 31st March, 2021	As at 31st March, 2020
Discount rate	5.70% to 6.43%	4.60% to 6.81%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee attrition rate	5% to 10%	5% to 10%
Mortality	IALM (2012-14) ultimate mortality table	

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

These plans typically expose the Group to actuarial risks such as interest rate risk and salary risk

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

49 Employee Benefits (Contd..)

(iv) Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars - Impact on Present Value of defined benefit obligation	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
If discount rate increased by 1%	(92.17)	(133.54)
If discount rate decreased by 1%	104.57	220.66
If salary escalation rate increased by 1%	97.83	210.02
If salary escalation rate decreased by 1%	(87.93)	(127.47)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(v) Expected contribution to the defined benefit plan in future years

(₹ in Lakhs)

Particulars	As at 31st March, 2021
Expected outflow in 1st Year	155.34
Expected outflow in 2nd Year	193.80
Expected outflow in 3rd Year	158.93
Expected outflow in 4th Year	121.68
Expected outflow in 5th Year	118.38
Expected outflow in 6th to 10th Year	570.98

The average duration of the defined benefit plan obligation at the end of the reporting period is in the range of 6.47 to 7.88 years.

(c) Other employment benefits:

Compensated absences

The liability towards compensated absences (annual and short term leave) is based on actuarial valuation carried out by using Projected Unit Credit Method.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

49 Employee Benefits (Contd..)

The expenses on compensated absences which are included in employee benefits in the Statement of Profit and Loss are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Compensated absences recognised in the statement of Profit & Loss		
– Continued operations	(71.06)	142.15
– Discontinued operations	(15.44)	(15.08)
Total	**(86.50)**	**127.07**

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

Particulars	Valuation (Leave Encashment)	
	As at 31st March, 2021	As at 31st March, 2020
Discount rate	5.70% to 6.43%	4.60% to 6.81%
Expected rate of salary increase	7% to 8%	7% to 8%
Employee Attrition Rate	5% to 10%	5% to 10%
Mortality	IALM (2012-14) ultimate mortality table	

50 Financial Instruments:

As described in Note 1 and 52, the Renewable Energy Business is demerged w.e.f. 1st July, 2020 and the same is disclosed as discontinued operations in the Consolidated Financial Statements. Hence the information included in the disclosures of financial instruments for the comparative period is in respect of the continuing operations only, unless stated otherwise.

50.1 Capital Management

The Group manages its capital structure with a view that the Group will be able to continue as going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of Group consists of net debt and total equity of the Group. The Group is not subject to any externally imposed capital requirement. The Company's management reviews the capital structure of the Group. As part of this review, the management considers the cost of capital and risk associated with each class of capital.

50.1.1 The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total debt	11,524.48	1,15,521.54
Cash & bank balances (excluding bank deposits kept as lien)	(7,480.33)	(5,140.60)
Net debt	4,044.15	1,10,380.94
Total equity	70,850.99	3,19,182.68
Net debt to equity Ratio	**5.71%**	**34.58%**

Notes:

a) Debt is defined as total non-current borrowings and current borrowings, and excludes lease liabilities. Cash and bank balances include cash & cash equivalents and other bank balances (excluding margin money deposits and balance in unclaimed dividend accounts).

b) The gearing ratio as at 31st March, 2020 is computed by including the net debt in respect of the discontinued operations.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

50 Financial Instruments: (Contd..)

50.2 Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured as at FVTPL		
(i) Investments in Mutual Funds	1,504.24	2,601.84
Measured at amortised cost		
(a) Cash and bank balances	8,341.05	5,018.95
(b) Investments in NSC	19.98	87.81
(c) Other financial assets at amortised cost		
(i) Trade receivables	1,778.24	6,274.64
(ii) Loans	10,507.52	11,048.33
(iii) Other financial assets	10,958.00	12,419.89
Sub total	**31,604.79**	**34,849.62**
Total financial assets	**33,109.03**	**37,451.46**
b) Financial liabilities		
Measured at amortised cost		
(a) Borrowings	11,524.48	17,511.20
(b) Lease Liabilities	2,74,035.22	2,66,185.55
(c) Trade Payables	10,547.69	13,075.22
(d) Other Financial Liabilities	7,773.64	8,945.68
Total financial liabilities	**3,03,881.03**	**3,05,717.65**

The carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

50.3 Financial risk management

The Group's principal financial liabilities comprise of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations including acquiring of PPE. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances derived directly from its operations. The Group also holds FVTPL investments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Senior management provides assurance to the Board of directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors of Holding Company reviews and agrees policies for managing each of these risks, which are summarised below:

50.4 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and loans.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

50 Financial Instruments: (Contd..)

50.5 Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group's import of materials and PPE are not significant to cause major exposure to foreign currency variations. Exchange rate exposures are managed within approved policy parameters utilising forward foreign currency contracts, as and when necessary.

The carrying amount of unhedged Foreign Currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Liabilities		
USD	301.62	1,155.31
Assets		
Euro	1.01	–

50.5.1 Foreign Currency Sensitivity Analysis

The Group is only exposed to changes in USD & Euro. The below table demonstrates the sensitivity to a 10% increase or decrease in the USD/Euro against INR, on profit or loss and total equity , with all other variable held constant. The sensitivity analysis is prepared to the net unhedged exposure of the Group.

A 10% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

(₹ in Lakhs)

Particulars	USD Impact (net of tax)	
	As at 31st March, 2021	As at 31st March, 2020
Impact on profit or loss for the year	22.57	75.16
Impact on total equity as at the end of the reporting period	22.57	75.16

(₹ in Lakhs)

Particulars	EURO Impact (net of tax)	
	As at 31st March, 2021	As at 31st March, 2020
Impact on profit or loss for the year	0.08	–
Impact on total equity as at the end of the reporting period	0.08	–

50.6 Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk mainly on account of its borrowing from banks, which have both fixed and floating interest rates. Bank overdrafts are subject to variable rate of interest. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

50 Financial Instruments: (Contd..)

50.6.1 Interest Rate Sensitivity Analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year.

(₹ in Lakhs)

Particulars	Impact (net of tax)	
	As at 31st March, 2021	As at 31st March, 2020
Increase by 50 basis points	(31.31)	(35.01)
Decrease by 50 basis points	31.31	35.01

50.7 Other price risks

The Entity is exposed to equity price risks arising from equity investments. Equity investment in subsidiaries are held for strategic rather than trading purposes. The Entity does not actively trade in these investments. The Group's investment in mutual funds are in debt funds. Hence the Group's exposure to equity price risk is minimal.

50.8 Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, balances with banks, loans and other receivables.

a) Trade receivables

For trade receivables (other than group companies), the average credit period generally ranges from 60 to 90 days. Before accepting any new customer, Group uses information available in public domain and industry sources to assess the potential customer's credit quality and defines credit limits for respective customer. All trade receivables are reviewed and assessed for default on a quarterly basis. Accordingly, risk of recovery of such amounts is mitigated. Customers who represent more than 5% of the total balance of trade receivables of ₹ 149.37 Lakhs (as at 31st March, 2020 is ₹ 3,663.75 lakhs) are due from 2 major customers (as at 31st March, 2020 - 5 customers).

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates for each Group Company depending on the credit risk of each entity.

Ageing	Expected credit loss %
Upto 1 year	2%
Above 1 year	25%
Above 2 years	50%
Above 3 years	100%

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at beginning of the year	194.84	117.19
Movement in expected credit loss allowance	(174.36)	77.65
Balance at the end of the year	**20.48**	**194.84**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

50 Financial Instruments: (Contd..)

50.9 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

50.9.1 Liquidity risk table

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
As at 31st March, 2021				
Borrowings	6,822.79	4,701.69	–	11,524.48
Trade Payables	10,547.69	–	–	10,547.69
Other financial liabilities	7,106.98	639.99	26.67	7,773.64
Total	**24,477.46**	**5,341.68**	**26.67**	**29,845.81**
As at 31st March, 2020				
Borrowings	13,781.90	3,729.30	–	17,511.20
Trade Payables	13,075.22	–	–	13,075.22
Other financial liabilities	8,197.14	718.18	30.36	8,945.68
Total	**35,054.26**	**4,447.48**	**30.36**	**39,532.10**

Particulars of contractual maturities in respect of lease liabilities are as per Note 48.

The above liabilities will be met by the Group from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Group also has unutilised financing facilities.

50.9.2 Fair Value Measurements

This note provides information about how the entity determines fair values of various financial assets and financial liabilities

a. **Fair Value of the Entity's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Financial assets/Financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2021 (₹ in Lakhs)	31st March, 2020 (₹ in Lakhs)		
Investments in Mutual Funds (see Note 10)	1,504.24	2,601.84	Level 1	Quoted prices in an active market

b. **Fair Value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

51 Related Party disclosures

(A) Where control exists:

Holding company

INOX Leasing and Finance Limited

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

Fellow Subsidiaries

Gujarat Fluorochemicals Limited (earlier known as INOX Fluorochemicals Limited)

GFL GM Fluorspar SA

Subsidaries upto 30th June, 2020 and subsequently reclassified as fellow subsidiaries on demerger - see Note 1 and 52

INOX Wind Energy Limited (incorporated on 06.03.2020)

INOX Wind Infrastructure Services Limited (IWISL)

Associate of INOX Infrastructure Limited

Nexome Realty LLP (w.e.f. 01.03.2020)

Associates of INOX Wind Infrastructure Services Limited

Wind One Renergy Private Limited

Wind Two Renergy Private Limited

Wind Three Renergy Private Limited

Wind Four Renergy Private Limited

Wind Five Renergy Private Limited

Key Management Personnel

a) Whole Time Directors/Chief Executive Officer

Mr. D K Jain (also appointed as Managing Director w.e.f. 01.08.2019)

Mr. Devansh Jain (in INOX Wind Limited)

Mr. Kailash Lal Tarachandani- (Whole time Director & Chief Executive Officer in INOX Wind Limited)

Mr. Alok Tandon (Chief Executive Officer in INOX Leisure Limited)

Mr. Vineet Valentine Davis (in INOX Wind Limited w.e.f. 19.05.2020, in INOX Wind Infrastructure Services Limited upto 18.05.2020)

Mr. Manoj Dixit (in INOX Wind Infrastructure Services Limited)

Mr. Mukesh Manglik (in INOX Wind Infrastructure Services Limited w.e.f. 19.05.2020)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

51 Related Party disclosures (Contd..)

b) Non Executive Directors

Mr. V K Jain

Mr. P K Jain

Mr. Shailendra Swarup

Mr. Deepak Asher (upto 12.10.2020)

Mr. Shanti Prasad Jain

Ms. Vanita Bhargava

Mr. V. Sankaranarayanan (in INOX Wind Limited)

Mr. Chandra Prakash Jain (upto 13.08.2019)

Ms. Bindu Saxena (in INOX wind Limited)

Mr. Vineet Valentine Davis (in INOX Wind Infrastructure Services Limited w.e.f. 19.05.2020)

Mr. Siddharth Jain (in INOX Leisure Limited)

Mr. Amit Jatia (in INOX Leisure Limited)

Mr. Haigreve Khaitan (in INOX Leisure Limited)

Mr. Vishesh Chander Chandiok (in INOX Leisure Limited w.e.f. 14.02.2020)

Mr. Kishore Biyani (in INOX Leisure Limited upto 16.11.2019)

Ms. Girija Balkrishnan (in INOX Leisure Limited)

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

INOX India Private Limited

Note: Pursuant to the demerger of the Renewable Energy Business (See Note 1 and 52), certain subsidiaries of the Company are transferred w.e.f. 1st July, 2020, and they have become fellow subsidiaries from that date. The disclosures regarding related party transactions are made accordingly.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

51 Related Party disclosures (Contd..)

Particulars of transactions:

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises over which KMP or his relatives have significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
A) Transactions during the year										
Sale of goods										
Wind One Renergy Private Limited					–	5,649.66			–	5,649.66
Wind Two Renergy Private Limited					–	6,216.06			–	6,216.06
Wind Three Renergy Private Limited					–	1,780.11			–	1,780.11
Wind Four Renergy Private Limited					–	11,928.57			–	11,928.57
Wind Five Renergy Private Limited					–	18,035.11			–	18,035.11
Gujarat Fluorochemicals Limited			–	284.68					–	284.68
Total			**–**	**284.68**	**–**	**43,609.51**			**–**	**43,894.19**
O&M charges received										
Gujarat Fluorochemicals Limited			125.95	487.25					125.95	487.25
Total			125.95	487.25					125.95	487.25
Sale of movie tickets										
INOX India Private Limited							0.08	2.77	0.08	2.77
Gujarat Fluorochemicals Limited			–	8.87						8.87
Total			**–**	**8.87**			**0.08**	**2.77**	**0.08**	**11.64**
Sale of assets										
Gujarat Fluorochemicals Limited			–	2,062.02					–	2,062.02
Total			**–**	**2,062.02**					**–**	**2,062.02**
Purchase of goods										
Gujarat Fluorochemicals Limited			946.52	–					946.52	–
Total			**946.52**	**–**					**946.52**	**–**
Investment in associate										
Nexome Realty LLP					–	2,000.00			–	2,000.00
Total					**–**	**2,000.00**			**–**	**2,000.00**
Share in profit of associate										
Nexome Realty LLP					4.62	0.10			4.62	0.10
Total					**4.62**	**0.10**			**4.62**	**0.10**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

51 Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises over which KMP or his relatives have significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Advances received towards sale of goods/services										
Wind Four Renergy Pvt. Ltd.					–	1,143.76			–	1,143.76
Gujarat Fluorochemicals Limited			–	87,188.58					–	87,188.58
Total			**–**	**87,188.58**	**–**	**1,143.76**			**–**	**88,332.34**
Inter corporate deposit taken										
INOX Leasing and Finance Limited	2,100.00	2,500.00							2,100.00	2,500.00
Total	**2,100.00**	**2,500.00**							**2,100.00**	**2,500.00**
Inter corporate deposits given										
Wind One Renergy Pvt. Ltd.					–	0.04			–	0.04
Wind Three Renergy Pvt. Ltd.					–	20.83			–	20.83
Wind Four Renergy Pvt. Ltd.					–	7,178.87			–	7,178.87
Wind Five Renergy Pvt. Ltd.					–	650.26			–	650.26
Total					**–**	**7,850.00**			**–**	**7,850.00**
Redemption of non convertible debentures										
Wind Four Renergy Pvt. Ltd.					–	6,567.00			–	6,567.00
Wind Five Renergy Pvt. Ltd.					–	3,979.00			–	3,979.00
Total					**–**	**10,546.00**			**–**	**10,546.00**
Interest income on inter corporate deposits										
Wind One Renergy Pvt. Ltd.					–	0.05			–	0.05
Wind Three Renergy Pvt. Ltd.					–	8.32			–	8.32
Wind Four Renergy Pvt. Ltd.					–	99.69			–	99.69
Wind Five Renergy Pvt. Ltd.					–	59.69			–	59.69
Total					**–**	**167.75**			**–**	**167.75**
Interest income on non convertible debentures										
Wind Four Renergy Pvt. Ltd.					–	19.91			–	19.91
Wind Five Renergy Pvt. Ltd.					–	67.33			–	67.33
Total					**–**	**87.24**			**–**	**87.24**
Interest paid on Inter corporate deposits										
INOX Leasing and Finance Limited	63.75	29.71							63.75	29.71
	63.75	**29.71**							**63.75**	**29.71**

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for the year ended 31st March, 2021

51 Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises over which KMP or his relatives have significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Interest paid on advances from customers										
Gujarat Fluorochemicals Limited			2,173.75	4,805.93					2,173.75	4,805.93
									–	**43,894.19**
Reimbursement of expenses paid / Payments made on behalf of the Group			**2,173.75**	**4,805.93**					**2,173.75**	**4,805.93**
Gujarat Fluorochemicals Limited			1,038.48	650.66					1,038.48	650.66
Total			**1,038.48**	**650.66**					**1,038.48**	**650.66**
Reimbursement of expenses received / Payments made on behalf by the Group										
INOX Wind Energy Limited			6.24	–					6.24	–
Gujarat Fluorochemicals Limited			50.39	–					50.39	–
Total			**56.63**	**–**					**56.63**	**–**
Guarantee commission paid										
Gujarat Fluorochemicals Limited			96.57	328.38					96.57	328.38
Total			**96.57**	**328.38**					**96.57**	**328.38**
Guarantee commission Received										
INOX Wind Infrastructure Services Limited			101.11	–					101.11	–
Total			**101.11**	**–**					**101.11**	**–**
Rent paid										
Gujarat Fluorochemicals Limited			45.31	105.38					45.31	105.38
Total			**45.31**	**105.38**					**45.31**	**105.38**

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for the year ended 31st March, 2021

51 Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises over which KMP or his relatives have significant influence		Total	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
B) Amounts outstanding										
a) Amounts payable										
Gujarat Fluorochemicals Limited			228.28	152.58					228.28	152.58
Total			**228.28**	**152.58**					**228.28**	**152.58**
b) Advance from customers										
Wind Four Energy Private Limited					–	1,143.76			–	1,143.76
Gujarat Fluorochemicals Limited			–	87,188.58					–	87,188.58
Total			**–**	**87,188.58**	**–**	**1,143.76**			**–**	**88,332.34**
c) Inter-corporate deposits payable										
INOX Leasing and Finance Limited	2,100.00	2,500.00							2,100.00	2,500.00
Total	**2,100.00**	**2,500.00**							**2,100.00**	**2,500.00**
d) Interest payable on Inter corporate deposits										
INOX Leasing and Finance Limited	58.97	26.77							58.97	26.77
Total	**58.97**	**26.77**							**58.97**	**26.77**
e) Interest payable on capital advances										
Gujarat Fluorochemicals Limited			–	4,325.34					–	4,325.34
Total			**–**	**4,325.34**					**–**	**4,325.34**
f) Corporate guarantee commission payable										
Gujarat Fluorochemicals Limited			–	394.25					–	394.25
Total			**–**	**394.25**					**–**	**394.25**
C) Amounts receivable										
a) Trade / other receivables										
INOX Wind Infrastructure Services Limited			1,347.81	–					1,347.81	–
INOX Wind Energy Limited			6.24	–					6.24	–
Wind One Energy Private Limited					–	3,483.72			–	3,483.72
Wind Two Energy Private Limited					–	6,105.60			–	6,105.60
Wind Three Energy Private Limited					–	679.38			–	679.38

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51 Related Party disclosures (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises over which KMP or his relatives have significant influence		Total	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Wind Four Energy Private Limited					–	10,953.13			–	10,953.13
INOX India Private Limited							0.04	0.64	0.04	0.64
Gujarat Fluorochemicals Limited			821.00	2,996.18					821.00	2,996.18
Total			**2,175.05**	**2,996.18**	**–**	**21,221.83**	**0.04**	**0.64**	**2,175.09**	**24,218.65**
b) Inter corporate deposit										
Wind One Energy Private Limited					–	0.45			–	0.45
Wind Three Energy Private Limited					–	72.57			–	72.57
Wind Four Energy Private Limited					–	7,178.87			–	7,178.87
Wind Five Energy Private Limited					–	650.26			–	650.26
Total					**–**	**7,902.15**			**–**	**7,902.15**
c) Interest accrued										
Wind One Energy Private Limited					–	0.12			–	0.12
Wind Three Energy Private Limited					–	8.73			–	8.73
Wind Four Energy Private Limited					–	89.72			–	89.72
Wind Five Energy Private Limited					–	53.72			–	53.72
Total					**–**	**152.29**			**–**	**152.29**
D) Guarantees given										
INOX Wind Infrastructure Services Limited			10,878.00	–					10,878.00	–
GFL GM Fluorspar SA			2,045.07	4,337.53					2,045.07	4,337.53
Total			**12,923.07**	**4,337.53**					**12,923.07**	**4,337.53**

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51 Related Party disclosures (Contd..)

Compensation of Key management personnel

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
(i) Remuneration & Commission paid		
Mr. D K Jain	120.00	193.17
Mr. Alok Tandon	100.70	148.43
Mr. Siddharth Jain	–	123.00
Mr. Devansh Jain	23.16	92.64
Mr. Kailash Lal Tarachandani	35.53	147.11
Mr. Manoj Dixit	7.82	33.43
Mr. Vineet Valentine Davis	15.80	42.01
Mr. Mukesh Manglik	6.80	–
Total	**309.81**	**779.79**
(ii) Professional fees paid - Mr. Deepak Asher	60.00	120.00
(iii) Director's sitting fees paid	28.80	48.35

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company, the amount pertaining to KMP are not included above. Contribution to Provident Fund (defined contribution plan) is ₹ 7.89 Lakhs (as at 31st March, 2020 ₹ 42.52 Lakhs) included in the amount of remuneration reported above.

The amount of remuneration reported above includes:

Share options exercised under ESOP of ₹ 10.77 Lakhs (as at 31st March, 2020 ₹ 15.25 lakhs)

Notes

(a) Sales, purchases and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for the year ended 31st March, 2021 and 31st March, 2020 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) The Group has been provided with Inter-corporate deposits at rate comparable to the average rate of interest. These loans are unsecured.

52 Business Combinations

(a) Demerger of Renewable Energy Business w.e.f. 1st July, 2020 (see Note 1)

The Hon'ble National Company Law Tribunal, Ahmedabad Bench (""NCLT"") vide its order dated 25th January, 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, INOX Renewables Limited and INOX Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below:

a) Part A - Amalgamation of its wholly-owned subsidiary Inox Renewables Limited into GFL Limited w.e.f. 1st April, 2020, and

b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL Limited into its wholly-owned subsidiary, Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July, 2020.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

52 Business Combinations (Contd..)

The aforesaid Scheme was filed with the Registrar of Companies (ROC) on 9th February, 2021 making the Scheme operative."

The amalgamation stated in the Part A of the Scheme is accounted in accordance with Appendix C of Ind AS 103: Business Combination being common control business combination.

Consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business (as more particularly defined in the Scheme) stand transferred and vested into INOX Wind Energy Limited (IWEL) from its appointed date i.e. 1 July, 2020. As a consideration for the Part B of the Scheme, all the Shareholders of GFL Limited will be issued one fully paid-up equity share of ₹ 10 each in Inox Wind Energy Limited, for every ten fully paid- up equity shares of Re. 1 each held by them in GFL Limited. The shares of IWEL are separately listed. Further, shares of IWEL held by GFL Limited stand cancelled and IWEL has ceased to be a subsidiary of GFL Limited.

The demerger is accounted in accordance with AS 103: Business Combinations. Accordingly, the financial information pertaining to the demerged Renewable Energy Business for the comparative period have been classified as Discontinued Operations in the consolidated financial statements.

Following subsidiaries and associates pertaining to the Renewable Business Undertaking are transferred and vested with the resulting company as per the Scheme:

a. Subsidiaries of INOX Wind Limited

INOX Wind Infrastructure Services Limited (IWISL)

Waft Renergy Private Limited

b. Subsidiaries of INOX Wind Infrastructure Services Limited

Suswind Power Private Limited

Vasuprada Renewables Private Limited

Ripudaman Urja Private Limited

Vibhav Energy Private Limited

Haroda Wind Energy Private Limited

Vigodi Wind Energy Private Limited

Aliento Wind Energy Private Limited

Flurry Wind Energy Private Limited

Tempest Wind Energy Private Limited

Vuelta Wind Energy Private Limited

Flutter Wind Energy Private Limited

Marut Shakti Energy India Limited

Sarayu Wind Power (Kondapuram) Private Limited

Sarayu Wind Power (Tallimadugula) Private Limited

Vinirrmaa Energy Generation Private Limited

Satviki Energy Private Limited

RBRK Investments Limited

Shri Pavan Energy Private Limited (upto 21.05.2020)

Khatiyu Wind Energy Private Limited

Ravapar Wind Energy Private Limited

Nani Virani Wind Energy Private Limited

Resco Global Wind Services Private Limited (incorporated on 21.01.2020)

c. Associates of INOX Wind Infrastructure Services Limited

Wind One Renergy Private Limited

Wind Two Renergy Private Limited

Wind Three Renergy Private Limited

Wind Four Renergy Private Limited

Wind Five Renergy Private Limited

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

52 Business Combinations (Contd..)

Summary of assets and liabilities transferred on demerger w.e.f. 1st July, 2020 is as under:

Particulars	(₹ in Lakhs)
ASSETS	
(1) Non-current assets	
(a) Property, Plant & Equipment	1,25,042.16
(b) Capital work-in-progress	6,549.85
(c) Right of use assets	4,721.05
(d) Other Intangible assets	2,553.15
(e) Investments accounted for using the equity method	6,955.00
(f) Financial assets	
(i) Loans	1,441.24
(ii) Other financial assets	41,530.47
(g) Deferred tax assets (net)	29,582.83
(h) Income tax assets (net)	3,582.66
(i) Other non-current assets	4,629.19
Sub-total	**2,26,587.60**
(2) Current assets	
(a) Inventories	1,27,910.56
(b) Financial assets	
(i) Investments	2,497.92
(ii) Trade receivables	1,31,570.89
(iii) Cash & cash equivalents	1,307.27
(iv) Bank balances other than (iii) above	9,087.15
(v) Loans	8,221.47
(vi) Other financial assets	9,740.95
(c) Current tax assets (net)	326.12
(d) Other current assets	58,071.02
Sub-total	**3,48,733.35**
Total assets (1+2)	**5,75,320.95**

Particulars	(₹ in Lakhs)
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	9,348.20
(ii) Other financial liabilities	182.66
(b) Provisions	1,080.74
(c) Deferred tax liabilities (net)	3,480.32
(d) Other non-current liabilities	7,008.71
Sub-total	**21,100.63**
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	48,496.39
(ii) Trade payables	
a. total outstanding dues of micro enterprises and small enterprises	249.81
b. total outstanding dues of creditors other than micro enterprises and small enterprises	1,17,251.84
(iii) Other financial liabilities	41,882.01
(b) Other current liabilities	1,05,571.79
(c) Provisions	135.17
(d) Current tax liabilities (net)	0.16
Sub-total	**3,13,587.17**
Total liabilities (1+2)	**3,34,687.80**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

52 Business Combinations (Contd..)

As per the Scheme, the difference between the net assets transferred to the resulting company and the reserves transferred to the resulting company, is adjusted against retained earnings as under:

Particulars	**(₹ in Lakhs)**
Assets transferred on demerger	5,75,320.95
Less: liabilities transferred on demerger	3,34,687.80
Net assets transferred on demerger (a)	**2,40,633.15**
Reserves transferred on demerger	
Security premium	40,691.41
Debenture redemption reserve	1,135.55
Retained earnings	1,29,257.49
Total reserves transferred on demerger (b)	**1,71,084.45**
Non controlling interest transferred (c)	**69,548.70**
Sub-total (d = b - a + c)	**–**
Consolidation adjustments on demerger (net of deferred tax) (e)	4,852.68
Difference adjusted in retained earnings (d + e)	**4,852.68**

Details of Property, plant and equipment transferred on demerger:

(₹ in Lakhs)

Particulars	**Gross Block - at Cost or deemed cost**	**Accumulated Depreciation**	**Net Block as at 1st July, 2020**
Freehold land	1,997.88	–	1,997.88
Buildings	22,512.06	5,475.38	17,036.68
Plant and equipments	1,31,073.21	25,592.37	1,05,480.84
Furniture and fixtures	518.71	218.34	300.37
Vehicles	316.91	129.19	187.72
Office equipment	374.63	335.96	38.67
Total	**1,56,793.40**	**31,751.24**	**1,25,042.16**

Details of Intangible assets transferred on demerger:

(₹ in Lakhs)

Particulars	**Gross Block**	**Accumulated depreciation**	**Net Block as 1st July, 2020**
Technical know-how	4,863.29	2,618.04	2,245.25
Software	607.42	299.52	307.90
Total	**5,470.71**	**2,917.56**	**2,553.15**

Details of Investments transferred on demerger:

(₹ in Lakhs)

Particulars	**As at 1st July, 2020**
Investments in associates	
Wind Two Renergy Private Limited - 3,25,10,000 in fully paid-up equity shares of ₹ 10 each	3,251.00
Wind Four Renergy Private Limited - 1,85,10,000 in fully paid-up equity shares of ₹ 10 each	1,851.00
Wind Five Renergy Private Limited - 1,85,10,000 in fully paid-up equity shares of ₹ 10 each	1,851.00
Wind One Renergy Private Limited - 10,000 in fully paid-up equity shares of ₹ 10 each	1.00
Wind Three Renergy Private Limited - 10,000 in fully paid-up equity shares of ₹ 10 each	1.00
	6,955.00

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

52 Business Combinations (Contd..)

Details of Cash and cash equivalents transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1st July, 2020
Balances with Banks - in current account	1,300.80
Cash on hand	6.47
	1,307.27

Details of Contingent Liabilities and Capital Commitments transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1st July, 2020
1) Contingent liabilities	
a) Claims against the Group not acknowledged as debts	15,303.78
b) In respect of Income tax matters	5,077.83
c) In respect of Service tax matters	1,667.43
d) In respect of labour matters	61.11
e) In respect of VAT and Sales tax matters	155.47
2) Capital commitments	
a) Estimated amount of contracts remaining to be executed on capital account	7,586.39
b) Amount of customs duty exemption availed under EPCG Scheme	**2,651.54**

The Group has also reported the demerged Renewable Business Undertaking as a "Wind Energy Segment" and "Power" for reporting under Ind AS 108, Operating Segment till the previous year.

(b) Demerger of Chemical Business Undertaking during the year ended 31st March, 2020 (see Note 1)

During the previous year, the scheme of arrangement for the demerger of Chemical Business Undertaking from the Company to its wholly owned subsidiary, Gujarat Fluorochemicals Limited ("the resulting company") under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 ("the Scheme") was approved by Honourable National Company Law Tribunal, Ahmedabad Bench on 4th July, 2019. The said NCLT Order was filed by both the companies with the Registrar of Companies on 16th July, 2019 i.e. making the Scheme operative. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, including employees and investment in subsidiaries and joint ventures pertaining to the said Chemical Business, stood transferred and vested into the resulting company from its Appointed Date i.e. 1st April, 2019. Certain assets, particularly the immovable properties, are in the process of being registered in the name of the resulting company.

All the shareholders of the demerged company are allotted one fully paid-up equity share of Re. 1 each in resulting company, for every one fully paid-up equity share of Re. 1 each held by them in demerged company. The name of the Company was changed from Gujarat Fluorochemicals Limited to GFL Limited w.e.f. 17th July, 2019. The demerger is accounted as per 'pooling of interest' method in accordance with Appendix C of AS 103: Business Combinations, being common control business combination. Accordingly, the financial information pertaining to the demerged Chemical Business Undertaking for the previous year have been classified as Discontinued Operations in the consolidated financial statements.

As per the Scheme, the difference between the net assets transferred to the resulting company and the reserves transferred to the resulting company, is adjusted against retained earnings as under:

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

52 Business Combinations (Contd..)

Particulars	(₹ in Lakhs)
a) Assets transferred on demerger	4,88,434.64
Less: liabilities transferred on demerger	1,41,322.60
Net assets transferred on demerger (a)	**3,47,112.04**
b) Reserves transferred on demerger	
Capital reserve	12,827.46
General reserve	3,20,000.00
Cash flow hedge reserve	84.98
Foreign currency translation reserve	985.62
Retained earnings	16,304.19
Total reserves transferred on demerger (b)	**3,50,202.25**
Non controlling interest transferred (c)	(314.69)
Sub-total (d=b-a+c)	**2,775.52**
Consolidation adjustments on demerger (net of deferred tax) (e)	3,224.40
Difference adjusted in retained earnings (d+c)	**5,999.92**

53 Discontinued Operations - demerger of Renewable Energy Business

As detailed in Note 52, consequent to Part B of the Scheme, all the assets and liabilities pertaining to the Renewable Energy Business (as more particularly defined in the Scheme) stand transferred and vested into INOX Wind Energy Limited (IWEL) from its Appointed Date i.e. 1st July, 2020.

The demerger is accounted in accordance with AS 103: Business Combinations. Accordingly, the financial information pertaining to the demerged Renewable Energy Business for the comparative period has been classified as Discontinued Operations in the consolidated financial statements.

Particulars of profit and loss and assets and liabilities etc. in respect of the Renewable Energy Business (including the subsidiaries) transferred on demerger, viz. discontinued operations, are as under:

Statement of Profit and loss of discontinued operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Operations	9,822.36	80,619.30
Other income	611.02	2,526.23
Total Income	**10,433.38**	**83,145.53**
Cost of materials consumed	2,096.34	21,719.75
Changes in inventories of finished goods, stock-in-trade and work in progress	3,152.33	7,168.76
Employee benefits expense	2,309.52	9,308.49
Finance costs	5,971.98	22,616.71
Depreciation and amortisation expense	2,333.72	8,993.74
Other expenses	4,753.43	54,053.55
Total expenses	**20,617.32**	**1,23,861.00**
Share of profit of associates	–	23.88
Loss before tax	**(10,183.94)**	**(40,691.59)**

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for the year ended 31st March, 2021

53 Discontinued Operations - demerger of Renewable Energy Business (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Tax expense		
(1) Current tax	–	990.86
(2) MAT credit entitlement	–	(10.36)
(3) Deferred tax	(754.38)	(15,972.37)
(4) Impact of deferred tax assets remeasurement on account of change in tax rate	–	(534.54)
	(754.38)	**(15,526.41)**
Loss for the year	**(9,429.56)**	**(25,165.18)**

Summary of assets/liabilities of discontinued operations

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2020
	ASSETS	
(1)	**Non-current assets**	
	(a) Property, Plant & Equipment	1,29,961.44
	(b) Capital work-in-progress	6,470.28
	(c) Right of use assets	4,511.82
	(d) Other Intangible assets	2,767.87
	(e) Investments accounted for using the equity method	6,955.00
	(f) Financial assets	
	(i) Loans	1,341.24
	(ii) Other financial assets	39,420.16
	(g) Deferred tax assets (net)	26,074.25
	(h) Income tax assets (net)	3,800.96
	(i) Other non-current assets	5,125.18
	Sub-total	**2,26,428.20**
(2)	**Current assets**	
	(a) Inventories	1,19,382.65
	(b) Financial assets	
	(i) Investments	2,443.97
	(ii) Trade receivables	1,31,889.67
	(iii) Cash & cash equivalents	738.55
	(iv) Bank balances other than (iii) above	15,494.04
	(v) Loans	8,055.92
	(vi) Other financial assets	5,451.75
	(c) Current tax assets (net)	931.60
	(d) Other current assets	56,651.19
	Sub-total	**3,41,039.34**
	Total assets pertaining to discontinued operations	**5,67,467.54**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

53 Discontinued Operations - demerger of Renewable Energy Business (Contd..)

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2020
(1)	**Non-current liabilities**	
	(a) Financial liabilities	
	(i) Borrowings	11,858.30
	(ii) Lease Liabilities	168.53
	(iii) Other financial liabilities	182.67
	(b) Provisions	852.11
	(c) Deferred tax liabilities (net)	525.04
	(d) Other non-current liabilities	5,138.49
	Sub-total	**18,725.14**
(2)	**Current liabilities**	
	(a) Financial liabilities	
	(i) Borrowings	53,246.17
	(ii) Lease Liabilities	39.97
	(iii) Trade payables	
	a. total outstanding dues of micro enterprises and small enterprises	180.13
	b. total outstanding dues of creditors other than micro enterprises and small enterprises	1,06,055.26
	(iv) Other financial liabilities	39,871.63
	(b) Other current liabilities	99,462.95
	(c) Provisions	312.25
	(d) Current tax liabilities (net)	10.52
	Sub-total	**2,99,178.88**
	Total liabilities pertaining to discontinued operations	**3,17,904.02**

Cash flows from discontinued operations:

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
1	Net cash generated from operating activities	(2,245.91)	73,956.42
2	Net cash used in investing activities	18,327.59	(33,571.35)
3	Net cash used in financing activities	(15,564.06)	(37,239.12)
	Total Cash flow from discontinued operations	**517.62**	**3,145.95**

54 Treasury shares in case of INOX Leisure Limited (ILL):

Pursuant to the Composite Scheme of amalgamation of ILL's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with ILL, which was operative from 1st April, 2012, ILL had allotted fully paid-up 3,45,62,206 equity shares of ₹ 10 each to the shareholders of the transferor companies on 10th July, 2013, including fully paid-up 2,44,31,570 equity shares of ₹ 10 each to INOX Benefit Trust ("Trust") towards shares held by ILL in Fame. These shares were held by the Trust exclusively for the benefit of the ILL. ILL 's interest in the Trust, being akin to Treasury Shares, in accordance with their substance and economic reality, was deducted from total Equity.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

54 Treasury shares in case of INOX Leisure Limited (ILL): (Contd..)

Particulars of shares of ILL held by the Trust, at cost, are as under:

As at 31st March, 2021		As at 31st March, 2020@	
No. of shares	Amount (₹ in lakhs)	No. of shares	Amount (₹ in lakhs)
–	–	43,50,092	3,266.98

During the year, above equity shares are sold by ILL and the gain of ₹ 6,799.04 lakhs arising from sale of such treasury shares, net of expenses of ₹ 69.72 lakhs, is recognized as 'Treasury shares reserve' in other equity of ILL, being transactions relating to the capital of ILL.

The Trust is wound up during the year.

55 Non-controlling Interests

Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the group that have material non-controlling interests:

(₹ in Lakhs)

Name of Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non- controlling interests		Accumulated non-controlling interests	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
INOX Leisure Limited	India	53.15%	48.68%	(17,851.68)	634.70	33,591.91	28,792.52
INOX Wind Limited (*)	India	–	43.02%	–	(11,978.20)	–	72,524.10
Individually immaterial subsidiaries with non controlling interests						0.61	(6.99)
Total				**(17,851.68)**	**(11,343.50)**	**33,592.52**	**1,01,309.63**

(*) Transferred pursuant to demerger as part of Renewable Energy Business (see Note 52)

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below.

The summarized financial information below represents amounts before intragroup eliminations:

(a) **INOX Leisure Limited**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current assets	3,64,228.28	3,64,114.11
Current assets	14,196.64	17,427.15
Non-current liabilities	2,78,727.59	2,70,405.97
Current liabilities	36,402.48	48,946.96
Equity attributable to owners of the company	29,702.33	33,395.19
Non-controlling interest	33,592.52	28,793.14

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

55 Non-controlling Interests (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue	14,819.51	1,91,461.24
Expenses	59,046.70	1,78,603.05
Profit/(loss) before exceptional items and tax	**(44,227.19)**	**12,858.19**
Profit/(loss) for the year	**(33,765.49)**	**1,500.56**
Profit/(loss) attributable to owners of the company	(15,846.14)	805.80
Profit/(loss) attributable to non-controlling interests	(17,919.35)	694.76
Profit/(loss) for the year	**(33,765.49)**	**1,500.56**
Other comprehensive income attributable to the owners of the company	59.84	(69.66)
Other comprehensive income attributable to the non-controlling interests	67.67	(60.06)
Other comprehensive income for the year	**127.51**	**(129.72)**
Total comprehensive income attributable to the owners of the company	(15,786.30)	736.14
Total comprehensive income attributable to the non-controlling interests	(17,851.68)	634.70
Total comprehensive income for the year	**(33,637.98)**	**1,370.84**
Net cash inflow from operating activities	(13,083.39)	47,423.06
Net cash outflow from investing activities	(12,155.99)	(21,299.88)
Net cash outflow from financing activities	21,991.13	(23,279.76)
Net cash inflow/(outflow)	**(3,248.25)**	**2,843.42**

(b) INOX Wind Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current assets	–	2,09,870.12
Current assets	–	3,19,287.82
Non-current liabilities	–	14,750.95
Current liabilities	–	3,45,850.39
Equity attributable to owners of the company	–	96,032.50
Non-controlling interest	–	72,524.10

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue	–	77,059.07
Expenses	–	1,20,063.90
Share of Profit of associates	–	23.88
Loss before exceptional items and tax	**–**	**(42,980.95)**
Loss for the year	**–**	**(27,940.07)**
Loss attributable to owners of the company	–	(15,918.95)
Loss attributable to non-controlling interests	–	(12,021.12)
Loss for the year	**–**	**(27,940.07)**
Other comprehensive income attributable to the owners of the company	–	56.85
Other comprehensive income attributable to the non-controlling interests	–	42.92
Other comprehensive income for the year	**–**	**99.77**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

55 Non-controlling Interests (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Total comprehensive income attributable to the owners of the company	–	(15,862.10)
Total comprehensive income attributable to the non-controlling interests	–	(11,978.20)
Total comprehensive income for the year	**–**	**(27,840.30)**
Net cash inflow from operating activities	–	73,293.79
Net cash outflow from investing activities	–	(34,574.14)
Net cash outflow/(inflow) from financing activities	–	(38,514.65)
Net cash inflow	**–**	**205.00**

56. Details of subsidiaries at the end of the reporting period

a) Subsidiaries of the Company

(₹ in Lakhs)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
INOX Leisure Limited (ILL)	Operating and managing multiplexes & cinema theatres in India	India	46.85%	51.32%
INOX Infrastructure Limited (IIL)	Real estate and property development	India	100.00%	100.00%

b) Subsidiaries of ILL

(₹ in Lakhs)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
Shouri Properties Private Limited	Holds a license to operate a multiplex cinema theatre which is operated by INOX Leisure Limited.	India	99.29%	99.29%
INOX Leisure Limited - Employees Welfare Trust	Manages the ESOP Scheme of INOX Leisure Limited	India	Controlled by INOX Leisure Limited	
INOX Benefit Trust(*)	Holds treasury shares for the benefit of INOX Leisure Limited	India	Not applicable	Controlled by INOX Leisure Limited

(*) The Trust is wound up during the year (see Note 54).

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

56 Details of subsidiaries at the end of the reporting period (Contd..)

c) Subsidiaries of the Company - transferred and vested in the resulting Company on demerger being part of Renewable Energy Business, w.e.f. 1st July, 2020 - see Note 1 & 52

(₹ in Lakhs)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
INOX Wind Limited (IWL)	Manufacture and sale of Wind Turbine Generators ("WTGs"), providing Erection, Procurement and Commissioning ("EPC") services, Operations and Maintenance ("O&M") services, wind farm development services and Common Infrastructure Facilities for WTGs.	India	Not applicable	56.98%
INOX Wind Energy Limited (IWEL) (incorporated on 6th March, 2020)	Engaged in the business of generation and sale of wind energy and providing services for Erection, Procurement and Commissioning (EPC) of wind farms.	India	Not applicable	100.00%

d) Subsidiaries of IWL - transferred and vested in the resulting Company on demerger being part of Renewable Energy Business, w.e.f. 1st July, 2020 - see Note 1 & 52

(₹ in Lakhs)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
INOX Wind Infrastructure Services Limited (IWISL)	Providing EPC, O&M, Common Infrastructure Facilities services for WTGs and development of wind farms	India	Not applicable	100.00%
Waft Energy Private Limited	Generation of wind energy	India	Not applicable	100.00%
Subsidiaries of IWISL:				
Marut Shakti Energy India Limited	Engaged in either the business of providing wind farm development services or generation of wind energy.	India	Not applicable	100.00%
Satviki Energy Private Limited (SEPL)		India	Not applicable	100.00%
Sarayu Wind Power (Tallimadugula) Private Limited (SWPTPL)		India	Not applicable	100.00%
Vinirrmaa Energy Generation Private Limited (VEGPL)		India	Not applicable	100.00%
Sarayu Wind Power (Kondapuram) Private Limited (SWPKL)		India	Not applicable	100.00%
RBRK Investments Limited		India	Not applicable	100.00%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

56 Details of subsidiaries at the end of the reporting period (Contd..)

(₹ in Lakhs)

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
Vasuprada Renewables Private Limited		India	Not applicable	100.00%
Suswind Power Private Limited		India	Not applicable	100.00%
Ripudaman Urja Private Limited		India	Not applicable	100.00%
Vibhav Energy Private Limited		India	Not applicable	100.00%
Haroda Wind Energy Private Limited		India	Not applicable	100.00%
Vigodi Wind Energy Private Limited		India	Not applicable	100.00%
Aliento Wind Energy Private Limited		India	Not applicable	100.00%
Tempest Wind Energy Private Limited		India	Not applicable	100.00%
Flurry Wind Energy Private Limited		India	Not applicable	100.00%
Vuelta Wind Energy Private Limited		India	Not applicable	100.00%
Flutter Wind Energy Private Limited		India	Not applicable	100.00%
Nani Virani Wind Energy Pvt. Ltd.		India	Not applicable	100.00%
Ravapar Wind Energy Pvt. Ltd.		India	Not applicable	100.00%
Khatiyu Wind Energy Pvt. Ltd.		India	Not applicable	100.00%
Sri Pavan Energy Private Limited		India	Not applicable	51.00%
Resco Global Wind Service Private Limited (incorporated on 21.01.2020)		India	Not applicable	100.00%

e) Amalgamation of INOX Renewables Limited with GFL Limited

The Board of Directors of GFL Limited had approved the Scheme of Amalgamation (merger by absorption) ("the Scheme") under section 230 to 232 and other applicable sections of the Companies Act, 2013, for amalgamation of its wholly owned subsidiary, INOX Renewables Limited ("IRL") with GFL Limited. The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25th January, 2021. The Scheme has become effective on 9th February, 2021 with the appointed date as 1st April, 2019. The amalgamation is accounted in accordance with Appendix C of Ind AS 103: Business Combination.

f) Sale of Treasury Share and Qualified Institutions Placement (QIP) of equity shares by INOX Leisure Limited (ILL)

On 11th August, 2020, one of the subsidiaries, INOX Leisure Limited (ILL) has sold its 43,50,092 Equity Shares, which were held by INOX Benefit Trust, for the benefit of ILL, and represented treasury shares for net consideration of ₹ 10,066.02 lakhs. These shares were originally issued pursuant to the Composite Scheme of Amalgamation of ILL's erstwhile subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with ILL. The trust is now wound up w.e.f. 23rd November, 2020. Further, ILL has allotted 98,03,921 equity shares @ ₹ 255 per share (including premium of ₹ 245 per share) on 12th November, 2020 under Qualified Institutions Placement (QIP). Consequently, the Group's holding in INOX Leisure Limited is reduced to 46.85% from 51.32% as at 31st March, 2021. However, ILL continues to be the subsidiary of the Company, since as per the Articles of Association of ILL, the GFL Limited is entitled to appoint majority of directors on the Board of ILL if the GFL Limited holds not less than 40% of the paid-up equity capital of ILL and accordingly the Company is having control over ILL.

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

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

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for the year ended 31st March, 2021

57 Disclosure of additional information as required by the Schedule III

(a) As at and for the year ended 31st March, 2021

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
GFL Limited	30.97%	31,121.26	7.17%	(3,121.95)	7.03%	8.39	7.17%	(3,113.56)
Subsidiaries (Group's share)								
Indian Subsidiaries								
INOX Infrastructure Limited	5.93%	5,963.38	0.19%	(84.74)	–	–	0.20%	(84.74)
INOX Leisure Limited	62.99%	63,291.11	77.53%	(33,765.69)	106.77%	127.51	77.45%	(33,638.18)
Shouri Properties Private Limited	0.08%	84.95	*	(0.94)	–	–	*	(0.94)
INOX Leisure Limited Employees welfare trust	0.02%	17.54	*	1.03	–	–	*	1.03
Indian Associates								
Nexome Realty LLP	–	–	(0.01%)	4.62	–	–	(0.01%)	4.62
In respect of subsidiaries & associates, part of discontinued business (see Note 52)	NA	NA	15.12%	(6,584.33)	(13.80%)	(16.48)	15.20%	(6,600.81)
Sub-total	**100.00%**	**1,00,478.24**	**100.00%**	**(43,552.00)**	**100.00%**	**119.42**	**100.00%**	**(43,432.58)**
Consolidation eliminations/ Adjustments		29,627.25		(554.46)		–		(554.46)
Total		**70,850.99**		**(42,997.54)**		**119.42**		**(42,878.12)**
Break-up								
Owners share		37,258.47		(23,171.79)		64.84		(23,106.95)
Minority Interest in all subsidiaries		33,592.52		(19,825.75)		54.58		(19,771.17)
Total		**70,850.99**		**(42,997.54)**		**119.42**		**(42,878.12)**

(*) less than 0.01%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

57 Disclosure of additional information as required by the Schedule III (Contd..)

(b) As at and for the year ended 31st March, 2020

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
GFL Limited	31.25%	1,19,212.47	(13.40%)	3,408.38	6.12%	(1.77)	(13.38%)	3,406.61
Subsidiaries (Group's share)								
Indian Subsidiaries								
INOX Infrastructure Limited	1.59%	6,048.12	(0.51%)	129.65	–	–	(0.51%)	129.65
INOX Wind Energy Limited	*	0.16	*	(0.84)	–	–	*	(0.84)
INOX Wind Limited	46.80%	1,78,433.11	89.22%	(22,680.09)	(271.12%)	78.38	88.81%	(22,601.71)
Waft Energy Private Limited	*	(0.20)	*	(0.65)	–	–	*	(0.65)
INOX Wind Infrastructure Services Limited	2.08%	7,942.27	22.61%	(5,750.13)	(73.99%)	21.39	22.50%	(5,728.74)
Marut Shakti Energy India Limited	(0.50%)	(1,901.75)	0.97%	(245.67)	–	–	0.97%	(245.67)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.03%)	(123.34)	0.06%	(15.90)	–	–	0.06%	(15.90)
Sarayu Wind Power (Kondapuram) Private Limited	(0.02%)	(59.24)	0.06%	(15.78)	–	–	0.06%	(15.78)
Satviki Energy Private Limited	0.02%	75.09	*	(1.23)	–	–	*	(1.23)
Vinirrmaa Energy Generation Private Limited	(0.04%)	(140.23)	0.11%	(26.72)	–	–	0.10%	(26.72)
RBRK Investments Limited	(0.37%)	(1,424.44)	0.81%	(207.05)	–	–	0.81%	(207.05)
Ripudaman Urja Private Limited	*	(1.84)	*	(0.76)	–	–	*	(0.76)
Suswind Power Private Limited	(0.01%)	(24.93)	0.03%	(8.00)	–	–	0.03%	(8.00)
Vasuprada Renewables Private Limited	*	(2.00)	*	(0.80)	–	–	*	(0.80)
Vibhav Energy Private Limited	*	(2.85)	0.01%	(1.53)	–	–	*	(1.53)
Haroda Wind Energy Private Limited	*	(1.15)	*	(0.72)	–	–	*	(0.72)
Vigodi Wind Energy Private Limited	*	(1.11)	*	(0.71)	–	–	*	(0.71)
Aliento Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.75)	–	–	0.03%	(7.75)
Tempest Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	–	–	0.03%	(7.74)
Flurry Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	–	–	0.03%	(7.74)
Vuelta Wind Energy Private Limited	(0.01%)	(21.14)	0.03%	(7.90)	–	–	0.03%	(7.90)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

57 Disclosure of additional information as required by the Schedule III (Contd..)

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Flutter Wind Energy Private Limited	(0.01%)	(25.94)	0.03%	(8.07)	–	–	0.03%	(8.07)
Nani Virani Wind Energy Private Limited	*	(1.18)	*	(1.16)	–	–	*	(1.16)
Ravapar Wind Energy Private Limited	*	(1.18)	*	(1.16)	–	–	*	(1.16)
Khatiyu Wind Energy Private Limited	*	(1.18)	*	(1.16)	–	–	*	(1.16)
Sri Pavan Energy Private Limited	*	(15.16)	(0.25%)	63.44	–	–	(0.25%)	63.44
Resco Global Wind Services Private Limited	*	(15.45)	0.06%	(16.45)	–	–	0.06%	(16.45)
INOX Renewables Limited	2.92%	11,133.98	6.06%	(1,540.90)	(9.72%)	2.81	6.04%	(1,538.09)
INOX Leisure Limited	16.31%	62,184.79	(5.88%)	1,494.51	448.70%	(129.72)	(5.36%)	1,364.79
Shouri Properties Private Limited	0.02%	85.89	(0.02%)	5.74	–	–	(0.02%)	5.74
INOX Leisure Limited Employees welfare trust	*	16.51	(0.01%)	2.53	–	–	(0.01%)	2.53
INOX Benefit Trust	*	0.93	*	–	–	–	–	–
Indian Associates								
Wind Two Renergy Private Limited	–	–	(0.01%)	2.91	–	–	(0.01%)	2.91
Wind Four Renergy Private Limited	–	–	(0.01%)	2.61	–	–	(0.01%)	2.61
Wind Five Renergy Private Limited	–	–	(0.06%)	16.36	–	–	(0.06%)	16.36
Wind One Renergy Private Limited	–	–	*	1.00	–	–	*	1.00
Wind Three Renergy Private Limited	–	–	*	1.00	–	–	*	1.00
Nexome Realty LLP	–	–	*	0.10	–	–	*	0.10
Sub-total	**100.00%**	**3,81,305.77**	**100.00%**	**(25,428.38)**	**100.00%**	**(28.91)**	**100.00%**	**(25,457.29)**
Consolidation eliminations/ Adjustment		62,123.09		(1,781.76)		–		(1,781.76)
Total		**3,19,182.68**		**(23,646.62)**		**(28.91)**		**(23,675.53)**
Break-up								
Owners share		2,17,873.05		(12,337.99)		(11.78)		(12,349.77)
Minority Interest in all subsidiaries		1,01,309.63		(11,308.63)		(17.13)		(11,325.76)
Total		**3,19,182.68**		**(23,646.62)**		**(28.91)**		**(23,675.53)**

(*) less than 0.01%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

58 Earnings/(loss) per share

Basic earnings/(loss) per share:

a) From continuing operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year (₹ in Lakhs)	(33,567.98)	1,518.56
Weighted average number of equity shares for the purposes of basic earnings/(loss) per shares (nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (₹)	10.00	10.00
Basic and diluted earnings/(loss) per share (₹)	(30.56)	1.38

b) From discontinued operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year (₹ in Lakhs)	(9,429.56)	(25,165.18)
Weighted average number of equity shares for the purposes of basic earnings/(loss) per shares (nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (₹)	10.00	10.00
Basic and diluted earnings/(loss) per share (₹)	(8.58)	(22.91)

c) From total operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) for the year (₹ in Lakhs)	(42,997.54)	(23,646.62)
Weighted average number of equity shares for the purposes of basic earnings/(loss) per shares (nos.)	10,98,50,000	10,98,50,000
Nominal value of each share (₹)	10.00	10.00
Basic and diluted earnings/(loss) per share (₹)	(39.14)	(21.53)

As per our report of even date attached

For KULKARNI and COMPANY
Chartered Accountants
Firm's Reg. No: 140959W

A. D. TALAVLIKAR
Partner
Mem No: 130432

Place: Pune
Dated: 28th June, 2021

For and on behalf of the Board of Directors
For GFL Limited

D. K. JAIN
Managing Director
DIN: 00029782
Place: New Delhi

P. K. JAIN
Director
DIN: 00030098
Place: Mumbai

MUKESH PATNI
Chief Financial Officer

Place: New Delhi
Dated: 28th June, 2021

BHAVI SHAH
Company Secretary

Place: Vadodara

Corporate Office

Ceejay House, 7th Floor,
Dr. Annie Besant Road,
Worli, Mumbai – 400018
Tel.: - +91 22 40323960 /
+91 22 40323195