

INOX INFRASTRUCTURE LIMITED

AUDITED ANNUAL ACCOUNTS

2015-2016

Independent Auditor's Report to the members of Inox Infrastructure Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Inox Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report to the members of Inox Infrastructure Limited on the Financial Statements for the year ended 31st March 2016 (continued)

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in paragraph 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II.

Independent Auditor's Report to the members of Inox Infrastructure Limited on the Financial Statements for the year ended 31st March 2016 (continued)

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Pune
Date: 16th May, 2016

M Y Kulkarni
Partner
Membership No. 035524

Annexure I to Independent Auditor's Report to the members of Inox Infrastructure Limited on the financial statements for the year ended 31st March 2016 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. The title deeds of all immovable properties are held in the name of the Company.
2. The 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 not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence the provisions of clause 3(iii) of the Order are not applicable to the Company.
4. The Company has not granted any loan, or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013 and hence the provisions of clause 3(iv) of the Order are not applicable to the Company.
5. The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions 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 provident fund, income-tax, service tax and other material statutory dues applicable to it. No payments were due in respect of employee's state insurance, sales tax, duty of customs, duty of excise, value added tax and cess. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31st March 2016 for a period of more than six months from the date they become payable.

There are no dues of income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess, which have not been deposited on account of disputes.

Annexure I to Independent Auditor's Report to the members of Inox Infrastructure Limited on the financial statements for the year ended 31st March 2016 (continued)

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 did not raise moneys by way of initial public offer or further public offer (including debt instruments) or by way of 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 fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has not paid any managerial remuneration and hence the provisions of clause 3(xi) of the Order are not applicable to the Company.
12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the 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 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 not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions of clause 3(xvi) of the Order are not applicable to the Company.

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

Place: Pune
Date: 16th May 2016

M Y Kulkarni
Partner
Membership No. 035524

Annexure II to Independent Auditor's Report to the members of Inox Infrastructure Limited on the financial statements for the year ended 31st March 2016 – referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

We have audited the internal financial controls with reference to financial statements over financial reporting of **Inox Infrastructure Limited** ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Annexure II to Independent Auditor's Report to the members of Inox Infrastructure Limited on the financial statements for the year ended 31st March 2016 (continued)

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

M Y Kulkarni
Partner
Membership No. 035524

Place: Pune
Date: 16th May 2016

INOX INFRASTRUCTURE LIMITED
Balance Sheet as at 31st March, 2016

(Amounts in Rs.)

	Note No.	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	4	50,00,00,000	50,00,00,000
(b) Reserves and surplus	5	4,01,45,149	4,28,38,381
		54,01,45,149	54,28,38,381
(2) Non-current liabilities			
Long-term provisions	6	2,75,350	2,14,059
		2,75,350	2,14,059
(3) Current liabilities			
(a) Trade payables			
Dues to Micro & Small Enterprises	7	-	-
Dues to others	7	23,513	-
(b) Other current liabilities			
	8	2,93,093	3,53,568
(c) Short-term provisions			
	9	3,45,640	26,80,447
		6,62,246	30,34,015
TOTAL		54,10,82,745	54,60,86,455
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	5,78,305	7,22,882
(b) Non-current investments	11A	50,87,82,601	50,89,76,279
(c) Long-term loans and advances	12	34,000	34,000
		50,93,94,906	50,97,33,161
(2) Current assets			
(a) Current investments	11B	3,10,34,430	3,60,68,254
(b) Cash and bank balances	13	3,34,954	2,66,575
(c) Short-term loans and advances	14	3,18,455	18,465
		3,16,87,839	3,63,53,294
TOTAL		54,10,82,745	54,60,86,455
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date attached
For Patankar & Associates
 Chartered Accountants

For Inox Infrastructure Limited

M.Y.Kulkarni
 Partner

Vivek Jain
 Director

Deepak Asher
 Director

Prakash Fatnani
 Chief Financial Officer

Bhavin Desai
 Company Secretary

Place: Pune
 Dated: 16th May, 2016

Place: Noida
 Dated: 16th May, 2016

INOX INFRASTRUCTURE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2016

(Amounts in Rs.)

	Note No.	2015-16	2014-15
I. REVENUE			
Other income	15	8,99,504	1,50,48,981
Total Revenue		8,99,504	1,50,48,981
II. EXPENSES			
Employee benefits expense	16	10,32,947	9,53,797
Finance costs	17	-	1,70,000
Depreciation and amortization expense	18	3,38,255	3,38,255
Other expenses	19	22,25,254	6,69,961
Total Expenses		35,96,456	21,32,013
III. (Loss)/Profit before tax		(26,96,952)	1,29,16,968
IV. Tax expense			
(1) Current tax	23	-	24,10,000
(2) Taxation pertaining to earlier year		(3,720)	1,700
		(3,720)	24,11,700
V. (Loss)/Profit for the year		(26,93,232)	1,05,05,268
VI. Basic and diluted (loss)/earnings per share of Rs. 10 each	25	(0.05)	0.21

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached
For Patankar & Associates
Chartered Accountants

For Inox Infrastructure Limited

M.Y.Kulkarni
Partner

Vivek Jain
Director

Deepak Asher
Director

Prakash Fatnani
Chief Financial Officer

Bhavin Desai
Company Secretary

Place: Pune
Dated: 16th May, 2016

Place: Noida
Dated: 16th May, 2016

INOX INFRASTRUCTURE LIMITED

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

(Amounts in Rs.)

Particulars	2015-16	2014-15
A Cash flow from operating activities		
(Loss)/ Profit before tax	(26,96,952)	1,29,16,968
<u>Adjustments for :</u>		
Depreciation and amortization expense	3,38,255	3,38,255
Dividend income	(7,96,847)	(24,95,435)
Interest income	(3,040)	(3,059)
Profit from sale of investment	(99,617)	(1,25,50,487)
<i>Loss before working capital changes</i>	(32,58,201)	(17,93,758)
<u>Adjustments for :</u>		
Long-term provisions	61,291	2,14,059
Trade payables	23,513	(1,13,236)
Other current liabilities	(60,475)	(9,291)
Short-term provisions	18,913	96,727
Short-term loans and advances	(2,99,990)	6,321
<i>Cash used in operations</i>	(35,14,949)	(15,99,178)
Income tax paid (net)	(23,50,000)	(1,67,980)
Net cash used in operating activities	(58,64,949)	(17,67,158)
B Cash flow from investing activities		
Redemption of current investments	3,89,30,287	44,25,79,553
Purchase of non current investments	-	(16,25,00,000)
Purchase of current investments	(3,37,96,846)	(28,17,01,927)
Dividend received	7,96,847	24,95,435
Interest received	3,040	3,059
Net cash generated from investment activities	59,33,328	8,76,120
Net increase/(decrease) in cash and cash equivalents	68,379	(8,91,038)
Cash and cash equivalents as at the beginning of the year	2,66,575	11,57,613
Cash and cash equivalents as at the end of the year	3,34,954	2,66,575
Notes:		
1) Components of cash and cash equivalents are as per note no. 13		
2) Cash Flow Statement is prepared and presented under the 'Indirect Method'.		
3) The accompanying notes are an integral part of the Financial Statements		

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

For Inox Infrastructure Limited

M Y Kulkarni

Partner

Vivek Jain

Director

Deepak Asher

Director

Prakash Fatnani

Chief Financial Officer

Bhavin Desai

Company Secretary

Place: Pune

Dated: 16th May, 2016

Place: Noida

Dated: 16th May, 2016

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

1. Corporate Information

Inox Infrastructure Limited (the 'Company') is engaged in the business of real estate and property development. The Company is a wholly owned subsidiary of Gujarat Fluorochemicals Limited. All the activities of the Company are in India.

2. Basis of Preparation

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

Figures of the previous year have been regrouped or reclassified, wherever necessary, to confirm to the classification for the current year.

3. Significant accounting policies:

a) Fixed assets:

Fixed Assets are carried at cost less accumulated depreciation. Cost comprises of purchase price / cost of construction, including any expenses attributable to bring the asset to its working condition for its intended use.

b) Depreciation on fixed assets:

Depreciation on fixed assets is provided on straight line method at the rates determined as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

c) Investments:

i) In Securities

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

ii) In Investment Property

Leasehold Land is carried at cost, comprising of lease premium and expenses on acquisition thereof, as reduced by accumulated amortisation. Building is carried at cost of acquisition, less accumulated depreciation.

Cost of leasehold land is amortized over the period of lease. Depreciation on building is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013.

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

3. Significant accounting policies continued:

- d) Taxes on income:
Income tax expense comprises of current tax and deferred tax. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income-tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period prescribed for utilization of such credit.
- e) Impairment of assets :
Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets and impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.
- f) Provisions and contingent liabilities :
A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.
- g) Revenue recognition :
Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Dividend income is recognized when the unconditional right to receive the dividend is established.
- h) Employee benefits :
Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which related services are rendered. Company's contributions towards Defined Contribution Plans viz. Government administered provident and pension schemes, paid / payable during the year are charged to the Statement of Profit and Loss. Defined Benefits Plans in the form of Gratuity and Leave Benefits are recognized as expenses in the Statement of Profit and Loss at the present value of the amounts payable, determined on the basis of actuarial valuation techniques, using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

3. Significant accounting policies continued

i) Use of estimates :

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

INOX INFRASTRUCTURE LIMITED

Notes to financial statement for the year ended 31st March, 2016

4 Share capital

(Amounts in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
Authorized 5,00,00,000 equity shares of Rs. 10 each	50,00,00,000	50,00,00,000
Issued, subscribed and fully paid up 5,00,00,000 equity shares of Rs. 10 each	50,00,00,000	50,00,00,000
Total	50,00,00,000	50,00,00,000

a) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding.

b) Shares held by holding/ultimate holding company and /or their subsidiaries

	As at 31st March, 2016		As at 31st March, 2015	
	Nos	Amount Rs.	Nos	Amount Rs.
Holding Company - Gujarat Fluorochemicals Limited	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000

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

	As at 31st March, 2016		As at 31st March, 2015	
	Nos	% of holding	Nos	% of holding
Gujarat Fluorochemicals Limited	5,00,00,000	100%	5,00,00,000	100%

INOX INFRASTRUCTURE LIMITED

Notes to financial statement for the year ended 31st March, 2016

	(Amounts in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
5 <u>Reserves and surplus</u>		
Surplus in the Statement of Profit and Loss		
Balance as per last Balance Sheet	4,28,38,381	3,23,33,113
(Loss)/Profit for the year	(26,93,232)	1,05,05,268
Balance as at the end of the year	4,01,45,149	4,28,38,381
6 <u>Long-term provisions</u>		
Provision for employee benefits (see note no. 24)		
- For Gratuity	1,61,109	1,14,241
- For Leave benefits	1,14,241	99,818
Total	2,75,350	2,14,059
7 <u>Trade payables</u>		
Trade payables		
- Dues to Micro and Small Enterprises	-	-
- Dues to others	23,513	-
Total	23,513	-
<p>There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises 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 the information available with the Company. Further no interest is paid / payable in terms of section 16 of the said Act.</p>		
8 <u>Other current liabilities</u>		
Employee dues	1,41,441	1,20,608
Expenses payable	1,39,400	1,21,194
Statutory dues and taxes payable	12,252	1,11,766
Total	2,93,093	3,53,568
9 <u>Short-term provisions</u>		
Provision for employee benefits (see note no. 24)		
- For Gratuity	20,248	49,714
- For Leave benefits	95,392	47,013
Provision for taxation (net of payment)	2,30,000	25,83,720
Total	3,45,640	26,80,447

INOX INFRASTRUCTURE LIMITED

Notes to financial statement for the year ended 31st March, 2016

10: Fixed assets - Tangible assets

(Amounts in Rs.)

Particulars	Gross Block		Depreciation			Net Block	
	As at 01-Apr-15	As at 31-Mar-16	As at 01-Apr-15	For the Year	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Furniture and Fixtures	11,43,505	11,43,505	4,20,623	1,44,577	5,65,200	5,78,305	7,22,882
Total	11,43,505	11,43,505	4,20,623	1,44,577	5,65,200	5,78,305	7,22,882
Previous year	11,43,505	11,43,505	2,76,046	1,44,577	4,20,623		

INOX INFRASTRUCTURE LIMITED
Notes to financial statement for the year ended 31st March, 2016

11A: Non-Current Investments							
(a) Investment Property (Long term, non-trade, at cost)							(Amounts in Rs.)
Particulars	Gross Block		Depreciation/Amortization			Net Block	
	As at 01-Apr-15	As at 31-Mar-16	As at 01-Apr-15	For the year	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Leasehold land	1,69,37,451	1,69,37,451	92,620	16,954	1,09,574	1,68,27,877	1,68,44,831
Building	1,05,64,180	1,05,64,180	9,32,732	1,76,724	11,09,456	94,54,724	96,31,448
Total	2,75,01,631	2,75,01,631	10,25,352	1,93,678	12,19,030	2,62,82,601	2,64,76,279
Previous Year	2,75,01,631	2,75,01,631	8,31,674	1,93,678	10,25,352		

(b) Investment in Equity Instruments (Long term, non-trade, at cost, unquoted)					
Particulars	As at 31-Mar-16 Nos.	As at 31-Mar-15 Nos.	As at 31-Mar-16 Rs.	As at 31-Mar-15 Rs.	
In "Associate" company					
Megnasolace City Private Limited - Equity shares of Rs.10/- each - paid up Rs. 1.60 per share (previous year Rs. 1.60 per share)	50,00,000	50,00,000	32,00,00,000	32,00,00,000	
			32,00,00,000	32,00,00,000	
(c) Investment in Mutual Funds (Long term, non-trade, at cost, unquoted)					
Particulars	Face Value Rs.	As at 31-Mar-16 Nos.	As at 31-Mar-15 Nos.	As at 31-Mar-16 Rs.	As at 31-Mar-15 Rs.
HDFC FMP 371D June 2014(2)Sr.31-Gr	10	62,50,000	62,50,000	6,25,00,000	6,25,00,000
ICICI Prudential FMP Series 74-369 Days Reg.Growth	10	1,00,00,000	1,00,00,000	10,00,00,000	10,00,00,000
				16,25,00,000	16,25,00,000
Total Non-current investments (a + b + c)				50,87,82,601	50,89,76,279
Note: Uncalled amount payable by the Company in respect of above shares is Rs. 1,68,00,00,000 (previous year Rs. 1,68,00,00,000)					

11B: Current investments (non-trade, at lower of cost and fair value, unquoted)					
Particulars	Face Value Rs.	As at 31-Mar-16 Nos.	As at 31-Mar-15 Nos.	As at 31-Mar-16 Rs.	As at 31-Mar-15 Rs.
Investment in Mutual Funds					
HDFC Liquid Fund-Direct Plan-Growth	10	10,855	-	3,10,34,430	-
JP Morgan India Liquid Fund - Super Institutional Plan	10	-	36,03,291	-	3,60,68,254
				3,10,34,430	3,60,68,254
Total current investments				3,10,34,430	3,60,68,254

INOX INFRASTRUCTURE LIMITED

Notes to financial statement for the year ended 31st March, 2016

	(Amounts in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
12 <u>Long-term loans and advances</u> (Unsecured, considered good)		
Security deposit	34,000	34,000
Total	<u>34,000</u>	<u>34,000</u>
13 <u>Cash and bank balances</u>		
Cash and cash equivalents -		
(a) Balances with banks - in current accounts	3,30,253	2,61,746
(b) Cash on hand	4,701	4,829
Total	<u>3,34,954</u>	<u>2,66,575</u>
14 <u>Short-term loans and advances</u> (Unsecured, considered good)		
Prepaid expenses	5,915	5,845
Advances for expenses	3,12,540	12,620
Total	<u>3,18,455</u>	<u>18,465</u>

INOX INFRASTRUCTURE LIMITED

Notes to financial statement for the year ended 31st March, 2016

	(Amounts in Rs.)	
	2015-2016	2014-2015
15 <u>Other income</u>		
Interest		
- on electricity deposit	3,040	3,059
Dividend on current investments	7,96,847	24,95,435
Profit and loss on sale of investments (net)		
- on long term investments	-	1,24,07,000
- on current investments	99,617	1,43,487
Total	<u>8,99,504</u>	<u>1,50,48,981</u>
16 <u>Employee benefits expense</u>		
Salaries and wages	9,71,734	7,59,134
Contribution to provident and other funds	43,811	30,708
Gratuity	17,402	1,63,955
Total	<u>10,32,947</u>	<u>9,53,797</u>
17 <u>Finance costs</u>		
Interest on income tax	-	1,70,000
Total	<u>-</u>	<u>1,70,000</u>
18 <u>Depreciation and amortization expense</u>		
Depreciation on tangible assets	1,44,577	1,44,577
Depreciation on investment property	1,76,724	1,76,724
Amortization of investment property	16,954	16,954
Total	<u>3,38,255</u>	<u>3,38,255</u>
19 <u>Other expenses</u>		
Insurance	11,791	11,943
Property maintenance expenses	10,36,662	34,108
Directors' sitting fees	7,60,000	-
Rates and taxes	1,07,300	76,000
Legal & professional fees & expenses	3,09,153	5,10,321
Miscellaneous expenses	348	37,589
Total	<u>22,25,254</u>	<u>6,69,961</u>
<u>Payments to Auditors (Included in Legal & professional fees)</u>		
Audit fees	1,00,000	1,00,000
Tax matters	30,000	-
Other services	20,000	10,000
Total	<u>1,50,000</u>	<u>1,10,000</u>
Note: Above amounts are exclusive of service tax		

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

20. Related Party Disclosures –
- (i) Where control exists
Holding Company – Gujarat Fluorochemicals Limited
Ultimate Holding Company – Inox Leasing & Finance Limited
 - (ii) Other related party
Associate – Megnasolace City Private Limited
 - (iii) There are no transactions with the above related parties.
21. The Company operates in a single business segment viz. Real Estate and Property Development. Further, all the activities of the Company are in India and hence there is a single geographical segment.
22. The Company has long term capital loss as per the provisions of the Income-tax Act, 1961 which is eligible to be carried forward and set-off in subsequent years against long term capital gains. However, as a matter of prudent accounting policy, deferred tax asset in respect of such loss is not recognized.
23. The Company is entitled to credit for Minimum Alternate Tax (MAT) paid on book profits in previous year. However, in view of absence of convincing evidence that the Company will pay normal tax within the period specified for utilization of such credit, the same is not recognized. During the current year, the Company has utilised brought forward MAT credit entitlement to the extent of Rs. 3,34,357 and accordingly provision for current tax for the year is Rs. Nil.
24. Employee Benefits:
- a) Defined Contribution Plans: Contribution to provident fund & other funds of Rs. 43,811 (Previous year Rs. 30,708) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss.
 - b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Benefits – as per Actuarial valuation as on 31st March, 2016

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

24. Employee Benefits - continued

(Amounts in Rs.)

Particulars	2015-16		2014-15	
	Gratuity	Leave Benefits	Gratuity	Leave Benefits
1. Change in Benefit Obligation				
Liability at the beginning of the year	1,63,955	1,46,831	-	-
Interest Cost	12,739	10,148	-	-
Current Service Cost	17,670	22,460	24,748	14,746
Benefits Paid	-	(32,451)	-	-
Actuarial (Gain)/Loss	(13,007)	(18,389)	1,39,207	1,32,085
Sub-total	1,81,357	1,28,599	1,63,955	1,46,831
Add: Short term leave liability	-	81,034	-	-
Liability at the end of year	1,81,357	2,09,633	1,63,955	1,46,831
2. Expenses Recognized in the Statement of Profit and Loss				
Current Service Cost	17,670	22,460	24,748	14,746
Interest Cost	12,739	10,148	-	-
Actuarial (Gain) /Loss	(13,007)	(18,389)	1,39,207	1,32,085
Expenses recognized in Statement of Profit and Loss	17,402	14,219	1,63,955	1,46,831
3. Actuarial Assumptions				
Discount Rate	7.46%		7.77%	
Salary Escalation Rate		8%		
Retirement Age		60 years		
Withdrawal Rates		5%		
Mortality		IALM (2006-08) Ultimate Mortality Table		

4. Other Disclosures- experience adjustment	2015-16	2014-15
a. Gratuity		
Present value of defined benefit obligations	1,81,357	1,63,955
Experience (Gain)/Loss on obligation	(13,007)	1,39,207
b. Leave Benefits		
Present value of defined benefit obligations	2,09,633	1,46,831
Experience (Gain)/Loss on obligation	(18,389)	1,32,085

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

Inox Infrastructure Limited

Notes to financial statements for the year ended 31st March, 2016

25. Calculation of Earnings Per Share (EPS):

Particulars	2015-2016	2014-2015
Net (Loss)/Profit as per Statement of Profit and Loss (Rs.)	(26,93,232)	1,05,05,268
No. of Equity Shares outstanding at the beginning & at the end of the year (Nos.)	50000000	50000000
Nominal value per share (Rs.)	10	10
Basic and Diluted (Loss)/Earnings Per Share (Rs.)	(0.05)	0.21

As per our report of even date attached
For Patankar & Associates
Chartered Accountants

For Inox Infrastructure Limited

M. Y. Kulkarni
Partner

Vivek Jain
Director

Deepak Asher
Director

Prakash Fatnani
Chief Financial Officer

Bhavin Desai
Company Secretary

Place: Pune
Date : 16th May, 2016

Place: Noida
Date : 16th May, 2016