



**GFL LIMITED**  
Annual Report 2021-22

# Corporate Information

## Board of Directors

**Mr. Devendra Kumar Jain**  
Chairman and Managing Director

**Mr. Pavan Kumar 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 Kumar 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 Kumar Jain**  
Member

### Stakeholders' Relationship Committee

**Mr. Siddharth Jain**  
Chairman

**Mr. Shanti Prashad Jain**  
Member

**Mr. Pavan Kumar Jain**  
Member

### Corporate Social Responsibility Committee

**Mr. Shanti Prashad Jain**  
Chairman

**Mr. Pavan Kumar Jain**  
Member

**Mr. Devendra Kumar Jain**  
Member

### Risk Management Committee

**Mr. Devendra Kumar Jain**  
Chairman

**Mr. Pavan Kumar 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. Divya Shrimali

Company Secretary

## Auditors

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

## Registered Office and Corporate Office

7th Floor, Cee Jay House,  
Dr. Annie Besant Road,  
Worli, Mumbai – 400018  
Tel.: +91 22 4032 3851

## Registrar & Transfer Agent

Link Intime India Private Limited  
B -102 & 103, Shangrila Complex,  
First Floor, Opp. HDFC Bank,  
Near Radhakrishna Char Rasta,  
Akota, Vadodara - 390 020.  
Tel.: - +91 22 2356573 /  
+91 22 6136011  
Fax.: - 2356791  
E-mail : [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in)

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# Management Discussion and Analysis

## Indian Economic Overview

The pandemic's repeated illness outbreaks, supply-chain disruptions, and rising inflation have resulted in a rocky recovery throughout FY22. India's GDP grew by 8.7% in FY 22, with the first quarter growing by 20.1%, the second by 8.4%, the third by 5.4% and the fourth by 4.1%<sup>1</sup>. The slowdown in Q3 and Q4 was primarily caused by the appearance of the Omicron variant of Covid-19.<sup>2</sup>

On the other hand, due to rising oil prices, increased input costs, and supply chain disruptions, inflation has been progressively increasing since September 2021, hitting ~6.1%<sup>1</sup> in February 2022. A lack of semi-conductor chips and high commodity costs are other stumbling blocks to the industrial sector's progress.

The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) has maintained an accommodating approach to promoting economic growth while keeping inflation under control. India is at crossroads in its development. Despite climate-related challenges, new Covid-19 variations, growing unemployment, and healthcare challenges, the economy is anticipated to maintain its strong growth trajectory. The country's economic development is projected to be fueled by the RBI's monetary policies and government programmes such as Product Linked Incentives (PLI), the National Monetisation Plan (NMP), and PM Gati Shakti - National Master Plan.

### Outlook

India experienced multiple COVID inflections during the fiscal year 2021-22, resulting in massive loss of life and livelihood. However, increased vaccination coverage, a stable and accommodating monetary policy by the Reserve Bank of India (RBI), and fiscal support from the Government of India helped mitigate the impact significantly. India's real GDP is expected to grow at 7.2% in 2022-23, with a growth of 16.2% in Q1, 6.2% in Q2, 4.1% in Q3, and 4% in Q4.

For 2022-23, CPI inflation is estimated to average 5.7% - 6.3% in Q1, 5.8% in Q2, 5.4% in Q3, and 5.1% in Q4. The sharp increase in inflation forecast is primarily the result of economic disruptions caused by the Russia-Ukraine conflict.<sup>1</sup>

## Industry Overview

### Media and Entertainment Industry

Media and entertainment are consumed by audiences of all demographics and through various mediums such as television, films, out-of-home (OOH), radio, animation, and visual effects (VFX), music, gaming, digital advertising, live events, filmed entertainment, and print. India has the second-largest digital population in the world. Its media and entertainment industry is booming over the world. The sector is still expanding quickly, owing to India's appeal as a content creation and post-production powerhouse. In FY 2022, the industry grew by 16.4% to INR1.61 trillion (US\$21.5 billion). While television remained the most popular medium, digital media rose to the second place, followed by a resurgence of print. This year, many media companies were listed on stock markets.

The media and entertainment industry has seen tremendous changes due to technological advancements, shifting generational behaviours, and the impacts of the global pandemic. The industry's growth is fuelled by India's growing youth population, which comprises 385 million millennials, accounting for 65% of the country's overall population, exhibiting evolving media consumption patterns and developing lifestyles. During the COVID-19 outbreak, people sought out more media and entertainment at home, avoiding larger in-person activities. Digital media engagement remained strong even during the healthier summer, demonstrating that the pandemic has just exacerbated pre-existing trend towards the digital world. Smartphones are utilised by people in all parts of the country, including cities and rural areas. They may now access OTT, TV, YouTube, Instagram, Facebook, and Twitter to see a wide range of media material, including films, sports, news, music, and more.

Digital media expanded the highest with INR 68 billion, increasing its contribution to the M&E industry from 16 percent in 2019 to 19 percent in 2021 simultaneously.<sup>3</sup> Since the outbreak of the pandemic, Indians have spent 52% more time on entertainment applications. Traditional media (Television, print, filmed entertainment, out-of home, music, and radio) accounted for 68% of M&E sales in 2021, down from 75% in 2019.<sup>4</sup>

<sup>1</sup> Ministry of Statistics & Programme Implementation

<sup>2</sup> RBI Annual Report 2022

<sup>3</sup> <https://www.medianews4u.com/the-indian-me-sector-will-grow-at-a-cagr-of-13-and-add-rs-707-billion-by-2024/>

<sup>4</sup> <https://bestmediainfo.com/2022/03/indian-m-e-sector-to-grow-17-to-reach-rs-1-89-trillion-in-2022-ey-ficci-m-e-report-2022>

With individuals returning to work in 2021, the television industry had an overall reduction of 8% from the 2020 levels, and was also lower than overall 2019 levels. In 2021, the Hindi-Speaking Markets (HSM) fell by 10%, while the South Markets fell by 5%. South Market viewership stayed greater than that of 2019, while HSM viewership fell below that of 2019. The business model of the Local Cable Operator (LCO) is intended to be hybrid, with a linear TV wire and a broadband connection to provide efficient content services, internet connections, smart home services, and locality/community services.<sup>5</sup>

### Indian Film Entertainment Segment

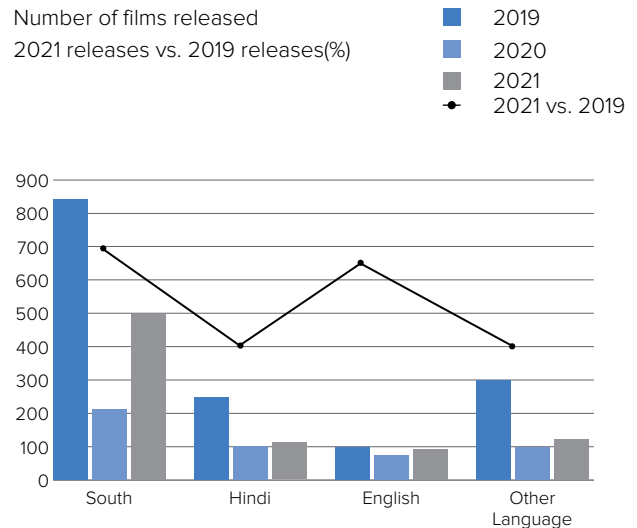
The film entertainment industry has seen a considerable development despite lockdowns and other restrictions on production and exhibition across states. The film industry grew by 28%, although it is still half of what it was pre pandemic.<sup>6</sup> In 2021, despite capacity limits throughout the year, more than 750 films were released, compared to just 441 in 2020.<sup>7</sup>

Industry results in 2021 revealed a continuous public demand in blockbuster features as the country gained speed during the unlocking, aided in part by the release of effective vaccines. Domestic theatricals increased by 57%. The year saw record-breaking footfall and occupancy levels at the theatres, similar to those seen in pre-COVID days. A solid slate of long-awaited tentpole films is likely to assist in the comeback of theatre attendance in the coming months<sup>4</sup>.

### Outlook

In 2022, the Media and Entertainment industry is expected to grow by 17% to INR 1.89 trillion, and then rise at a CAGR of 11% to INR 2.32 trillion by 2025. The industry has a lot of space for growth because of increased money and changing lifestyles. Digital media, films, and television will be the primary drivers of this expansion, followed by animation and visual effects, and online gaming. The Film industry is expected to have positive growth as the theatres opened up in 2021 and the audiences returned in record numbers. The industry is expected to recover its 2019 levels by the end of 2023. Theatres would evolve into experience zones offering multi-sensory content experiences<sup>8</sup>.

### Film releases were at 37% of 2019 levels



### COMPANY OVERVIEW

GFL Limited is a Holding Company of INOX Leisure Limited and INOX Infrastructure Limited. GFL Limited has retained its investment in INOX Leisure Limited, one of the country's leading multiplex chains. The Company is also engaged in the business of Mutual Fund distribution.

### Human Resources

GFL Limited's people policies are aligned with the industry's fast evolution. Organisational structures are coordinated with growing ecosystems, and the company's people approach prioritises creating skills and promoting creativity. The Company's HR policies are meant to manage many elements of its employees effectively. In addition, the Company provides regular training programmes for its employees to keep their skills updated. The Company's employee strength is 2 as of March 31, 2022.

<sup>5</sup> <https://www.exchange4media.com/media-tv-news/dd-free-dish-connected-tv-subscriber-base-to-cross-90-million-by-2025-ficci-eyreport-119165.html>

<sup>6</sup> <https://www.indiatechonline.com/it-happened-in-india.php?id=4743>

<sup>7</sup> <https://www.broadcastandcablesat.co.in/vfx-fastest-growing-segment-indian-ott-content-going-global-ficci-ey-report/>

<sup>8</sup> <https://www.investindia.gov.in/sector/media>

## FINANCIAL PERFORMANCE

### Key Financial Highlights

(₹ in Lakhs)

Particulars	FY 2022	FY 2021	YoY Change (%)
Revenue from Operations	68,569.70	10,697.20	541%
EBITDA	23,467.51	9,678.61	142%
PBT	(31,677.31)	(44,405.75)	NM*
PAT	(24,353.81)	(33,567.98)	NM*
Net Worth	74,356.00	70,850.99	5%

\*NM stands for not meaningful

### Key Financial Ratios

(₹ in Lakhs)

Particulars	Formulas	FY 2022	FY 2021	Reasons For Change
Net Debt Equity Ratio (in times)	Total Net Debt (Excluding Lease Liability)/ Net Worth	-0.10	0.02	Refer Note 2
Current Ratio (in times)	Current Assets/Current Liability	1.06	0.65	
Debtors Turnover (Days)	(Average Trade Receivable/ Net Credit sales) * 365	146	NA	
Inventory Turnover (Days)	(Average F&B Inventory / COGS) * 365	58	NA	
Operating Profit Margin (in %)	EBIT/Total Income	-29.0%	-207.9%	
Net Profit Margin (in %)	PAT/Total Income	-23.7%	-169.7%	
Return on Net Worth (in %)	PAT/Average Net worth	-12.3%	-20.3%	

Note 1: Interest Coverage Ratio is negative due to negative EBIT, therefore not applicable.

Note 2: The ratio was skewed in FY 2020-21 &amp; FY 2021-22 on account of nationwide lockdown due to COVID - 19. The business operations of both the financial years were adversely impacted; hence the ratios are not reflecting the fair position of the Company.

## Risk Management And Internal Control System

The Company has devised and implemented such internal financial control systems as are required in its business. Internal auditors examine these controls regularly and cover all of the Company's primary business functions. Key Audit findings, along with their action plans, are reported to the Audit Committee, which monitors the Company's overall control environment. The company faces minimal risks because it invests in its subsidiaries. Given the nature and size of its company, the Company proactively identifies and methodically addresses all business risks.

The company has a Risk Management Committee that regularly examines the risk management process. The company also adopted a Risk Management Policy to build an organised and logical 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 beliefs, predictions and other forward-looking statements will not prove to be accurate.

Readers are cautioned not to place undue reliance on these statements as several 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 2021-22.

# GFL Limited

(CIN L65100MH1987PLC374824)

Registered Office: 7<sup>th</sup> Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai - 400018

Telephone: 022- 40323851, Fax No.: +91- 22 4032 3191

Website: [www.gflimited.co.in](http://www.gflimited.co.in); Email: [secretarial@inoxmovies.com](mailto:secretarial@inoxmovies.com)

To,  
The Member(s),  
GFL Limited

NOTICE is hereby given that the **35<sup>th</sup> (THIRTY FIFTH) ANNUAL GENERAL MEETING** of Members of **GFL Limited** ('Company') will be held on Monday, 26<sup>th</sup> September, 2022, 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. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, the reports of the Board of Directors and Independent Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 and the report of the Independent Auditors thereon.

### 2. Re-appointment of Mr. Siddharth Jain (DIN: 00030202) as Director of the Company.

To appoint a Director in place of Mr. Siddharth Jain (DIN: 00030202) who retires by rotation, and being eligible, offers himself for re-appointment.

### 3. To appoint Statutory Auditors of the Company and to fix their remuneration.

To consider and, if, thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W) be and is hereby appointed as Statutory Auditors of the Company in place of retiring Statutory Auditors, M/s. Kulkarni and Company, Chartered Accountants (Firm's Registration No.: 140959W), to hold office for a term of 5 (five) consecutive years starting from the conclusion of this Annual General Meeting until the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company at a remuneration (including reimbursement of actual out of pocket expenses) as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

**By Order of the Board of Directors  
For GFL Limited**

**Place:** Mumbai  
**Date:** 5<sup>th</sup> August, 2022

**Divya Shrimali  
Company Secretary**

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 read together with General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020, 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020 and 02/2021 dated 13<sup>th</sup> January, 2021, 19/2021 dated 8<sup>th</sup> December, 2021 and 21/2021 dated 14<sup>th</sup> December, 2021 and 5<sup>th</sup> May, 2022 (collectively referred to as 'MCA Circulars'), 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 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 Monday, 26<sup>th</sup> September, 2022, at 12:00 noon (IST) through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
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 Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is enclosed herewith and forms part of this Notice.
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 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](mailto: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 30 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, Compensation, 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 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 35<sup>th</sup> AGM along with the Annual Report 2021-22 has been uploaded on the website of the Company at [www.gflimited.co.in](http://www.gflimited.co.in) under 'Investors' 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The Notice is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate



securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.gflimited.co.in](http://www.gflimited.co.in). It may be noted that any service request can be processed only after the folio is KYC Compliant.

12. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Registrar and Share Transfer, for assistance in this regard.
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 2021-22 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](mailto:secretarial@inoxmovies.com) / RTA at [vadodara@linktime.co.in](mailto: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](mailto:secretarial@inoxmovies.com) / RTA at [vadodara@linktime.co.in](mailto: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. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
17. 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.
18. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Monday, 19<sup>th</sup> September, 2022 (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.

19. 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](mailto: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](mailto: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 Friday, 23<sup>rd</sup> September, 2022 at 09:00 a.m. and ends on Sunday, 25<sup>th</sup> September, 2022 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 Monday, 19<sup>th</sup> September, 2022, 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 9<sup>th</sup> 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) 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.
- (v) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> 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 <b>CDSL</b>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 &amp; 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting.</li> </ol>
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (vi) Login method for e-Voting and joining virtual meeting for shareholders.
- (vii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (viii) Click on "Shareholders" tab.
- (ix) 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.
- (x) Next enter the Image Verification as displayed and Click on Login.
- (xi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

Login type	Helpdesk details
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 <a href="mailto:secretarial@inoxmovies.com">secretarial@inoxmovies.com</a> / RTA at <a href="mailto:vadodara@linkintime.co.in">vadodara@linkintime.co.in</a> .

Login type	Helpdesk details
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 (ix).

- (xiii) After entering these details appropriately, click on "SUBMIT" tab.
- (xiv) 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.
- (xv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xvi) Click on the EVSN for 'GFL LIMITED'.
- (xvii) 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.
- (xviii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xix) 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.
- (xx) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xxi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xxii) 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.

**(xxiii) 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](http://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](mailto: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](mailto: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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

20. 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 Monday, 19<sup>th</sup> September, 2022. 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.
21. Mr. Dhruvil M. Shah, Practicing Company Secretary (FCS: 8021; CP: 8978) have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
22. 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 2 working days 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.
23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.gflimited.com](http://www.gflimited.com).

[co.in](http://www.gflimited.co.in) and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited.

24. 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, 1<sup>st</sup> 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 in prescribed Form ISR-1 and other Forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P /CIR/2021/655 dated 3<sup>rd</sup> November, 2021. As required under the aforesaid SEBI Circular, the Company has sent letters to the Members for furnishing the required details. 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.
25. 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.
26. 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.gflimited.co.in](http://www.gflimited.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>.
27. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.
28. 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. Monday, 26<sup>th</sup> September, 2022. Members seeking to inspect such documents can send an email to [secretarial@inoxmovies.com](mailto:secretarial@inoxmovies.com).
29. 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.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (the “Act”)

### Item No. 3

This explanatory statement is in terms of Regulation 36(5) of the SEBI Listing Regulations, however, the same is strictly not required as per Section 102 of the Act.

M/s. Kulkarni & Company, the Statutory Auditors of the Company, were appointed by Shareholders in Annual General Meeting held on Thursday, 28<sup>th</sup> September, 2017 for a period of five years to hold office until the conclusion of 35<sup>th</sup> Annual General Meeting of the Company. Accordingly, M/s. Kulkarni & Company shall cease to be the statutory auditors of the Company on the conclusion of 35<sup>th</sup> Annual General Meeting of the Company.

In view of the above cessation, the Audit Committee and the Board of Directors of the Company in their respective Meetings held on 5<sup>th</sup> August, 2022, after evaluating and considering various factors such as competency in audit, industry experience, efficiency in conduct of audit, independence, etc., considered and proposed the appointment of M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W) as statutory auditors in place of the retiring auditors, for a period of five consecutive years starting from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company at a remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

### Brief Profile of M/s. Patankar & Associates:

M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W), (“the Audit Firm”), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (“ICAI”). The firm is holding valid peer review certificate. The firm is in existence for almost four decades and providing the audit and assurance services to its clients.

M/s. Patankar & Associates, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as independent auditors in terms of the provisions of the Section 139 and Section 141 of the Act read with the provisions of the Companies (Audit and Auditors) Rules, 2014. Further, M/s. Patankar & Associates, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

None of the Directors/ Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members.



## 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**

<b>Name of Director</b>	<b>Siddharth Jain</b>
Brief Resume	<p>Siddharth Jain is a Member of the Board of the INOX Group, a diversified Indian conglomerate with activities spanning manufacturing of Industrial Gases, Fluorochemicals, PTFE, Cryogenic Equipment, LNG Storage &amp; Distribution Equipment, Wind Turbines and Renewable Energy. The Group also owns one of the largest chains of Movie Cinemas in India. The Group has a track record of building successful businesses over the past 9 decades, distinguished by integrity, delivery and best practices accompanied by sustained growth.</p> <p>Siddharth Jain joined the Group in 2001 and has been actively involved in the Group's strategic planning &amp; 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.</p> <p>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 &amp; 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.</p>
Date of Birth	21 <sup>st</sup> September, 1978
Age	43 Years
Date of first appointment on the Board	30 <sup>th</sup> May, 2021
Directors Identification Number	00030202
Qualification	Mechanical Engineering from University of Michigan Ann Arbor, and MBA from INSEAD
Experience / Expertise in Specific Functional Area	Mr. Siddharth Jain has over 21 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	<ul style="list-style-type: none"> <li>• INOX Air Products Private Limited</li> <li>• INOX India Limited</li> <li>• INOX Leisure Limited</li> <li>• Megnasolace City Private Limited</li> <li>• INOX Infrastructure Limited</li> </ul>
Membership / Chairmanship of other Companies	<ul style="list-style-type: none"> <li>• INOX Air Products Private Limited (Member of Stakeholders Relationship Committee and Audit Committee)</li> <li>• INOX Leisure Limited (Chairman of Stakeholders Relationship Committee and Member of Audit Committee)</li> </ul>
The Number of Meeting of the Board Attended during the year	3 out of 5
Remuneration last drawn	0.60 Lakhs by way of sitting fees.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	<p>Mr. Devendra Kumar Jain, Managing Director is a grandfather of Mr. Siddharth Jain.</p> <p>Mr. Pavan Kumar Jain, Director of the Company is father of Mr. Siddharth Jain.</p>
Shareholding in the Company	1,48,27,953 shares



# Board's Report

To,  
The Members,  
**GFL Limited**

Your Directors take pleasure in presenting to you the Thirty Fifth Annual Report of your Company together with Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2022.

## 1. FINANCIAL PERFORMANCE

The financial performance of your Company on standalone basis for the year on 31<sup>st</sup> March, 2022 is highlighted below:

		Amount (₹ in Lakhs)	
Sr. No.	Particulars	Standalone	
		2021-22	2020-21
I.	Revenue from Operations		
	(i) Interest Income	5.48	-
	(ii) Fees and commission income	148.96	101.11
	(iii) Net gain on fair value changes	21.45	2.96
	<b>Total Revenue from operations</b>	<b>175.89</b>	<b>104.07</b>
II.	Other income	42.19	6.23
<b>III.</b>	<b>Total Revenue (I+II)</b>	<b>218.08</b>	<b>110.30</b>
<b>IV.</b>	<b>Total Expenses</b>	<b>140.61</b>	<b>287.47</b>
<b>V.</b>	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>77.47</b>	<b>(177.17)</b>
VI.	Exceptional items	(69.51)	99.18
<b>VII.</b>	<b>Profit/(loss) before tax (V-VI)</b>	<b>146.98</b>	<b>(276.35)</b>
VIII.	Total Tax expenses	50.17	0.37
<b>IX.</b>	<b>Profit/(Loss) for the year from continuing operations (VII-VIII)</b>	<b>96.81</b>	<b>(276.72)</b>
X.	Loss from discontinued operations (after tax)	-	(2,845.23)
XI.	Other comprehensive income (including discontinued operations)	(2.52)	8.39
<b>XII.</b>	<b>Total comprehensive income for the year (IX+X+XI)</b>	<b>94.29</b>	<b>(3,113.56)</b>

The financial performance of your Company on consolidated basis for the year ended on 31<sup>st</sup> March, 2022 is highlighted below:

		Amount (₹ in Lakhs)	
Sr. No.	Particulars	Consolidated	
		2021-22	2020-21
I.	Revenue from Operations	68,569.70	10,697.20
II.	Other income	2,265.62	4,339.47
<b>III.</b>	<b>Total Revenue (I+II)</b>	<b>70,835.32</b>	<b>15,036.67</b>
<b>IV.</b>	<b>Total Expenses</b>	<b>1,02,782.10</b>	<b>59,498.73</b>
V.	Share of profit / (loss) of associate	199.96	563.60
<b>VI.</b>	<b>Profit/(loss) before exceptional items and tax (III-IV+V)</b>	<b>(31,746.82)</b>	<b>(43,898.46)</b>
VII.	Exceptional items	(69.51)	507.29
<b>VIII.</b>	<b>Profit/(loss) before tax (VI-VII)</b>	<b>(31,677.31)</b>	<b>(44,405.75)</b>
IX.	Total Tax expense	(7,323.50)	(10,837.77)
<b>X.</b>	<b>Profit/(Loss) for the year from continuing operations (VIII-IX)</b>	<b>(24,353.81)</b>	<b>(33,567.98)</b>

Amount (₹ in Lakhs)

Sr. No.	Particulars	Consolidated	
		2021-22	2020-21
XI.	Loss from discontinued operations (after tax)	-	(9,429.56)
XII.	Other comprehensive income (including discontinued operations)	91.60	119.42
<b>XIII.</b>	<b>Total comprehensive income for the year (X+XI+XII)</b>	<b>(24,262.21)</b>	<b>(42,878.12)</b>
XIV.	Total comprehensive income for the year attributable to		
	- Owners of the Company	(11,086.97)	(23,106.95)
	-Non-controlling interests	(13,175.24)	(19,771.17)

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 2021-22 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 its associate, 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 2021-22 shall be laid before the Annual General Meeting for approval of the Members of the Company.

## 3. SHIFTING OF REGISTERED OFFICE OF THE COMPANY FROM STATE OF GUJARAT TO MAHARASHTRA

During the year under review, the Company has changed its registered office from State of Gujarat to State of Maharashtra, pursuant to the Shareholders approval obtained at 34<sup>th</sup> Annual General Meeting dated 28<sup>th</sup> September, 2021 and also amended the Situation Clause of the Memorandum of Association of your Company. The approval of the Regional Director was obtained on 23<sup>rd</sup> December, 2021 in this regard. Consequent to above change, the Registrar of Companies, Mumbai issued a Certificate of Registration of Regional Director order for Change of State.

## 4. SHARE CAPITAL

The paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2022 was Rs. 10,98,50,000 (Rupees Ten crore Ninety Eight Lakhs and Fifty Thousand only) comprising of 10,98,50,000 equity shares of Rs. 1/- each. The Company has neither issued share with differential voting rights nor sweat equity.

No change in the Share Capital of the Company during the year.

## 5. DIVIDEND

Your Directors have not recommended any dividend for the Financial Year ended on 31<sup>st</sup> March, 2022.

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.gflimited.co.in/pdf/company\\_policies/gfl%20limited\\_dividend\\_distribution\\_policy.pdf](https://www.gflimited.co.in/pdf/company_policies/gfl%20limited_dividend_distribution_policy.pdf).

## 6. TRANSFER OF UNPAID DIVIDEND / UNCLAIMED AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has credited Unpaid Dividend (Final – FY 2013 -14) aggregating to Rs 25.31 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 2021-22, has transferred 9,210 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. 28<sup>th</sup> September, 2021) 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](http://www.gfllimited.co.in/IEPF_Shares.php) and can be accessed at the website of the IEPF Authority ([www.iepf.gov.in](http://www.iepf.gov.in)).

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

## 7. TRANSFER TO RESERVES

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

## 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Director

#### Appointment

- Mr. Siddharth Jain (DIN: 00030202), was appointed as Additional Director- Non-Executive, Non Independent Director w.e.f. 30<sup>th</sup> May, 2021.
- Mr. Shashi Kishore Jain (DIN: 00443861), was appointed as Additional Director- Non-Executive, Independent Director w.e.f. 30<sup>th</sup> May, 2021.

The requisite approval of shareholders has been taken by the Company for the appointment of Mr. Siddharth Jain as Non-Executive, Non- Independent Director and Mr. Shashi Kishore Jain as Non-Executive, Independent Director on the Board of the Company by passing of an Ordinary Resolution at 34<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2021.

#### Re-appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Siddharth Jain (DIN: 00030202) retires by rotation at the ensuing Annual General Meeting ('AGM') and is eligible for re-appointment. The Board of Directors recommends the re-appointment of Mr. Siddharth Jain as a Non-Executive Director of the Company.

#### Retirements / Resignations

The following Directors have resigned during the Financial Year 2021-22:

- Mr. Shailendra Swarup, (DIN No. 00167799) Non-Executive and Independent Director had resigned w.e.f. 10<sup>th</sup> May, 2021 due to his personal reasons.

- Mr. Om Prakash Lohia, (DIN No. 00206807) Non-Executive and Independent Director had resigned w.e.f. 11<sup>th</sup> May, 2021 due to his personal reasons.
- Mr. Vivek Kumar Jain, (DIN No. 00029968) Non-Executive and Non- Independent Director had resigned w.e.f. 12<sup>th</sup> May, 2021 due to his personal reasons.

### Key Managerial Personnel

In terms of Section 203 of the Act, the Board has designated the following persons as Key Managerial Personnel of your Company:

- Mr. Devendra Kumar Jain, Managing Director
- Mr. Mukesh Patni, Chief Financial Officer
- Ms. Bhavi Shah, Company Secretary (Resigned w.e.f. 10<sup>th</sup> June, 2022)
- Ms Divya Shrimali, Company Secretary (Appointed w.e.f. 11<sup>th</sup> June, 2022).

## 9. NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and other Employees pursuant to the provisions of the Act and Regulation 19 of the SEBI Listing Regulations.

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

- 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;
- To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- To evaluate whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 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.

- e. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- f. To formulate criteria for evaluation of performance of independent directors and the board of directors;
- g. devising a policy on diversity of board of directors.
- h. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

## 10. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Section 149 (6) of the Act read with the Schedules and Rules issued thereunder as well as Regulation 16 of Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, all Independent Directors of the Company have registered their names in the Independent Directors' Databank.

The Independent Directors have complied with the code for Independent Directors prescribed in Schedule IV of the Act.

## 11. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of Familiarisation Programme for Independent Directors are given in the Corporate Governance Report, which forms part of this Annual Report.

## 12. 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 2021-22. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on 06<sup>th</sup> May, 2022 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.

## 13. MEETINGS OF THE BOARD

During the year under review, the Board met 5 (Five) times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings were within the time limit prescribed under Companies Act, 2013, read with Ministry of Corporate Affairs General Circular No. 8/2021 dated 3<sup>rd</sup> May, 2021 and SEBI Circular No. SEBI/ HO/CFD/CMD1/ CIR/P/2020/38 dated March 19, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 and MCA Circular No. 11/2020 dated March 24, 2020 and Regulation 17 (2) of the Listing Regulations.

## 14. 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.

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

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- i. That in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2022, 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. That such Accounting Policies have been selected and applied by 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 and Loss of the Company for that period;

- iii. That proper and sufficient care has been taken by them 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. That the Annual Accounts have been prepared by them on a going concern basis;
- v. That they have 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. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

## **17. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

Particulars of investments made under section 186 of the Act are disclosed in the Standalone Financial Statements of the Company. The Company has not given any loan or provided any securities or given any guarantee during the year covered under Sections 185 and 186 of the Act. Please refer to Note nos. 8 and 27 to the Standalone Financial Statements of the Company.

## **18. 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.gflimited.co.in/company\\_policies.html](https://www.gflimited.co.in/company_policies.html)

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.

## **19. DEPOSITS**

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Act.

## **20. HOLDING 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, and associate of a subsidiary 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.gflimited.co.in](http://www.gflimited.co.in). The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company [www.gflimited.co.in](http://www.gflimited.co.in).

During the year, INOX Leasing and Finance Limited has ceased to be the holding company of GFL Limited w.e.f. 22<sup>nd</sup> September, 2021.

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**.

## 21. 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.

## 22. VIGIL MECHANISM

The Company has established a vigil mechanism vide its Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

The details of the policy have been disclosed on the Company's website at [www.gflimited.co.in](http://www.gflimited.co.in).

## 23. 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.

## 24. INDEPENDENT AUDITORS

Members at their 30<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017 had appointed M/s Kulkarni and Company, Chartered Accountants, as Independent Auditors of the Company from the conclusion of 30<sup>th</sup> Annual General Meeting until conclusion of 35<sup>th</sup> Annual General Meeting of the Company to be held in 2022.

The Board approved the appointment of M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W) as statutory auditors in place of the retiring auditors after evaluating and considering various factors such as competency in audit, industry experience, efficiency in conduct of audit, independence, etc., for a period of five years from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company based on the recommendations

of the Audit Committee and the same is subject to the approval of the Members of the Company.

The necessary resolutions for appointments of M/s. Patankar & Associates, Chartered Accountants form part of the notice convening the 35<sup>th</sup> Annual General Meeting of the Company.

## 25. 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.

## 26. 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 for Financial Year 2021-22.

The Secretarial Audit Report given by M/s Samdani Shah & Kabra for the financial year 2021-22, is annexed herewith as **Annexure B** in Form no. MR-3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## 27. SECRETARIAL STANDARDS

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

## 28. 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.

## 29. 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 is presented in a separate Section forming part of this Annual Report.

### 30. 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.

### 31. 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 also available on the website of the Company [www.gflimited.co.in](http://www.gflimited.co.in).

### 32. 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 Annual Return has been placed on the website of the Company at [www.gflimited.co.in](http://www.gflimited.co.in)

### 33. 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.

### 34. 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 terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 35<sup>th</sup> Annual General Meeting.

### 35. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Mr. Shanti Prashad Jain, Independent Director, Mr. Devendra Kumar Jain, Managing Director and Mr. Pavan Kumar Jain, 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.gflimited.co.in/pdf/company\\_policies/gflimited\\_csr\\_policy.pdf](http://www.gflimited.co.in/pdf/company_policies/gflimited_csr_policy.pdf).

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

### 36. INSURANCE

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

### 37. 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.

### 38. INSOLVENCY AND BANKRUPTCY

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year and hence not being commented upon.



### 39. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the period under review, the Company has not made any such valuation.

### 40. INFORMATION UNDER THE SEXUAL HARASSMENT 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 2021-22.

No. of Complaints Received	Nil
No. of Complaints disposed of	Nil
No. of Complaints pending	Nil

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.

### 41. 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

The Board of Directors of the Company in its meeting held on 27<sup>th</sup> March, 2022, approved the execution of Merger

Co-operation agreement with INOX Leisure Limited (Subsidiary of GFL Limited), PVR Limited and their identified shareholders in connection with merger of INOX Leisure Limited (Subsidiary of GFL Limited) with PVR Limited.

INOX Leisure Limited (Subsidiary of GFL Limited) at its meeting held on 27<sup>th</sup> March, 2022, approved a draft Scheme of Amalgamation of INOX Leisure Limited ("Transferor Company") with PVR Limited ("Transferee Company") and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws including the rules and regulations ("the Scheme"). The Scheme is subject to the receipt of requisite approvals, including approvals from the respective jurisdictional Hon'ble National Company Law Tribunal (Hon'ble NCLT), SEBI, BSE Limited and the National Stock Exchange of India Limited and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed by the Transferor Company and Transferee Company.

INOX Leisure Limited has received observation letter with "no adverse observations" dated 20<sup>th</sup> June, 2022 from BSE Limited and observation letter with "no objection" dated 21<sup>st</sup> June, 2022 from National Stock Exchange of India Limited in relation to the Scheme of Amalgamation. INOX Leisure Limited is in process of filing necessary application with the Hon'ble NCLT for its approval.

### 42. 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: 5<sup>th</sup> August, 2022

**Devendra Kumar Jain**  
Chairman and Managing Director



# Annexure A

Statement containing salient features of the financial statement of subsidiaries

## Part A – Subsidiaries

₹ in Lakhs

	<b>INOX Leisure Limited</b>	<b>INOX Infrastructure Limited</b>	<b>Shouri Properties Private Limited</b>
<b>Sr. No</b>	<b>1</b>	<b>2</b>	<b>3</b>
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	12,219.16	5000.00	141.00
Reserves and Surplus	57,044.45	1478.15	(56.11)
Total Assets	3,97,987.51	6559.86	1,417.33
Total Liabilities	3,28,723.90	81.71	1,332.44
Investments	14,999.83	3102.07	31.87
Turnover	68,393.81	-	58.24
Profit/(Loss) before taxation	(1,321.50)	(9.20)	(0.06)
Provision for taxation	(7,387.82)	14.15	-
Profit/(Loss) after taxation	(23,933.68)	(23.35)	(0.06)
Proposed Dividend	NIL	NIL	NIL
% of Shareholding	43.15% by GFL Limited	100% by GFL Limited	100% 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

## Part B: Associates

The Company does not have any Associate Company as on 31<sup>st</sup> March, 2022.

**Name of Associates which are yet to commence operations:** Nil

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

\*During the year, Nexome Realty LLP, an associate of INOX Infrastructure Limited (Subsidiary of GFL Limited) ceased to be associate w.e.f. 31<sup>st</sup> August, 2021."

# Annexure B

## Secretarial Audit Report

For the Financial Year ended March 31, 2022

[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 Disclosure Requirements) Regulations, 2015]

The Members,

**GFL Limited**

7<sup>th</sup> Floor, Ceejay House,  
Dr. Annie Besant Road,  
Worli, Mumbai - 400 018  
Maharashtra, 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 March 31, 2022 ("review period"), 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 review period, according to the provisions of:

- i. The Companies Act, 2013 ("Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 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 ("SEBI") Act, 1992:-
  - (a) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (b) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (d) SEBI (Share Based Employee Benefits) Regulations, 2014; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (e) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (g) SEBI (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (h) SEBI (Prohibition of Insider Trading) Regulations, 2015;

- (i) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (j) SEBI (Delisting of Equity Shares) Regulations, 2009 / 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- (k) SEBI (Depositories and Participants) Regulations, 2018;
- (l) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- (m) SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.

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

- (i) Secretarial Standards (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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period 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 review period 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, however, One Board Meeting was conducted on a 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 review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., having major bearing on the Company's affairs, however, the Board of Directors and the Members of the Company at their Meeting held on June 28, 2021 and September 28, 2021 respectively, approved the amendment in the Main Object Clause of the Company enabling the Company to undertake the business of Brokerage / Commission and distribution of Investment Products including but not limited to Mutual Funds, Bonds and Debentures, Fixed Deposits.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN: F003677D000270790

**Place:** Vadodara

**Date:** May 06, 2022

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**

7<sup>th</sup> Floor, Ceejay House,

Dr. Annie Besant Road,

Worli, Mumbai - 400 018

Maharashtra, 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. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. 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 Company's affairs.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN: F003677D000270790

**Place:** Vadodara

**Date:** May 06, 2022

# Annexure C

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

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

₹ in Lakhs

	<b>Name of Director / KMP</b>	<b>Remuneration of Director /KMP for FY 2021-22 (Rs in Lakh)</b>	<b>% increase in remuneration in the Financial Year 2021-22</b>	<b>Ratio of Remuneration of each of Director to median remuneration of employees</b>
1.	Mr. Devendra Kumar Jain, Managing Director	Nil	NA	NA
2.	Mr. Pavan Kumar Jain, Non-executive Director	0.80	300	0.023
3.	Mr. Vivek Kumar Jain, Non- Executive Director *	Nil	NA	NA
4.	Mr. Shailendra Swarup, Independent Director *	Nil	NA	NA
5.	Mr. Om Prakash Lohia, Independent Director*	Nil	Nil	NA
6.	Mr. Shanti Prashad Jain, Independent Director	2.00	(9)	0.057
7.	Mr. Shashi Kishore Jain, Independent Director #	2.00	NA	0.057
8.	Mr. Siddharth Jain, Non-Executive Director #	0.60	NA	0.017
9.	Ms. Vanita Bhargava, Independent Director	1.20	(45)	0.034
10.	Ms. Bhavi Shah, Company Secretary	5.50	36%	} Not Applicable
11.	Mr. Mukesh Patni, CFO	65.11	17%	

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

\*Mr. Vivek Kumar Jain has resigned w.e.f. 12.05.2021.

\*Mr. Shailendra Swarup has resigned w.e.f. 10.05.2021.

\*Mr. Om Prakash Lohia has resigned w.e.f. 11.05.2021.

\*Mr. Siddharth Jain has been appointed w.e.f. 30.05.2021.

\*Mr. Mr. Shashi Kishore Jain has been appointed w.e.f. 30.05.2021.

- The percentage increase in the median remuneration of employees for the financial year was 20%.
- The Company had 2 permanent employees on the rolls of Company as on 31<sup>st</sup> March 2022.
- Average percentage increase in remuneration of employees other than the remuneration of managerial personnel : 17.5%
- 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.gflimited.co.in/company\\_policies.html](https://www.gflimited.co.in/company_policies.html)

2. Composition of CSR Committee:

₹ in Lakhs

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	3	3 out of 3
2	Mr. Devendra Kumar Jain	Managing Director	3	3 out of 3
3	Mr. Pavan Kumar Jain *	Non-executive Director, Member	3	0 out of 3

\*Mr. Pavan Kumar Jain has been appointed w.e.f. 28.05.2021.

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.gflimited.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**
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): **₹ 26,091 Lakhs**
7.
  - (a) Two percent of average net profit of the company as per section 135(5): **₹ 522.00 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): **₹ 522.00 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. 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
522.00	N.A.	N.A.	-	N.A.	N.A.

- (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:

(1)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount (₹) spent for the project	Mode of Implementation- Direct ( Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	IIT - Bombay (Setting up Cryogenics Lab)	Contribution to Indian Institute of Technology	Yes	Mumbai	Maharashtra	75,00,000	No	IIT - Bombay	CSR00007536
2.	IIT- Bombay (Chair professorship in Cryogenics)	Contribution to Indian Institute of Technology	Yes	Mumbai	Maharashtra	1,25,00,000	No	IIT - Bombay	CSR00007536
3.	Shree Sarvodaya Medical Society	Promoting health care	No	Ahmedabad	Gujarat	50,00,000	No	Shree Sarvodaya Medical Society	CSR00015610
4.	Rajasthani Mahila Mandal	Empowering Women	Yes	Mumbai	Maharashtra	20,49,600	No	Rajasthani Mahila Mandal	CSR00008269
5.	Rai Bahadur Raghbir Singh Educational Society	Promoting Education	No	New Delhi	New Delhi	50,00,000	No	Rai Bahadur Raghbir Singh Educational Society	CSR00008403
6.	Indraprastha Global Education and Research Foundation	Promoting health care	No	New Delhi	New Delhi	1,00,00,000	No	Indraprastha Global Education and Research Foundation	CSR00008796
7.	Servants of the People Society	Promoting Education	No	New Delhi	New Delhi	50,00,000	No	Servants of the People Society	CSR00011109
8.	Dreamland Society	Promoting Education	No	New Delhi	New Delhi	30,00,000	No	Dreamland Society	CSR00022197
9.	Tata Memorial	Promoting health care	Yes	Mumbai	Maharashtra	21,50,400	No	Tata Memorial	CSR00001287
<b>Total</b>						<b>5,22,00,000</b>			

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

(e) Amount spent on Impact Assessment, if applicable: **Not applicable.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 522.00 lakhs**

(g) Excess amount for set off, if any

(₹ in Lakhs)

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	522.00
(ii)	Total amount spent for the Financial Year	522.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(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: **Nil**
- (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 wise 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):  
**Not applicable**

**For GFL Limited**

**Devendra Kumar Jain**  
Managing Director

**For GFL Limited**

**Shanti Prashad Jain**  
Chairman CSR committee and  
Independent Director



# Annexure E

## CORPORATE GOVERNANCE REPORT

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'), GFL Limited ("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 31<sup>st</sup> March, 2022.

### 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 31<sup>st</sup> March 2022, the Board of Directors of the Company consisted of 6 Directors drawn from diverse fields, of which 1 was Executive Director and 5 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 3 Independent Directors and 3 Non-Independent Directors at the end of the year. Thus, the composition of the Board, as on 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March 2022, Five (5) Board Meetings were held on 28<sup>th</sup> June, 2021, 11<sup>th</sup> August, 2021, 29<sup>th</sup> October, 2021, 28<sup>th</sup> January, 2022 and 27<sup>th</sup> March, 2022.

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 31<sup>st</sup> March, 2022:

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 31 <sup>st</sup> March, 2022
Mr. Devendra Kumar Jain	Promoter and Managing Director & CEO	5 out of 5	No	Father of Mr. Pavan Kumar Jain and Mr. Vivek Kumar Jain	Not Applicable
Mr. Pavan Kumar Jain	Promoter, Non – Executive Director and Non-Independent Director	4 out of 5	No	Son of Mr. Devendra Kumar Jain and brother of Mr. Vivek Kumar Jain	4,63,08,012
Mr. Siddharth Jain (appointed w.e.f. 30.05.2021)	Promoter, Non – Executive Director and Non-Independent Director	3 out of 5	Yes	Grandson of Mr. Devendra Kumar Jain and Son of Mr. Pavan Kumar Jain	1,48,27,953

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 31 <sup>st</sup> March, 2022
Mr. Shashi Kishore Jain (appointed w.e.f. 30.05.2021)	Independent and Non-Executive Director	5 out of 5	Yes	No inter-se relationship between Directors	Nil
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	3 out of 5	No	No inter-se relationship between Directors	Nil
Mr. Vivek Kumar Jain (Resigned w.e.f. 12.05.2021)	Promoter and Non-Executive Director	0 out of 5	No	Son of Mr. Devendra Kumar Jain and brother of Mr. Pavan Kumar Jain	Nil
Mr. Shailendra Swarup (Resigned w.e.f. 10.05.2021)	Independent and Non-Executive Director	0 out of 5	No	No inter-se relationship between Directors	10,000
Mr. Om Prakash Lohia (Resigned w.e.f. 10.05.2021)	Independent and Non-Executive Director	0 out of 5	No	No inter-se relationship between Directors	Nil

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2022, except Board Meeting held on 27<sup>th</sup> March, 2022, 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 31<sup>st</sup> March, 2022:**

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	2	1	Gujarat Fluorochemicals Limited (Non – Executive- Non-Independent Director, Chairman)  INOX Wind Energy Limited (Non – Executive- Non-Independent Director)
Mr. Pavan Kumar Jain	4	2	0	INOX Leisure Limited (Non – Executive-Non- Independent Director)
Mr. Siddharth Jain	5	3	2	INOX Leisure Limited (Non – Executive-Non- Independent Director)

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. Shanti Prashad Jain	6	9	7	INOX Wind Limited (Independent Director)  Gujarat Fluorochemicals Limited (Independent Director)  INOX Wind Energy Limited (Independent Director)
Mr. Shashi Kishore Jain	1	2	0	Nil
Ms. Vanita Bhargava	3	6	0	Pilani Investment and Industries Corporation Limited (Independent Director)  Gujarat Fluorochemicals Limited (Independent Director)  INOX Wind Energy 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 2021-22, none of the Directors were Directors in more than 10 Public Limited Companies. Further, none of the Directors hold directorships including Independent Directorship 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 entities in which he / she is a Director as per Regulation 26(l) of Listing Regulations.

**(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 [https://www.gfllimited.co.in/familiarization\\_programme.html](https://www.gfllimited.co.in/familiarization_programme.html)

**(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 11<sup>th</sup> March, 2022 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(l) (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.

#### Resignation by Independent Directors during the year

Mr. Shailendra Swarup and Mr. Om Prakash Lohia, resigned as an Independent Director of the Company, w.e.f. 10<sup>th</sup> May, 2021, due to their personal reasons. Further, both the Directors have confirmed that there were no other material reason for his resignation as an Independent Director of the Company.

#### 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 Kumar Jain Mr. Siddharth Jain
Accounts and Finance, Financial Management, Taxation	Mr. Shanti Prashad Jain Mr. Siddharth Jain
Corporate Governance, Administration	Mr. Shailendra Swarup Ms Vanita Bhargava Mr. Shashi Kishore Jain
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 on 27<sup>th</sup> May, 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.

The brief description of Terms of Reference and role of the Audit Committee is as under:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - 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
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 2021-22, the Audit Committee met 4 (Four) times on following dates, namely, 28<sup>th</sup> June, 2021, 11<sup>th</sup> August, 2021, 29<sup>th</sup> October, 2021 and 28<sup>th</sup> January, 2022. The details of composition of Audit Committee and the Meetings attended by the Directors during Financial Year 2021-22 are given below:

Name	Category	Position	Number of Meetings Attended during the year
Mr. Shanti Prashad Jain	Non-Executive-Independent Director	Chairman	4 out of 4

Name	Category	Position	Number of Meetings Attended during the year
Mr. Devendra Kumar Jain,	Executive Director	Member	4 out of 4
Mr. Shashi Kishore Jain (w.e.f.30 <sup>th</sup> May, 2021)	Non-Executive -Independent Director	Member	4 out of 4
Ms. Vanita Bhargava,	Non-Executive-Independent Director	Member	2 out of 4

Mr. Shanti Prashad Jain, Chairman of the Audit Committee has attended the last Annual General Meeting held on 28<sup>th</sup> September, 2021.

#### 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 29<sup>th</sup> 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:

- 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;
- To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- To evaluate whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 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.

- To recommend to the board, all remuneration, in whatever form, payable to senior management.
- To formulate criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

##### (b) Composition, Name of Members and Chairperson and Meetings and Attendance during the Financial Year 2021-22:

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 28<sup>th</sup> June, 2021.

The details of composition of Nomination and Remuneration Committee and the Meetings attended by the Directors during the Financial Year 2021-22 are given below:

Name of Director	Category	Position	Number of Meetings Attended during year
Mr. Shanti Prashad Jain,	Non-Executive-Independent Director	Chairman	1 out of 1
Mr. Pavan Kumar Jain	Non-Executive-Director	Member	0 out of 1
Ms. Vanita Bhagava (w.e.f.27 <sup>th</sup> May, 2021)	Non-Executive-Independent Director	Member	1 out of 1

Mr. Shanti Prashad Jain, Chairman of the Nomination and Remuneration Committee has attended the last Annual General Meeting held on 28<sup>th</sup> September, 2021.

**(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 2021-22. Further, based on the feedback received by the Company, the Board of Directors at its Meeting held on 06<sup>th</sup> May, 2022 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.

During the Financial Year 2021-22, the Board of Director at their meeting held on 28<sup>th</sup> June, 2021 decided to discontinue for payment of remuneration to Mr. Devendra Kumar Jain, Executive Director of the Company w.e.f. 1<sup>st</sup> April, 2021.

**(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://gflimited.co.in/Criteria\\_for\\_making\\_payments\\_to\\_Non\\_executive\\_Directors.pdf](http://gflimited.co.in/Criteria_for_making_payments_to_Non_executive_Directors.pdf)

All the Directors are paid sitting fees of Rs. 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 2021-22 is as follows:

(₹ in Lakhs)

Name of the Director	Sitting Fees for attending Board / Committee Meetings	Commission	Total
Mr. Pavan Kumar Jain	0.80	-	0.80
Mr. Siddharth Jain	0.60	-	0.60
Ms. Vanita Bhargava	1.20	-	1.20
Mr. Shashi Kishore Jain	2.00	-	2.00
Mr. Shanti Prashad Jain	2.00	-	2.00
<b>Total</b>	<b>6.60</b>		<b>6.60</b>

During the financial year 2021-22, the Company has not issued stock options.

There were no other contracts with any director during Financial Year 2021-22.

No performance linked incentives were paid to any of the Directors during Financial Year 2021-22.

No notice period or severance fee is payable to any director.

Criteria for making payment to Non-Executive Directors is disclosed on the Company's website. The same can be viewed at:

[https://www.gflimited.co.in/Criteria\\_for\\_making\\_payments\\_to\\_Non\\_executive\\_Directors.pdf](https://www.gflimited.co.in/Criteria_for_making_payments_to_Non_executive_Directors.pdf)

**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 2021-22 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. Siddharth Jain
(b)	Name and designation of Compliance Officer:	Divya Shrimali, Company Secretary and Compliance Officer
(c)	Number of Shareholders complaints received during the Financial Year 2021-22	11
(d)	Number of Complaints not resolved to the satisfaction of Shareholders	Nil
(e)	Number of pending complaints	Nil

The Chairman of Stakeholders' Relationship Committee, Mr. Siddharth Jain has attended the last Annual General Meeting held on 28<sup>th</sup> September, 2021.

## 7. RISK MANAGEMENT COMMITTEE:

### (a) Brief description of Terms of Reference:

The Securities and Exchange Board of India (SEBI) has vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations 2021, notified on 5<sup>th</sup> May, 2021 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The same have been adopted by the Board of Directors of the Company on 27<sup>th</sup> May, 2021 and are reproduced below:

The brief description of Terms of Reference as approved by the Board of Directors is given below:

1. To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. To engage the services of consultants / experts as it may deem fit to discharge its functions.
8. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
9. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
10. To carry out such other Roles as may be included in the terms of reference of the Risk Management 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.

### (b) Composition, Name of Members, Chairperson, Meetings & Attendance during the Financial Year 2021-22:

The composition of Risk Management Committee is in compliance with Regulation 21 of the Listing Regulations.

During the Financial Year 2021-22, the Risk Management Committee met 2 (Two) times on the following dates namely, 10<sup>th</sup> August, 2021 & 28<sup>th</sup> January, 2022.



**(c) The details of composition of the Risk Management Committee and the Meetings held and attendance is as follows:**

Sr. No.	Name of Director	Position	Number of Meetings Attended
1.	Mr. Devendra Kumar Jain	Executive Director, Chairman	2 out of 2
2.	Mr. Shanti Prashad Jain*	Non-Executive-Independent Director, Member	2 out of 2
3.	Mr. Pavan Kumar Jain	Independent Director, Member	0 out of 2

\*Mr. Shanti Prashad Jain, Director was appointed as Member of the Risk Management Committee on 28<sup>th</sup> May, 2021.

**8. 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
2018-19	18 <sup>th</sup> September, 2019 at 3:00 pm Registered Office: Survey Number 16/3, 26 and 27, Village Ranjitnagar 389380, Taluka Ghoghamba, District Panchmahal	<ul style="list-style-type: none"> <li>- Continuation of Directorship of Mr. Shanti Prasad Jain (DIN: 00023379) as Non-Executive &amp; Independent Director of the Company</li> <li>- Continuation of Directorship of Mr. Shailendra Swarup (DIN: 00167799) as Non-Executive &amp; Independent Director of the Company</li> <li>- Appointment of Mr. Devendra Kumar Jain (DIN: 00029782) as Managing Director of the Company.</li> <li>- Re-appointment of Ms. Vanita Bhargava (DIN: 07156852) as Independent Director of the Company.</li> </ul>
2019- 20	25 <sup>th</sup> September, 2020 at 11:00 AM Though Video Conferencing	<ul style="list-style-type: none"> <li>- Special Resolution for approval for payment of remuneration to Shri Devendra Kumar Jain, Non-Executive Director of the Company for the period from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> 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.</li> </ul>
2020-21	28 <sup>th</sup> September, 2021 at 12:00 Noon through Video Conferencing	<ul style="list-style-type: none"> <li>- Approval of shifting of Registered Office of the Company from the "State of Gujarat" to "State of Maharashtra.</li> <li>- Approve the amendment in the Main Objects Clause of the Company.</li> </ul>

During the Financial Year ended 31<sup>st</sup> March, 2022, no Special Resolution was passed by the Company's Members through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot.

**9. MEANS OF COMMUNICATION**

The Quarterly/ Annual Financials Results of the Company/Subsidiaries during the Financial Year ended 31<sup>st</sup> March, 2022 were submitted with the Stock Exchanges immediately after they were approved by / taken on record by the Board and published in well-circulated Gujarati/ Marathi (Vadodara Samachar/ Loksatta) and English Newspaper (Financial Express) as well. The said results have been submitted to the Stock Exchanges and also posted on the Company's website viz. [www.gflimited.co.in](http://www.gflimited.co.in). The Annual report of the Company will be uploaded on the Company's website viz [www.gflimited.co.in](http://www.gflimited.co.in).

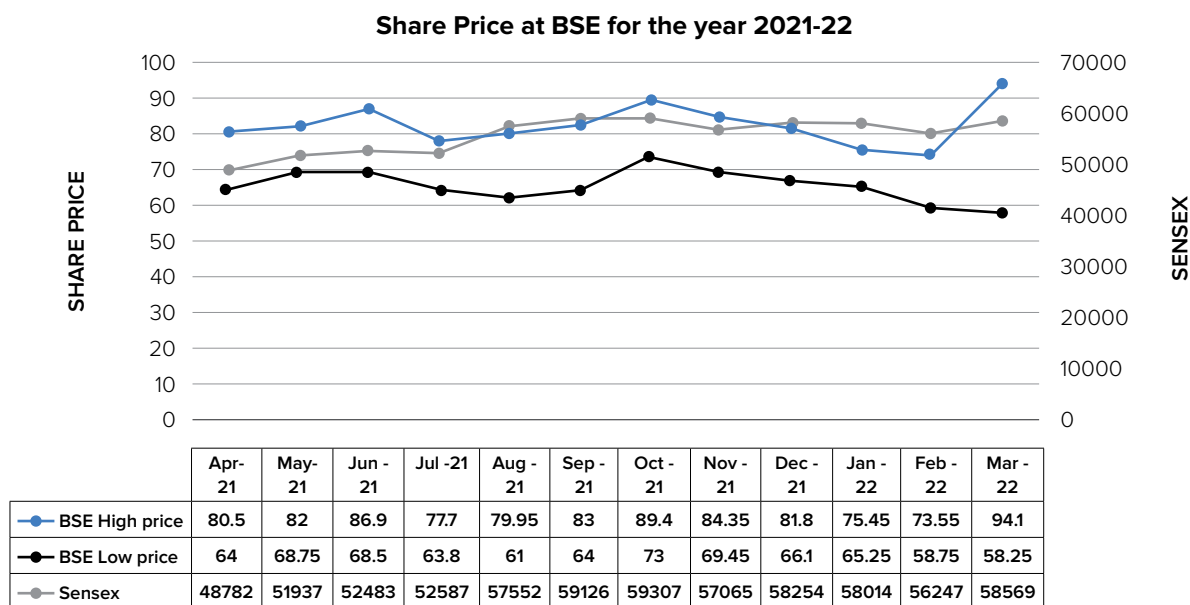
**10. GENERAL SHAREHOLDER INFORMATION**

9.1	Annual General Meeting	
	Date	26 <sup>th</sup> September, 2022
	Time	12:00 Noon (IST)
	Venue/Mode	The Company is conducting Annual General Meeting through Video Conferencing / Other Audio Visual Means facility pursuant to the Circulars issued by MCA and SEBI from time to time. The Registered Office of the Company shall be the deemed venue of the AGM. For details, please refer to the Notice of the AGM.
9.2	Financial Year	April 2021 to March 2022
9.3	Book Closure Date	No Book Closure required for current year.
9.4	Dividend Payment Date	The Board of Directors have not proposed any dividend for financial year ended 31 March 2022.
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 2021-22 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

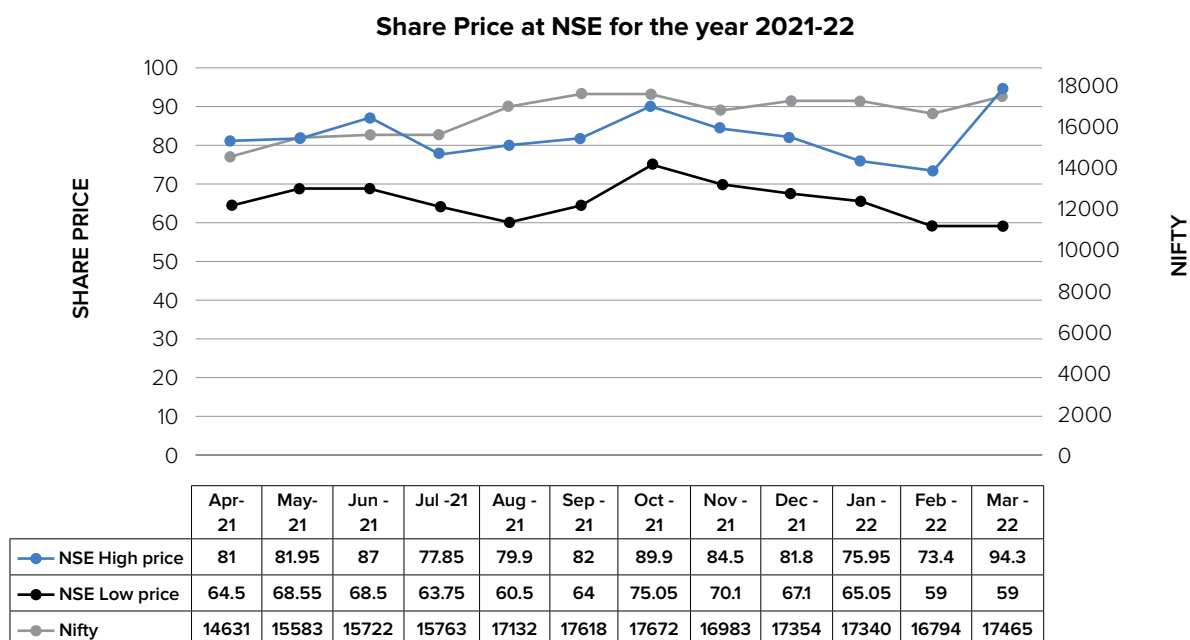
**9.7 Market Price Data: High, Low during each month in the Financial Year 2021-22 and Comparison to broad-based indices viz. Nifty 50 and BSE Sensex.**

Month	BSE Monthly High Price (in Rs)	BSE Monthly Low Price (in Rs)	SENSEX	NSE Monthly High Price (in Rs)	NSE Monthly Low Price (in Rs)	NIFTY
April, 2021	80.50	64.00	48782.36	81.00	64.50	14631.10
May, 2021	82.00	68.75	51937.44	81.95	68.55	15582.80
June, 2021	86.90	68.50	52482.71	87.00	68.50	15721.50
July, 2021	77.70	63.80	52586.84	77.85	63.75	15763.05
August, 2021	79.95	61.00	57552.39	79.90	60.50	17132.20
September, 2021	83.00	64.00	59126.36	82.00	64.00	17618.15
October, 2021	89.40	73.00	59306.93	89.90	75.05	17671.65
November, 2021	84.35	69.45	57064.87	84.50	70.10	16983.20
December, 2021	81.80	66.10	58253.82	81.80	67.10	17354.05
January, 2022	75.45	65.25	58014.17	75.95	65.05	17339.85
February, 2022	73.55	58.75	56247.28	73.40	59.00	16793.90
March, 2022	94.10	58.25	58568.51	94.30	59.00	17464.75

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



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



<b>9.8</b>	<b>Suspension from Trading</b>	The Equity Shares of the Company were not suspended from Trading during the Financial Year 2021-22
<b>9.9</b>	<b>Registrar and Transfer Agents</b>	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 : <a href="mailto:vadodara@linkintime.co.in">vadodara@linkintime.co.in</a>
<b>9.10</b>	<b>Share Transfer System</b>	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 June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories.

**9.11 Distribution of Shareholding as on 31<sup>st</sup> March, 2022:**

No. of shares ranging From – To	Number of shareholders	% to total shareholders	Number of shares	Amount in Rs. Lakhs	% to Issued Capital
1 to 500	18043	82.00	1788546	1788546	1.63
501 to 1000	2248	10.21	2011838	2011838	1.83
1001 to 2000	710	3.23	1147540	1147540	1.04
2001 to 3000	278	1.26	731836	731836	0.67
3001 to 4000	127	0.58	459660	459660	0.42
4001 to 5000	144	0.65	696956	696956	0.63
5001 to 10000	210	0.95	1615948	1615948	1.47
10001 and above	246	1.12	101397676	101397676	92.31
<b>Total</b>	<b>22006</b>		<b>109850000</b>	<b>109850000</b>	<b>100</b>

**9.12 Dematerialization of shares as on 31<sup>st</sup> March, 2022:**

Particulars	No. of Shares	% to Total Share Capital
No of Shares Dematerialised		
- NSDL	9,94,57,199	90.54
- CDSL	96,39,701	8.77
No. of Shares in Physical Form	7,53,100	0.69
<b>TOTAL</b>	<b>10,98,50,000</b>	<b>100.00</b>

**9.13 Shareholding pattern of the Company as on 31<sup>st</sup> March, 2022 is as under:**

Sr. No.	Category	Number of shares held	% of total share hold-ing
<b>A</b>	<b>Shareholding of Promoters and Promoters' Group</b>	<b>7,54,92,611</b>	<b>68.72</b>
1	Indian Promoters	7,54,92,611	68.72
<b>B</b>	<b>Shareholding of Non Promoters</b>		
<b>1</b>	<b>Institutions</b>		
a	Mutual Funds and UTI	2254803	2.05
b	Banks, Financial Institutions, Insurance Companies	1000	0.00
c	Central / State Government	100	0.00
d	Foreign Institutional Investors and Foreign Portfolio Investors	4488834	4.09
e	Alternate Investment Funds	0	0

Sr. No.	Category	Number of shares held	% of total share hold-ing
<b>2</b>	<b>Non-Institutions</b>		
a	Bodies Corporate	5601974	5.10
b	Foreign Nationals	334	0.00
c	HUF	608095	0.55
d	NBFC registered with RBI	1500	0.00
e	Individual	19920194	18.14
f	Non-Resident	678302	0.62
g	Clearing Member	302257	0.28
h	IEPF	495596	0.45
i	Director or Director's Relatives	4400	0.00
	<b>Sub-Total of B (1) + B (2)</b>	<b>34357389</b>	<b>31.28</b>
	<b>Grand Total (A+B)</b>	<b>10,98,50,000</b>	<b>100.00</b>

<b>9.14</b>	<b>Outstanding GDRs/ADRs/Warrants</b>	The Company has not issued GDRs/ADRs/Warrants or any convertible instruments.
<b>9.15</b>	<b>Commodity price risk or foreign exchange risk and hedging activities</b>	The Company had no exposure to commodity price risk, foreign exchange risk and hedging activities during the year ended 31 <sup>st</sup> March 2022.
<b>9.16</b>	<b>Address for Investor Correspondence</b>	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
<b>9.17</b>	<b>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:</b>	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 [https://www.gfllimited.co.in/company\\_policies.html](https://www.gfllimited.co.in/company_policies.html)

### (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 29<sup>th</sup> 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 [https://www.gfllimited.co.in/company\\_policies.html](https://www.gfllimited.co.in/company_policies.html)

- (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 [https://www.gflimited.co.in/company\\_policies.html](https://www.gflimited.co.in/company_policies.html)
- (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) The Company has not given any 'Loans and advances in the nature of loans to firms/companies in which directors are interested.
- (g) **Disclosure of commodity price risks and commodity hedging activities:** Discussed in point 9.15 above.
- (h) **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.
- (i) 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 from M/s Samdani Shah and Kabra for the same is enclosed herewith.
- (j) During the Financial Year 2021-22, 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.
- (k) The Company and its subsidiaries have paid total fees of ₹ 61.4 Lakhs for all services, on a consolidated basis, to the statutory auditors M/s. Kulkarni & Company, Statutory Auditors (Firm Registration no. 140959W).
- (l) 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 31<sup>st</sup> March, 2022 is given in the Directors' report.
- (m) Management Discussion and Analysis Report: Management Discussion and Analysis Report is forming part of the Annual Report.
- (n) All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied by the Company.
- (o) There is no Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above part C of Schedule V of the Listing Regulations.
- (p) 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 31<sup>st</sup> March, 2022, 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 21<sup>st</sup> 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/corporate\\_governance.html](https://www.gfllimited.co.in/corporate_governance.html)

### 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:** 5<sup>th</sup> August, 2022

**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 31<sup>st</sup> March, 2022.

**Date:** 6<sup>th</sup> May, 2022

**Place:** New Delhi

**Devendra Kumar Jain**

Chairman and Managing Director



### Certificate of Non-Disqualification of Directors

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

The Members,  
**GFL Limited**

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of GFL Limited ("Company"), having CIN: L65100MH1987PLC374824, situated at 7<sup>th</sup> Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai – 400 018, Maharashtra, 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 Securities Exchange Board of India (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, 2022, have been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Original Date of Appointment
1.	Mr. Shashi Kishore Jain	00443861	30-05-2021
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. Siddharth Jain	00030202	30-05-2021
6.	Mr. Shailendra Swarup#	00167799	01-01-1988
7.	Mr. Shanti Prashad Jain	00023379	22-05-2009
8.	Mr. Vivek Kumar Jain#	00029968	04-02-1987
9.	Ms. Vanita Bhargava	07156852	28-04-2015

#Mr. Shailendra Swarup, Mr. Om Prakash Lohia and Mr. Vivek Kumar Jain ceased to be Directors of the Company, on account of resignations, w.e.f. May 10, 2021, May 11, 2021 and May 12, 2021, respectively.

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

FCS No. 3677; CP No. 2863

**ICSI Peer Review # 1079/2021**

**ICSI UDIN: F003677D000270845**

**Place:** Vadodara | **Date:** May 06, 2022

## 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,

This report contains details of compliance of conditions of Corporate Governance by GFL Limited ('the Company') for the year ended 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022.

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:** 5 August 2022

**UDIN:** 22130432AOIZOV8528

# 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 2021-22.

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	General Information about the Company	
<b>A</b>		
1	Corporate Identification Number	L65100MH1987PLC374824
2	Name of the Company	GFL Limited ('GFL')
3	Registered Address	7 <sup>th</sup> Floor, Cee Jay House, Dr. Annie Besant Road, Worli, Mumbai – 400018
4	Website	<a href="http://www.gflimited.co.in">www.gflimited.co.in</a>
5	Email Address	<a href="mailto:secretarial@inoxmovies.com">secretarial@inoxmovies.com</a>
6	Financial year reported	2021-22
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	Registered Office - Mumbai
10	Markets served by the Company	National Market
Section B	Financial details of the Company	
1	Paid up capital (INR)	10,98,50,000
2	Total turnover (INR Lakhs )	175.89 Lakhs (standalone)
3	Total profit after tax (INR Lakhs )	96.81 Lakhs (standalone)
4	Total spending on CSR as percentage of PAT (%)	During the FY 2021-22, the total CSR obligation was Rs. 522.00 Lakhs and was spent.
5	List of the activities in which expenditure in 4 above has been incurred	1. Promoting healthcare 2. Promoting Education 3. Empowering Women
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 A	General Information about the Company			
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 Kumar 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 9810016672		
5	E-mail id	<a href="mailto:mukesh.patni@gfl.co.in">mukesh.patni@gfl.co.in</a>		

## 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.

Sr. 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	NA		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

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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.gfillimited.co.in](http://www.gfillimited.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: 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: <a href="http://www.gfillimited.co.in">www.gfillimited.co.in</a>

### 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 11 complaints from its investors related to non-receipt of dividend; shares etc. and all the 11 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 an 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 2 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.

Sr. 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 well-being 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.

**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:

- Empowering Women
- Promoting Education
- Promoting Healthcare

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 Rs. 522 Lakhs fund for community development projects for the year

FY 2021-22 as a Corporate Social Responsibility of the Company. During the year under review, Company have identified and spent the amount for the various causes i.e. Empowering Women, Promoting Education, Promoting Healthcare.

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.

The Company regularly engages with the local communities in the areas chosen for CSR program implementation through its own CSR teams and partner NGOs. Through these interactions it ensures that its CSR initiatives are adopted by the local community and fulfil the needs of the target population.

**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:** Mumbai  
**Date:** 5<sup>th</sup> August, 2022

**Devendra Kumar Jain**  
Chairman & Managing Director



# Independent Auditor's Report

to the members of GFL Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **GFL Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2022, 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 31 March 2022, the profit 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 on the standalone financial statement.

### 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. We have determined that there are no key audit matters to communicate in our report.

## 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

## Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 (continued)

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.
- 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 statement, 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.

## Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 (continued)

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 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 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.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - v. The Company has neither declared nor paid any dividend during the year.

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

**A D Talavlikar**  
Partner  
Membership No. 130432  
UDIN: 22130432AIMZPG2046

Place: Pune  
Date: 6 May 2022

**Annexure I to Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 – 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, 2020 ("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:

- i. (a) The Company does not have any property, plant and equipment and intangible assets. Accordingly, the requirement to report on clause 3(i)(a) to 3(i)(d) of the Order is not applicable to the Company.
- (b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory and accordingly, the requirement to report on clause 3(ii) (a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned any working capital limit in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (b) The investments made during the year are not, prima-facie, prejudicial to the Company's interest.
- (c) The Company has not granted any loans or advances in nature of loans and accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of section 186 of the Act in respect of investments made. The Company has not granted any loans or provided any security or guarantees in respect of which provisions of sections 185 and section 186 of the Act is applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act, and the Rules framed thereunder. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for the activities of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, income-tax, cess and any other material statutory dues applicable to it. There are no undisputed dues relating to employees' state insurance, duty of customs, sales tax, service tax, duty of excise or value added tax.
- (b) There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31 March 2022 for a period of more than six months from the date they become payable.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes.
- viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans and other borrowings or in payment of interest thereon to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used for long term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

**Annexure I to Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 (continued)**

- |  |  |
|--|--|
| <p>x. (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.</p> <p>(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).</p> <p>xi. (a) No fraud by the Company or on the Company has been noticed or reported during the year.</p> <p>(b) During the year, no report has been filed by the auditor, under sub-section (12) of section 143 of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.</p> <p>(c) There are no whistle-blower complaints received by the Company during the year.</p> <p>xii. The Company is not a Nidhi Company and accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.</p> <p>xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Act, and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.</p> <p>xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.</p> <p>(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.</p> <p>xv. The Company has not entered into any non-cash transactions with directors or persons connected with them and accordingly the requirement to report on clause 3(xv) of the Order is not applicable to the Company.</p> <p>xvi. (a) 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.</p> <p>(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.</p> <p>(c) The Company is Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and it continues to fulfill the criteria of a CIC.</p> | <p>The Company is exempted from registration and it continues to fulfill such criteria.</p> <p>(d) The Group of which the Company is a part has only one CIC.</p> <p>xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.</p> <p>xviii. There has been no resignation of the statutory auditors during the year.</p> <p>xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities following due within a period of one year, from the balance sheet date will get discharged by the Company as and when they fall due.</p> <p>xx. (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.</p> <p>(b) The Company did not have any ongoing project and accordingly, the requirement to report on clause 3(xx) (b) of the Order is not applicable to the Company.</p> |
|--|--|

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

**A D Talavlikar**  
Partner  
Membership No. 130432  
UDIN: 22130432AIMZPG2046

Place: Pune  
Date: 6 May 2022

**Annexure II to Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 - 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"), as of 31 March 2022 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 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.

**Annexure II to Independent auditor's report to the members of GFL Limited on the standalone financial statements for the year ended 31 March 2022 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date (continued)**

**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 31 March 2022 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  
UDIN: 22130432AIMZPG2046

Place: Pune  
Date: 6 May 2022

# Standalone Balance Sheet

as at 31 March 2022

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31 March 2022	As at 31 March 2021
	<b>ASSETS</b>			
(1)	<b>Financial assets</b>			
	(a) Cash and cash equivalents	5	13.80	108.22
	(b) Bank balances other than (a) above	6	122.84	148.93
	(c) Receivables	7		
	(i) Trade receivables		26.63	1,347.81
	(ii) Other receivables		69.51	821.00
	(d) Investments	8	31,313.24	30,012.47
	<b>Total Financial assets</b>		<b>31,546.02</b>	<b>32,438.43</b>
(2)	<b>Non-financial assets</b>			
	(a) Current tax assets (net)	9	14.12	43.09
	(b) Deferred tax assets (net)	10	5.99	1.51
	(c) Other non-financial assets	11	11.68	6.26
	<b>Total Non-Financial assets</b>		<b>31.79</b>	<b>50.86</b>
	<b>Total Assets (1+2)</b>		<b>31,577.81</b>	<b>32,489.29</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
(1)	<b>Financial Liabilities</b>			
	(a) Payables	12		
	(i) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		0.36	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.40	10.22
	(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		168.12	197.80
	(b) Borrowings (Other than debt securities)	13	-	100.43
	(c) Other financial liabilities	14	133.83	1,009.87
	<b>Total Financial Liabilities</b>		<b>302.71</b>	<b>1,318.32</b>
(2)	<b>Non-Financial Liabilities</b>			
	(a) Provisions	15	49.20	39.19
	(b) Other non-financial liabilities	16	10.35	10.52
	<b>Total Non-Financial Liabilities</b>		<b>59.55</b>	<b>49.71</b>
(3)	<b>EQUITY</b>			
	(a) Equity Share capital	17	1,098.50	1,098.50
	(b) Other Equity	18	30,117.05	30,022.76
	<b>Total Equity</b>		<b>31,215.55</b>	<b>31,121.26</b>
	<b>Total Liabilities and Equity (1+2+3)</b>		<b>31,577.81</b>	<b>32,489.29</b>

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

Membership No: 130432

Place: Pune

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Bhavi Shah**

Company Secretary

Place: Vadodara

Date: 6 May 2022



# Standalone Statement of Profit and Loss

for the year ended on 31 March 2022

(₹ in Lakhs)

Sr. No.	Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
(I)	<b>Revenue from operations</b>	19		
	(i) Interest Income		5.48	-
	(ii) Fees and commission income		148.96	101.11
	(iii) Net gain on fair value changes		21.45	2.96
	<b>Total Revenue from operations</b>		<b>175.89</b>	<b>104.07</b>
(II)	Other Income	20	42.19	6.23
	<b>Total Income (I+II)</b>		<b>218.08</b>	<b>110.30</b>
(III)	<b>Expenses</b>			
	Finance costs	21	6.34	0.46
	Employee benefits expenses	22	78.52	236.60
	Other expenses	23	55.75	50.41
	<b>Total Expenses (III)</b>		<b>140.61</b>	<b>287.47</b>
(IV)	Profit/(loss) before exceptional items and tax (I+II-III)		77.47	(177.17)
(V)	Exceptional items	32	(69.51)	99.18
(VI)	<b>Profit/(loss) before tax (IV-V)</b>		<b>146.98</b>	<b>(276.35)</b>
(VII)	<b>Tax Expenses:</b>	24		
	(1) Current tax		30.00	-
	(2) Deferred tax		2.34	0.37
	(3) Taxation pertaining to earlier years		17.83	-
			<b>50.17</b>	<b>0.37</b>
(VIII)	<b>Profit/(loss) for the year from continuing operations(VI-VII)</b>		<b>96.81</b>	<b>(276.72)</b>
(IX)	Profit from discontinued operations	30	-	106.71
(X)	Tax expense of discontinued operations	30	-	2,951.94
(XI)	<b>Loss from discontinued operations (after tax) (IX-X)</b>		<b>-</b>	<b>(2,845.23)</b>
(XII)	<b>Profit/(loss) for the year (VIII+XI)</b>		<b>96.81</b>	<b>(3,121.95)</b>
(XIII)	<b>Other Comprehensive Income</b>			
	<b>i. In respect of continuing operations</b>			
	A. Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefits plans		(3.37)	(2.08)
	(ii) Tax on above		0.85	0.52
	<b>ii. In respect of discontinued operations</b>			
	A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefits plans		-	13.29
	(ii) Tax on above		-	(3.34)
	<b>Total other comprehensive income</b>		<b>(2.52)</b>	<b>8.39</b>
(XIV)	<b>Total Comprehensive Income for the year (XII+XIII) (Comprising Profit/(loss) and other Comprehensive Income for the year)</b>		<b>94.29</b>	<b>(3,113.56)</b>
(XV)	Earnings/(loss) per equity share of Re. 1 each	36		
	Basic and Diluted (in ₹)			
	From continuing operations		0.09	(0.25)
	From discontinued operations		-	(2.59)
	From total operations		0.09	(2.84)

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

Membership No: 130432

Place: Pune

D. K. JAIN

Managing Director

DIN: 00029782

Place: New Delhi

Siddharth Jain

Director

DIN: 00030202

Place: Mumbai

Mukesh Patni

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

Bhavi Shah

Company Secretary

Place: Vadodara

Date: 6 May 2022

# Standalone Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) after tax from continuing operations</b>	<b>96.81</b>	<b>(276.72)</b>
<b>Adjustments for continuing operations:</b>		
Tax expense	50.17	0.37
Interest Income	(5.48)	-
Finance costs	6.34	0.46
Liabilities and provisions no longer required, written back	(42.19)	(6.23)
Net gain on investments carried at FVTPL	(21.45)	(2.96)
	<b>84.20</b>	<b>(285.08)</b>
<b>Movements in working capital for continuing operations:</b>		
(Increase)/decrease in trade receivables	1,321.18	80.69
(Increase)/decrease in other receivables	751.49	(821.00)
(Increase)/decrease in other non-financial assets	(5.42)	4.69
Increase/(decrease) in trade payables	(9.46)	0.78
Increase/(decrease) in other payables	12.51	82.97
Increase/(decrease) in other financial liabilities	(849.95)	802.57
Increase/(decrease) in provisions	6.64	(1.21)
Increase/(decrease) in other non-financial liabilities	(0.17)	(18.73)
<b>Cash generated from/(used in) operations</b>	<b>1,311.02</b>	<b>(154.32)</b>
Income-tax paid (net)	(27.84)	(41.22)
<b>Net cash generated from/(used in) operating activities from continuing operations</b>	<b>1,283.18</b>	<b>(195.54)</b>
Net cash used in discontinued operations (See note 30)	-	(4,324.77)
<b>Net cash used in operating activities</b>	<b>1,283.18</b>	<b>(4,520.31)</b>
<b>Cash flow from investing activities</b>		
<b>From continuing operations:</b>		
Interest received	5.48	-
Purchase of investments	(1825.00)	(134.99)
Sale/redemption of investments	545.68	368.66
From discontinued operations (See note 30)	-	4,333.33
<b>Net cash generated from/(used in) investing activities</b>	<b>(1,273.84)</b>	<b>4,567.00</b>
<b>Cash flow from financing activities</b>		
<b>From continuing operations:</b>		
Proceeds from borrowings	-	100.00
Repayment of borrowings	(100.00)	-
Finance costs	(3.76)	(0.03)
From discontinued operations (See note 30)	-	(5.21)
<b>Net cash generated from/(used in) financing activities</b>	<b>(103.76)</b>	<b>94.76</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(94.42)</b>	<b>141.45</b>
Cash and cash equivalents as at the beginning of the year	108.22	41.89
Cash and cash equivalents transferred pursuant to demerger (See note 29)	-	(75.12)
<b>Cash and cash equivalents as at the end of the year</b>	<b>13.80</b>	<b>108.22</b>

# Standalone Statement of Cash Flows

for the year ended 31 March 2022

## Changes in liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening Balance	100.43	-
Interest expenses	3.22	0.46
Cash flows	(103.65)	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

Membership No: 130432

Place: Pune

Date: 6 May 2022

### For GFL Limited

### D. K. JAIN

Managing Director

DIN: 00029782

Place: New Delhi

### Mukesh Patni

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

### Siddharth Jain

Director

DIN: 00030202

Place: Mumbai

### Bhavi Shah

Company Secretary

Place: Vadodara

# Standalone Statement of Changes in Equity

for the year ended 31 March 2022

## A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1 April 2020	Changes during 2020-21	Balance as at 31 March 2021	Changes during 2021-22	Balance as at 31 March 2022
1,098.50	-	1,098.50	-	1,098.50

(see Note 17)

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus		Total
	Capital redemption reserve	Retained earnings	
<b>Balance as at 1 April 2020</b>	<b>59.30</b>	<b>1,16,261.02</b>	<b>1,16,320.32</b>
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
<b>Total comprehensive income</b>	<b>-</b>	<b>(3,113.56)</b>	<b>(3,113.56)</b>
<b>Balance as at 31 March 2021</b>	<b>59.30</b>	<b>29,963.46</b>	<b>30,022.76</b>
Profit for the year	-	96.81	96.81
Other comprehensive income for the year, net of income tax (*)	-	(2.52)	(2.52)
<b>Total comprehensive income</b>	<b>-</b>	<b>94.29</b>	<b>94.29</b>
<b>Balance as at 31 March 2022</b>	<b>59.30</b>	<b>30,057.75</b>	<b>30,117.05</b>

(\*) 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

Membership No: 130432

Place: Pune

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Bhavi Shah**

Company Secretary

Place: Vadodara

Date: 6 May 2022

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 1. Company information

GFL Limited ("the Company") is a public limited company incorporated and domiciled in India. After the demerger of its Renewable Energy Undertaking (see Note 29), the Company now holds strategic investments, mainly in entertainment sector. During the year, the Company has started business of distribution of investment products and is registered as a sub broker. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The Company's parent company INOX Leasing and Finance Limited has ceased to be the holding company of GFL Limited w.e.f. 22 September 2021.

The Company's registered office is shifted to 7<sup>th</sup> Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai – 400 018 during the year.

For details of composite scheme of arrangement during the preceding year, see Note 29.

## 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.

Ministry of Corporate Affairs (MCA), vide its Notification dated 24 March 2021, amended Schedule III to the Companies Act, 2013 with effect from 1 April 2021. Accordingly, previous year figures have been re-grouped/ re-classified wherever necessary, to conform to the classification for the current year in order to comply with the requirements of the amended Schedule III to the Act.

These financial statements were authorized for issue by the Company's Board of Directors on 6 May, 2022.

### 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;

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

- 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.

## 2.3 Particulars of investments in subsidiaries as at 31 March 2022 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	43.15 %
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. 1 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:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 18 June, 2021, amendments to the existing standards have been notified and these amendments are effective from 1 April 2021. Following amendments have become applicable for the current reporting period:

- Amendments to Ind AS 116 Leases - COVID-19 related rent concessions: The amendments to Ind AS 116 extend the period of availing the

practical expedient relating to Covid-19 related rent concessions to June 30 2022 (from earlier June 30, 2021). This amendment has no impact on the financial statements of the Company.

- Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 - Interest Rate Benchmark Reform Phase 2: The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). This amendment has no impact on the financial statements of the Company.

### b. New accounting pronouncements

As per Notification dated 23 March, 2022, amendments to the existing standards have been notified and these amendments are effective from 1 April 2022. The summary of these amendments are as under:

- Amendments to Ind AS 103 Business Combinations: The amendments specify that in a business combination, to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed, at the acquisition date, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- Amendments to Ind AS 16 Property Plant & Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.
- Amendments to Ind AS 37 Provision Contingent Liabilities & Contingent Asset: The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour,

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materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- Amendments to Ind AS 109 Financial Instruments: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments to have any impact on its 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

Guarantee Commission and brokerage income 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. In respect of brokerage Income, the performance obligations are satisfied over a period of time and is recognized as per the agreed percentage of the underlying investments. 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.

#### 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.

# Notes to the Standalone Financial Statements

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## 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.

## 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 Leases

The Company 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.

### a) The Company as lessee

The Company recognises a right-of-use asset and a lease liability 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, company's incremental borrowing rate.

Lease liabilities" and "Right of use assets" have been separately presented in the Balance Sheet



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and lease payments have been classified as financing cash flows.

The Company 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.

## 3.5 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.

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.

# Notes to the Standalone Financial Statements

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## 3.6 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.

## 3.7 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.

## 3.8 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.

## 3.9 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.

# Notes to the Standalone Financial Statements

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## 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. 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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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)

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.

# Notes to the Standalone Financial Statements

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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

# Notes to the Standalone Financial Statements

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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.

## 3.10 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:**

## 3.11 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.

# Notes to the Standalone Financial Statements

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## 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 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.

## 3.12 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

# Notes to the Standalone Financial Statements

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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.

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



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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 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.

## b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'Other income' line item.

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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 31 March 2022

## 5 Cash & cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks - in current accounts	13.80	108.22
<b>Total</b>	<b>13.80</b>	<b>108.22</b>

## 6 Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Earmarked balances with banks:-</b>		
In unpaid dividend accounts	122.84	148.93
<b>Total</b>	<b>122.84</b>	<b>148.93</b>

## 7 Receivables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Trade receivables</b>		
Receivables considered good - unsecured		
- From related parties (see Note 27)	-	1,347.81
- From others	26.63	-
<b>Other receivables</b>		
Receivables considered good - unsecured		
- From related parties (see Note 27)	69.51	821.00
<b>Total</b>	<b>96.14</b>	<b>2,168.81</b>

Ageing for receivables - outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed receivables</b>						
Considered good	96.14	-	-	-	-	96.14
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
<b>Disputed receivables</b>						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>96.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96.14</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 7 Receivables - continued

Ageing for receivables - outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed receivables</b>						
Considered good	821.00	119.32	290.01	879.42	59.06	2,168.81
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
<b>Disputed receivables</b>						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>821.00</b>	<b>119.32</b>	<b>290.01</b>	<b>879.42</b>	<b>59.06</b>	<b>2,168.81</b>

## 8 Investments

(₹ in Lakhs)

Particulars	Face Value	As at 31 March 2022		As at 31 March 2021	
		Nos.	Amounts	Nos.	Amounts
<b>A) Investments in mutual funds - measured at fair value through Profit or Loss (FVTPL)</b>					
<b>Unquoted investments (fully paid up)</b>					
HDFC Low Duration Fund-Growth - Regular Plan	₹ 10	18,74,712	877.64	-	-
ABSL Low Duration Fund - Growth - Regular Plan	₹ 100	78,950	423.13	-	-
<b>Total Investment in mutual funds</b>			<b>1,300.77</b>		<b>-</b>
<b>B) Investment in subsidiaries (measured at cost)</b>					
<b>I. Quoted investments (fully paid up)</b>					
<b>Investments in equity instruments</b>					
INOX Leisure Limited (see Note below)	₹ 10	5,27,86,467	25,012.47	5,27,86,467	25,012.47
<b>Total Quoted investments</b>			<b>25,012.47</b>		<b>25,012.47</b>
<b>II. Unquoted investments (fully paid up)</b>					
<b>Investments in equity instruments</b>					
INOX Infrastructure Limited	₹ 10	5,00,00,000	5,000.00	5,00,00,000	5,000.00
<b>Total Unquoted investments</b>			<b>5,000.00</b>		<b>5,000.00</b>
<b>Total investment in subsidiaries(I+II)</b>			<b>30,012.47</b>		<b>30,012.47</b>
<b>Total Investment (A+B)</b>			<b>31,313.24</b>		<b>30,012.47</b>
<b>Category - wise other investments - as per Ind AS 109 classification:</b>					
Investments measured at cost			30,012.47		30,012.47
Investments measured at fair value through profit or loss			1,300.77		-
			<b>31,313.24</b>		<b>30,012.47</b>
<b>Out of above</b>					
In India			31,313.24		30,012.47
Outside India			-		-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 8 Investments - continued

### Note:

The Board of Directors of the INOX Leisure Limited (subsidiary of The Company) at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The share exchange ratio shall be 3 equity shares of the face value of ₹ 10 of Transferee Company, credited as fully paid-up, for every 10 equity shares of the face value of ₹ 10 each fully paid-up held by such member in the Transferor Company. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities under applicable laws and the respective shareholders and creditors of the companies. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed between the parties. The effective date as per the Scheme is the date on which last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme has been filed with the Bombay Stock Exchange and the National Stock Exchange on 30 March 2022 for their approval.

## 9 Current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax paid (net of provisions)	14.12	43.09
<b>Total</b>	<b>14.12</b>	<b>43.09</b>

## 10 Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets	5.99	1.51
<b>Total</b>	<b>5.99</b>	<b>1.51</b>

### Deferred tax assets/(liabilities) in relation to:

#### As at 31 March 2022

(₹ in Lakhs)

	As at 1 April 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2022
Gratuity and compensated absences	1.51	2.35	0.85	4.71
Effect of measuring investments at fair value	-	(4.69)	-	(4.69)
Other deferred tax asset	-	5.97	-	5.97
	<b>1.51</b>	<b>3.63</b>	<b>0.85</b>	<b>5.99</b>

#### As at 31 March 2021

	As at 1 April 2020	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2021
Gratuity and compensated absences	1.54	(0.55)	0.52	1.51
Effect of measuring investments at fair value	(0.18)	0.18	-	-
	<b>1.36</b>	<b>(0.37)</b>	<b>0.52</b>	<b>1.51</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 11 Other non - financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances to related parties (see Note 27)	6.24	6.24
Advance to suppliers	-	0.01
Balances with government authorities - GST credit available	4.89	0.01
Prepayments	0.55	-
<b>Total</b>	<b>11.68</b>	<b>6.26</b>

## 12 Payables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Trade Payables</b>		
- Dues of micro enterprises and small enterprises	0.36	-
- Dues of creditors other than micro enterprises and small enterprises	0.40	10.22
	<b>0.76</b>	<b>10.22</b>
<b>Other Payables</b>		
- Dues of micro enterprises and small enterprises	-	-
- Dues of creditors other than micro enterprises and small enterprises	168.12	197.80
	<b>168.12</b>	<b>197.80</b>
<b>Total</b>	<b>168.88</b>	<b>208.02</b>

Ageing for payables - outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year(*)	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.36	-	-	-	0.36
(ii) Others	11.85	82.97	73.70	-	168.52
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>12.21</b>	<b>82.97</b>	<b>73.70</b>	<b>-</b>	<b>168.88</b>

(\*) It includes unbilled amount of ₹ 8.59 lakhs.

Ageing for payables - outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year(*)	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	93.19	114.83	-	-	208.02
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>93.19</b>	<b>114.83</b>	<b>-</b>	<b>-</b>	<b>208.02</b>

(\*) It includes unbilled amount of ₹ 9.71 lakhs

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 13 Borrowings (other than debt securities)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>In India, at amortised cost</b>		
<b>Loan from Related Party - unsecured</b>		
Inter-corporate deposits from holding company (see Note 27)	-	100.43
<b>Total</b>	<b>-</b>	<b>100.43</b>

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

**The terms of unsecured loan:** The Inter-corporate deposit from the holding company was for period of 6 months, repayable on 7 September 2021 and carried interest @ 7.00% p.a.

## 14 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unclaimed dividend (*)	122.84	148.93
Employees dues payable	10.77	16.85
Expenses and other payables	0.22	844.09
<b>Total</b>	<b>133.83</b>	<b>1,009.87</b>

(\*) investor Education and Protection Fund will be credited as and when due.

## 15 Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (see Note 25)		
- for Gratuity	26.69	20.17
- for Compensated absences	22.51	19.02
<b>Total</b>	<b>49.20</b>	<b>39.19</b>

## 16 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues and taxes payable	10.35	10.52
<b>Total</b>	<b>10.35</b>	<b>10.52</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 17 Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised capital (see Note below)</b>		
<b>20,00,00,000</b> (31 March 2021: 20,00,00,000) equity shares of Re 1 each	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and fully paid up</b>		
<b>10,98,50,000</b> (31 March 2021: 10,98,50,000) equity shares of Re 1 each	1,098.50	1,098.50
<b>Total</b>	<b>1,098.50</b>	<b>1,098.50</b>

Note: Pursuant to the Composite Scheme of arrangement (See Note 29), the authorised capital of the Company had increased by ₹ 11,010.00 lakhs i.e. 11,01,00,000 Equity Shares of Rs 10 each, from 1 April 2020. Subsequently, pursuant to the demerger of Renewable Energy Business w.e.f. 1 July 2020 (see Note 29), 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 31 March 2022		As at 31 March 2021	
	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	-	-	-	-
<b>At the end of the year</b>	<b>10,98,50,000</b>	<b>1,098.50</b>	<b>10,98,50,000</b>	<b>1,098.50</b>

### 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 31 March 2022		As at 31 March 2021	
	No. of shares	Amounts (₹ in Lakhs)	No. of shares	Amounts (₹ in Lakhs)
INOX Leasing & Finance Limited (upto 21 September 2021)	-	-	5,81,49,021	581.49
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>5,81,49,021</b>	<b>581.49</b>



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 17 Equity share capital - continued

### 17.4 Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
INOX Leasing and Finance Limited	-	-	5,81,49,021	52.93%
Devansh Trademart LLP	-	-	66,62,360	6.06%
Siddhapavan Trading LLP	-	-	55,76,440	5.08%
Siddharth Jain	1,48,27,953	13.50%	-	-
Pavan Kumar Jain	4,63,08,012	42.16%	-	-
Nayantara Jain	93,62,056	8.52%	-	-
Meenu Bhanshali	54,95,182	5.00%	54,95,182	5.00%

### 17.5 Shareholdings of promoter

Disclosure of Shareholding of promoters as at 31 March 2022 is as follows:

Name of the Promoter	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
<b>Promoter</b>					
Vivek Kumar Jain	-	-	20,100	0.02%	(0.02%)
Devansh Jain	-	-	10,000	0.01%	(0.01%)
Hem Kumari	-	-	10,000	0.01%	(0.01%)
Kapoor Chand Jain	-	-	10,000	0.01%	(0.01%)
Nandita Jain	-	-	10,000	0.01%	(0.01%)
Pavan Kumar Jain	4,63,08,012	42.16%	20,100	0.02%	42.14%
Siddharth Jain	1,48,27,953	13.50%	20,000	0.02%	13.48%
Nayantara Jain	93,62,056	8.52%	10,000	0.01%	8.51%
Devendra Kumar Jain	20,100	0.02%	20,100	0.02%	-
<b>Promoters group</b>					
INOX Leasing and Finance Limited	-	-	5,81,49,021	52.93%	(52.93%)
Devansh Trademart LLP	-	-	66,62,360	6.06%	(6.06%)
Siddhapavan Trading LLP	-	-	55,76,440	5.08%	(5.08%)
INOX Chemicals LLP	29,55,230	2.69%	29,55,230	2.69%	-
Siddho Mal Trading LLP	20,19,260	1.84%	20,19,260	1.84%	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 17 Equity share capital - continued

Disclosure of Shareholding of promoters as at 31 March 2021 is as follows:

Name of the Promoter	As at 31 March 2021		As at 31 March 2020		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
<b>Promoter</b>					
Vivek Kumar Jain	20,100	0.02%	20,100	0.02%	-
Devansh Jain	10,000	0.01%	10,000	0.01%	-
Hem Kumari	10,000	0.01%	10,000	0.01%	-
Kapoor Chand Jain	10,000	0.01%	10,000	0.01%	-
Nandita Jain	10,000	0.01%	10,000	0.01%	-
Pavan Kumar Jain	20,100	0.02%	20,100	0.02%	-
Siddharth Jain	20,000	0.02%	20,000	0.02%	-
Nayantara Jain	10,000	0.01%	10,000	0.01%	-
Devendra Kumar Jain	20,100	0.02%	20,100	0.02%	-
<b>Promoters group</b>					
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%	-
INOX Chemicals LLP	29,55,230	2.69%	29,55,230	2.69%	-
Siddho Mal Trading LLP	20,19,260	1.84%	20,19,260	1.84%	-

## 18 Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital redemption reserve	59.30	59.30
Retained earnings	30,057.75	29,963.46
	<b>30,117.05</b>	<b>30,022.76</b>

### 18.1 Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	59.30	59.30
Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>59.30</b>	<b>59.30</b>

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.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 18 Other equity - continued

### 18.2 Retained earnings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	29,963.46	116,261.02
On account of demerger (see note 29)	-	(83,183.00)
Cancellation of investment	-	(1.00)
Profit/(loss) for the year	96.81	(3,121.95)
Other comprehensive income for the year, net of income tax	(2.52)	8.39
<b>Balance as at the end of the year</b>	<b>30,057.75</b>	<b>29,963.46</b>

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 31 March 2022	Year ended 31 March 2021
(i) Interest income (on financial assets using effective interest method)	5.48	-
(ii) Fees and commission income (see Note below)		
- Brokerage income	148.96	-
- Guarantee commission income	-	101.11
(iii) Net gain on investments measured at FVTPL	21.45	2.96
<b>Total</b>	<b>175.89</b>	<b>104.07</b>
Note: Realised gain on sale of investments	2.82	3.66

### Revenue from contracts with customers:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>a. Timing of revenue recognition:</b>		
Over a period of time	148.96	101.11
<b>b. Contract balances:</b>		
Trade receivables	26.63	1,347.81
<b>c. The entire revenue is within India</b>		

## 20 Other Income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Liabilities and provisions no longer required, written back	42.19	6.23
<b>Total</b>	<b>42.19</b>	<b>6.23</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 21 Finance Costs

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses, calculated using effective interest method		
- Interest on borrowings	3.22	0.46
Interest on income tax	3.01	-
Other interest expenses	0.11	-
<b>Total</b>	<b>6.34</b>	<b>0.46</b>

## 22 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries	70.00	229.32
Contribution to provident and other funds	5.09	7.28
Gratuity	3.15	-
Staff welfare expenses	0.28	-
<b>Total</b>	<b>78.52</b>	<b>236.60</b>

## 23 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Insurance	0.86	1.65
Director's sitting fees	6.60	8.80
Corporate Social Responsibility (CSR) expenses (see Note 31)		
Amounts spent during the year	522.00	821.00
Less: Reimbursement as per the scheme of arrangement	(522.00)	(821.00)
	-	-
Rent (see Note (i) below)	0.61	-
Auditor's fees and expenses (see Note (ii) below)	6.00	6.50
Legal and professional fees and expenses	28.75	23.23
Other expenditure (see Note (iii) below)	12.93	10.23
<b>Total</b>	<b>55.75</b>	<b>50.41</b>

(i) The Lease is in respect of office premises taken on cancellable basis, for a period of 5 years, without any escalation.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 23 Other expenses (Contd..)

### (ii) Payments to Auditors:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Statutory Audit (including consolidated accounts)	5.00	5.00
Corporate governance certificate	1.00	1.00
Other certification fees	-	0.50
<b>Total</b>	<b>6.00</b>	<b>6.50</b>

Note: The above amounts are exclusive of Goods and service tax.

### (iii) Details of other expenditure:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Printing and stationery	1.12	1.20
Advertisement and publicity	3.92	3.35
Repairs and maintenance	4.37	2.44
Travelling and conveyance	2.58	1.43
Miscellaneous expenses	0.94	1.81
<b>Total</b>	<b>12.93</b>	<b>10.23</b>

## 24 Tax expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(i) Income tax recognized in Statement of Profit and Loss</b>		
<b>Current tax</b>		
In respect of current year	30.00	-
In respect of earlier years	23.80	-
	<b>53.80</b>	<b>-</b>
<b>Deferred Tax</b>		
In respect of current year	2.34	0.37
In respect of earlier years	(5.97)	2,951.94
	<b>(3.63)</b>	<b>2,952.31</b>
<b>Income tax recognized in Statement of Profit and Loss</b>	<b>50.17</b>	<b>2,952.31</b>
<b>(ii) Income tax recognized in other comprehensive income</b>		
Deferred tax on remeasurement of defined benefit plans	(0.85)	2.82
<b>Total tax expense</b>	<b>49.32</b>	<b>2,955.13</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 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 31 March 2022	Year ended 31 March 2021
Profit/(loss) before tax from continued operations	146.98	(276.35)
Profit before tax from discontinued operations	-	106.71
	<b>146.98</b>	<b>(169.64)</b>
Income tax expense calculated at 25.168% (preceding year 25.168%)	36.99	(42.69)
Effect of expenses that are not deductible in determining taxable profits and effect of business combinations	5.70	42.14
Effect of recoveries that are not taxable	(10.35)	-
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
	<b>32.34</b>	<b>0.37</b>
Taxation pertaining to earlier years	17.83	2,951.94
<b>Tax expense as per the Statement of Profit and Loss</b>	<b>50.17</b>	<b>2,952.31</b>

The tax rate used in the reconciliations above is the corporate tax rate of 25.168% payable under section 115BAA by corporate entities in India on taxable profits.

## 24.2 Tax pertaining to earlier years:

In preceding year, INOX Renewables Limited ("IRL") was amalgamated with the Company w.e.f. 1 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 were not available for set-off in the hands of the Company. Accordingly, the same was 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 31 March 2022	Year ended 31 March 2021
Defined contribution plan		
- Continued operations	5.09	7.28
- Discontinued operations	-	1.37
<b>Total</b>	<b>5.09</b>	<b>8.65</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 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 2022 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 31 March 2022	As at 31 March 2021
Opening defined benefit obligation	20.17	50.03
Effect of business combinations (net)	-	(18.32)
Current service cost	2.00	2.53
Interest cost	1.15	1.30
Actuarial gains /(losses) on obligation:		
- arising from experience adjustments	3.37	(11.21)
Benefits paid	-	(4.16)
<b>Present value of obligation as at year end</b>	<b>26.69</b>	<b>20.17</b>
- Continuing operations	26.69	(10.18)
- Discontinued operations	-	30.35
<b>Total</b>	<b>26.69</b>	<b>20.17</b>

#### (ii) Components of amount recognized in profit and loss and other comprehensive income are as under:

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Current Service Cost</b>		
- Continued operations	2.00	1.66
- Discontinued operations	-	0.87
<b>Interest expense</b>		
- Continued operations	1.15	0.91
- Discontinued operations	-	0.39
<b>Amount recognized in profit &amp; loss</b>	<b>3.15</b>	<b>3.83</b>
<b>Actuarial gains/(losses):</b>		
<b>Arising form experience adjustments</b>		
- Continued operations	(3.37)	(2.08)
- Discontinued operations	-	13.29
<b>Amount recognized in other comprehensive income</b>	<b>(3.37)</b>	<b>11.21</b>
<b>Total</b>	<b>(0.22)</b>	<b>15.04</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 25 Employee Benefits (Contd..)

(iii) The principal assumptions used for the purposes of the actuarial valuation of gratuity are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	6.86%	5.70%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
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.

This plan typically expose the company to actuarial risks such as interest rate risk and salary risk

- Interest risk: a decrease in the bond interest rate will increase the plan liability.
- 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	As at 31 March 2022	As at 31 March 2021
<b>Impact on present value of defined benefit obligation:</b>		
if discount rate increased by 1%	(0.62)	(0.05)
if discount rate decreased by 1%	0.64	0.06
if salary escalation rate increased by 1%	0.63	0.06
if salary escalation rate decreased by 1%	(0.62)	(0.05)

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.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 25 Employee Benefits (Contd..)

### (v) Expected contribution to the defined benefit plan in future years

Particulars	(₹ in Lakhs)
Expected outflow in 1 <sup>st</sup> Year	1.60
Expected outflow in 2 <sup>nd</sup> Year	24.68
Expected outflow in 3 <sup>rd</sup> Year	0.02
Expected outflow in 4 <sup>th</sup> Year	0.02
Expected outflow in 5 <sup>th</sup> Year	0.02
Expected outflow in 6 <sup>th</sup> to 10 <sup>th</sup> Year	0.36

The average duration of the defined benefits plan obligation at the end of the reporting period is 9.21 years (as at 31 March 2021 7.88 years).

### (c) Long term employment benefits:

#### Compensated absences

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2022 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 31 March 2022	Year ended 31 March 2021
Compensated absences recognised in the statement of Profit & Loss		
- Continued operations	5.56	(3.69)
- Discontinued operations	-	(11.18)
<b>Total</b>	<b>5.56</b>	<b>(14.87)</b>

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	6.86%	5.70%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM (2012-14) ultimate mortality table	

### (d) Current and Non current breakup of provisions:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Gratuity - Current	1.60	19.91
Gratuity - Non-current	25.09	0.26
<b>Total</b>	<b>26.69</b>	<b>20.17</b>
Compensated absences - Current	22.17	18.39
Compensated absences - Non-current	0.34	0.63
<b>Total</b>	<b>22.51</b>	<b>19.02</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 26 Financial Instruments

### 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	Year ended 31 March 2022	Year ended 31 March 2021
<b>a) Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) mandatorily measured as at FVTPL		
(i) Investments in mutual funds	1,300.77	-
<b>Sub Total</b>	<b>1,300.77</b>	<b>-</b>
<b>Measured at amortised cost</b>		
(a) Cash & cash equivalents	13.80	108.22
(b) Bank balances other than (a) above	122.84	148.93
(c) Receivables	96.14	2,168.81
<b>Sub Total</b>	<b>232.78</b>	<b>2,425.96</b>
<b>Total financial assets</b>	<b>1,533.55</b>	<b>2,425.96</b>
<b>b) Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Payables	168.88	208.02
(b) Borrowings (Other than debt securities)	-	100.43
(c) Other financial liabilities	133.83	1,009.87
<b>Total financial Liabilities</b>	<b>302.71</b>	<b>1,318.32</b>

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.

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 31 March 2022

## 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 mainly 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.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
	INR	INR	INR	INR
<b>As at 31 March 2022</b>				
Payables	168.88	-	-	168.88
Other financial liabilities	133.83	-	-	133.83
<b>Total</b>	<b>302.71</b>	<b>-</b>	<b>-</b>	<b>302.71</b>
<b>As at 31 March 2021</b>				
Borrowings	100.43	-	-	100.43
Payables	208.02	-	-	208.02
Other financial liabilities	1,009.87	-	-	1,009.87
<b>Total</b>	<b>1,318.32</b>	<b>-</b>	<b>-</b>	<b>1,318.32</b>

(₹ in Lakhs)

The above liabilities will be met by the Company from internal accruals and realization of financial assets.

### 26.5 Fair Value Measurements

#### a. The following table provides the fair value measurement hierarchy of the Company's financial asset that are measured at fair value

Financial assets	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31 March 2022 (₹ in Lakhs)	31 March 2021 (₹ in Lakhs)		
Investments in Mutual Funds (see Note 8)	1,300.77	-	Level 1	Quoted prices in an active market

In the period, there were no transfers between Level 1, 2 and 3.

#### b. Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortized 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 than the values that will be eventually received or paid.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 27 Related Party disclosures

### (A) Where control exists:

#### Holding company

INOX Leasing and Finance Limited (upto 21 September 2021)

#### Subsidiaries of the Company

INOX Leisure Limited (ILL)

INOX Infrastructure Limited

#### Subsidiaries of INOX Leisure Limited

Shouri Properties Private Limited

INOX Leisure Limited - Employees' Welfare Trust- controlled trust

INOX Benefit Trust - controlled trust wound up w.e.f. 23 November 2020

#### Subsidiaries upto 30 June 2020 and subsequently reclassified - see Note 29

INOX Wind Limited (IWL)

INOX Wind Energy Limited (IWEL)

#### a. Subsidiaries of INOX Wind Limited

INOX Green Energy Services Limited (earlier known as INOX Wind Infrastructure Services Limited)

Waft Renergy Private Limited

#### b. Subsidiaries of INOX Green Energy 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

Vinirrrmaa Energy Generation Private Limited

Satviki Energy Private Limited

RBRK Investments Limited

Shri Pavan Energy Private Limited (upto 21.05.2020)

Khatriyu Wind Energy Private Limited

Ravapar Wind Energy Private Limited

Nani Virani Wind Energy Private Limited

Resco Global Wind Services Private Limited

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

#### Fellow subsidiaries upto 21 September 2021 and subsequently reclassified

Gujarat Fluorochemicals Limited

GFL GM Fluorspar SA

INOX Wind Energy Limited

INOX Wind Limited

INOX Green Energy Services Limited (earlier known as INOX Wind Infrastructure Services Limited)

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 27 Related Party disclosures (Contd..)

### Key Management Personnel (KMP)

a) **Managing Director and Chief Executive Officer**

Mr. Devendra Kumar Jain

b) **Non-executive directors**

Mr. Pavan Kumar Jain

Mr. Vivek Kumar Jain (Upto 11 May 2021)

Ms. Vanita Bhargava

Mr. Shailendra Swarup (Upto 10 May 2021)

Mr. Shanti Prasad Jain

Mr. Siddharth Jain (w.e.f. 30 May 2021)

Mr. Shashi Jain (w.e.f. 30 May 2021)

Mr. Deepak Asher (upto 12 October 2020)

### Enterprises in which KMP and/or their relatives have control/significant influence

Gujarat Fluorochemicals Limited

INOX Wind Energy Limited

INOX Wind Limited

INOX Green Energy Services Limited (earlier known as INOX Wind Infrastructure Services Limited)

GFL GM Fluorspar SA

INOX Chemicals LLP

**C) Details of transactions between the Company and related parties are disclosed below:**

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>A) Transactions during the year</b>		
<b>1) Transactions with holding company</b>		
<b>INOX Leasing and Finance Limited</b>		
Inter-corporate deposits taken	-	100.00
Inter-corporate deposits repaid	100.00	-
Interest paid on Inter-corporate deposit	3.22	0.46
<b>2) Transactions with subsidiary companies</b>		
<b>INOX Green Energy Services Limited</b>		
Interest income	-	174.52
Operation and maintenance charges	-	19.87
<b>INOX Wind Limited</b>		
Sale of assets	-	4,333.33
Interest income	-	165.53
Reimbursement of expenses received	-	14.92

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 27 Related Party disclosures (Contd..)

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>3) Transactions with other related parties</b>		
<b>INOX Wind Energy Limited</b>		
Reimbursement of expenses received	69.51	6.24
<b>INOX Green Energy Services Limited</b>		
Guarantee commission Income	-	101.11
<b>Gujarat Fluorochemicals Limited</b>		
Reimbursement towards CSR expenditure	522.00	821.00
Liability written back	41.12	-
Reimbursement of expenses received	-	50.39
Reimbursement of expenses paid	-	66.30
<b>INOX Chemicals LLP</b>		
Rent paid	0.61	-

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 31 March 2022	As at 31 March 2021
<b>B) Amounts outstanding</b>		
<b>1. Receivables</b>		
<i>Trade/other receivable</i>		
INOX Green Energy Services Limited	-	1,347.81
INOX Wind Energy Limited	75.75	6.24
Gujarat Fluorochemicals Limited	-	821.00
<i>Guarantees given</i>		
INOX Green Energy Services Limited	-	10,878.00
GFL GM Fluorspar SA	-	2,045.07
<b>2. Payables</b>		
<b>INOX Leasing &amp; Finance Limited</b>		
Inter corporate deposit Payable	-	100.00
Interest accrued on Inter-corporate deposit	-	0.43
<b>Gujarat Fluorochemicals Limited</b>		
Other payables	156.67	197.80

### Compensation of Key management personnel

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration to Mr. Devendra Kumar Jain	-	120.00
Director's sitting fees	6.60	8.80

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 27 Related Party disclosures (Contd..)

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.

### 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.
- (c) No expense has been recognised for the year ended 31 March 2022 and 31 March 2021 for bad or doubtful receivables in respect of amounts owed by related parties.
- (d) The Company had been provided with Inter-corporate deposit at rate comparable to the commercial rate of interest. This loan was unsecured and has been repaid during the year.

## 28 Particulars of dues to Micro, and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Principal amount due to suppliers under MSMED Act, 2006 at the year end	0.36	-
b) Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end	-	-
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
d) Interest paid to suppliers under section 16 of MSMED Act, 2006 during the year	-	-
e) Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
f) Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	-	-

The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.

## 29 Business Combinations in the preceding year

### a) Amalgamation of wholly owned subsidiary and demerger of Renewable Energy Business

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January, 2021 had 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. 1 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. 1 July 2020.

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 29 Business Combinations in the preceding year - continued

### Amalgamation of wholly owned subsidiary w.e.f. 1 April 2020

The amalgamation stated in the Part A of the Scheme was accounted in accordance with Appendix C of Ind AS 103: Business Combination being common control business combination and the effect was given as if the business combination had occurred with effect from 1 April 2019.

No new shares were being issued and the investments and Inter Corporate deposits held in IRL by the Company stand cancelled and difference was adjusted against opening retained earnings as at 1 April 2019 as under:

#### Summary of net assets received on amalgamation:

(₹ in Lakhs)

Particulars	As at 1 April 2019
<b>Total assets (a)</b>	<b>65,149.35</b>
Gross liabilities	52,477.28
Less: Inter-company dues	(27,263.56)
<b>Net liabilities (b)</b>	<b>25,213.72</b>
<b>Net assets (a-b)</b>	<b>39,935.63</b>

#### Summary of net reserves transferred on amalgamation and net effect on the retained earnings:

(₹ in Lakhs)

Particulars	As at 1 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
<b>Net impact on opening retained earnings as at 1 April 2019</b>			<b>(255.55)</b>

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 1 April 2020 is as under:

(₹ in Lakhs)

Particulars	As at 1 April 2020
<b>ASSETS</b>	
<b>1) Non-current assets</b>	
(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
<b>Sub-total</b>	<b>19,263.93</b>
<b>2) Current assets</b>	
(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
<b>Sub-total</b>	<b>4,066.30</b>
<b>3) Asset held for sale</b>	<b>21,723.81</b>
<b>Total assets (1+2+3)</b>	<b>45,054.04</b>



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 29 Business Combinations in the preceding year - continued

(₹ in Lakhs)	
Particulars	As at 1 April 2020
<b>LIABILITIES</b>	
<b>1) Non-current liabilities</b>	
(a) Other financial liabilities	3,753.59
(b) Provisions	23.16
(c) Deferred tax liabilities (net)	525.04
<b>Sub-total</b>	<b>4,301.79</b>
<b>2) Current liabilities</b>	
(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
<b>Sub-total</b>	<b>29,618.27</b>
<b>Total liabilities (1+2)</b>	<b>33,920.06</b>

The entire business of INOX Renewables Limited, being part of the Renewable Energy Business, is demerged w.e.f. 1 July 2020 in terms of Part B of the Scheme.

### Demerger of Renewable Energy Business w.e.f. 1 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. 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.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 29 Business Combinations in the preceding year - continued

Summary of assets and liabilities transferred on demerger w.e.f. 1 July 2020 is as under:

Particulars	(₹ in Lakhs)
<b>ASSETS</b>	
<b>1) Non-current assets</b>	
(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
<b>Sub-total</b>	<b>48,622.45</b>
<b>2) Current assets</b>	
(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
<b>Sub-total</b>	<b>29,028.41</b>
<b>3) Asset held for sale</b>	<b>17,390.48</b>
<b>Total assets (1+2+3)</b>	<b>95,041.34</b>

Particulars	(₹ in Lakhs)
<b>LIABILITIES</b>	
<b>1) Non-current liabilities</b>	
(a) Other financial liabilities	3,673.90
(b) Provisions	25.75
(c) Deferred tax liabilities (net)	3,480.32
<b>Sub-total</b>	<b>7,179.97</b>
<b>2) Current liabilities</b>	
(a) Financial liabilities	
(i) Trade payables	1,769.36
(ii) Other financial liabilities	327.99
(b) Other current liabilities	2,579.86
(c) Provisions	1.16
<b>Sub-total</b>	<b>4,678.37</b>
<b>Total liabilities (1+2)</b>	<b>11,858.34</b>

As per the Scheme, the difference between the net assets transferred to the resulting company is adjusted against retained earnings as under:

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 29 Business Combinations in the preceding year - continued

Particulars	(₹ in Lakhs)
Assets transferred on demerger	95,041.34
Less: liabilities transferred on demerger	11,858.34
<b>Net assets transferred on demerger</b>	<b>83,183.00</b>

### Details of Property, Plant and Equipment transferred on demerger:

Particulars	Gross Block - at Cost or deemed cost	Accumulated Depreciation	Net Block as at 1 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
<b>Total</b>	<b>24,331.07</b>	<b>10,107.36</b>	<b>14,223.71</b>

### Details of Investments transferred on demerger:

Particulars	As at 1 July 2020
<b>Investment in Subsidiary</b>	
INOX Wind Limited	2,528.77
<b>Total</b>	<b>2,528.77</b>

### Details of Contingent Liabilities and Capital Commitments transferred on demerger:

Particulars	As at 1 July 2020
<b>A) Contingent liabilities</b>	
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>B) Capital commitments</b>	<b>4,309.40</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 30 Discontinued Operations - demerger of Renewable Energy Business in the preceding year

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) stood transferred and vested into INOX Wind Energy Limited (IWEL) from its Appointed Date i.e. 1 July 2020.

The demerger was 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 31 March 2021
Revenue from operations	176.94
Other income	342.62
<b>Total Income</b>	<b>519.56</b>
Operation and maintenance charges	135.61
Employee benefits expense	21.39
Finance costs	5.21
Depreciation and amortisation expense	240.24
Other expenses	10.40
<b>Total expenses</b>	<b>412.85</b>
<b>Profit before tax</b>	<b>106.71</b>
Tax expense (including tax pertaining to earlier years-see Note 24)	2,951.94
<b>Loss for the year</b>	<b>(2,845.23)</b>

### Cash flows from discontinued operations:

(₹ in Lakhs)	
Particulars	Year ended 31 March 2021
Net cash used in operating activities	(4,324.77)
Net cash generated from investing activities	4,333.33
Net cash used in financing activities	(5.21)
<b>Total Cash flow from discontinued operations</b>	<b>3.35</b>

### Details of Property, Plant and Equipment of discontinued operations:

(₹ in Lakhs)	
Particulars	As at 30 June 2020
<b>Carrying amounts:</b>	
Freehold land	160.05
Plant and equipment	14,055.62
Office equipments	0.15
Furniture and fixtures	7.52
Vehicles	0.37
<b>Total</b>	<b>14,223.71</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 30 Discontinued Operations - demerger of Renewable Energy Business in the preceding year - continued

(₹ in Lakhs)

Description of Assets	Freehold land	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
<b>Cost or Deemed cost</b>						
Balance as at 1 April 2020	160.05	24,134.04	8.05	27.51	1.42	24,331.07
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as at 30 June 2020	160.05	24,134.04	8.05	27.51	1.42	24,331.07
<b>Accumulated depreciation</b>						
Balance as at 1 April 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 30 June 2020	-	10,078.42	7.90	19.99	1.05	10,107.36

(₹ in Lakhs)

Net carrying amount	Freehold land	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Balance as at 1 April 2020	160.05	14,294.79	0.22	8.47	0.42	14,463.95
Balance as at 30 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
<b>Cost or Deemed cost</b>		
Balance as at 1 April 2020	0.25	0.25
Balance as at 30 June 2020	0.25	0.25
<b>Accumulated amortisation</b>		
Balance as at 1 April 2020	0.25	0.25
Balance as at 30 June 2020	0.25	0.25

(₹ in Lakhs)

Net carrying amount	Computer software	Total
Balance as at 1 April 2020	-	-
Balance as at 30 June 2020	-	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 31 Corporate Social Responsibility (CSR)

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹ 521.82 lakhs (31 March 2021: ₹ 821.00 Lakhs)

### (a) Details of CSR expenditure and unspent balances in respect of other than ongoing projects

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1	Balance unspent as at beginning	821.00	-
2	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	821.00	-
3	Amount required to be spent during the year	521.82	821.00
4	Amount spent during the year		
	(i) Construction/acquisition of any fixed assets	-	-
	(ii) On purposes other than (i) above	522.00	-
5	Balance unspent as at close	-	821.00
6	Details of related party transactions	Nil	Nil
7	Provision is made with respect to a liability entering into a contractual obligation	Nil	Nil

### (b) Reason for shortfall in preceding year:

During the preceding year, the Company could not spent the entire amount required to be spent as per Section 135(5) of the Act as it was in process of identifying the suitable projects for CSR. The unspent CSR amount was subsequently transferred to funds mentioned under Schedule VII of the Act within the timelines specified.

### (c) The nature of CSR activities undertaken by the Company as below:

Contribution to Indian Institute of Technology, Promoting education, Promoting health care and Empowering women.

- (d) During the year ended 31 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 ₹ 522.00 lakhs (Previous Year ₹ 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 31 March 2022	Year ended 31 March 2021
Gross CSR obligation	522.00	821.00
Less: Amount recovered	522.00	821.00
<b>Net amount charged in profit or loss</b>	<b>-</b>	<b>-</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 32 Exceptional Items

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Expenses incurred in respect of Scheme of Arrangement referred to in Note 29	-	99.18
Out of above, expenses recovered from demerged company during the year	(69.51)	-

## 33 Contingent Liabilities and Commitments

- a) Corporate guarantees given to banks/financial institutions/lenders in respect of loans taken by a fellow subsidiaries ₹ Nil (as at 31 March 2021 ₹ 12,923.07 Lakhs) - see Note 27.
- b) The contingent liabilities in respect of the chemical business undertaking and the renewable business, demerged as per the respective schemes of arrangement, sanctioned by the Hon'ble National Company Law Tribunal, vest with the respective resulting companies.

**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 Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013

### a) Details of benami property held:

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

### b) Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### c) Compliance with approved Scheme(s) of Arrangements

Preceding year, Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the company disclosed that the effect of such Scheme of Arrangements have been accounted for in the books of account of the company 'in accordance with the Scheme' and 'in accordance with accounting standards. See Note 29.

### d) Loans and advances granted to related party

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.

### e) Undisclosed income

There is no income surrendered or disclosed as income during the current or preceding year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 35 Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013 - continued

### f) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

### g) Ratios

Additional regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios, is considered as not applicable to the Company as it is a Core Investment Company (CIC) not requiring registration under Section 45-IA of Reserve Bank of India Act, 1934.

### h) Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### i) Relationship with Struck off Companies

Details of struck off companies with whom the Company has transaction during the year or outstanding balance:

Sr. No.	Name of Struck Off Company	Nature of transactions with struck off Company	Balance as at 31.03.2022 (₹ in Lakhs)	Balance as at 31.03.2021 (₹ in Lakhs)	Relationship with the Struck off company
1	Ashutosh Investment Private Limited	Unclaimed dividend	0.14	0.18	None
2	Avi Exim Private Limited	Unclaimed dividend	0.14	0.18	None
3	Kamla Holdings Private Limited	Unclaimed dividend	0.68	0.68	None
4	Meghna Finance and Investment Private Limited	Unclaimed dividend	0.14	0.14	None

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date:

Sr. No.	Name of Struck Off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company
1	Dreams Broking Private Limited	Shares held by struck off company	None
2	Mittal Sales Private Limited	Shares held by struck off company	None
3	Kamla Holdings Private Limited	Shares held by struck off company	None
4	Meghna Finance and Investment Private Limited	Shares held by struck off company	None



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 36 Earning/(Loss) per share

For continuing operations:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) for the year after tax (₹ in Lakhs)	96.81	(276.72)
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 ₹)	0.09	(0.25)

From discontinued operations:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year after tax (₹ in Lakhs)	-	(2,845.23)
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)

From total operations:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) for the year after tax (₹ in Lakhs)	96.81	(3,121.95)
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 ₹)	0.09	(2.84)

As per our report of even date attached

**For Kulkarni and Company**

Chartered Accountants

Firm's Reg. No: 140959W

**A. D. Talavlikar**

Partner

Membership No: 130432

Place: Pune

**For GFL Limited**

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Bhavi Shah**

Company Secretary

Place: Vadodara

Date: 6 May 2022

# Independent Auditor's Report

to the members of GFL 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"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its associate which comprise the Consolidated Balance Sheet as at 31 March 2022, 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 associate as at 31 March 2022, 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 associate 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 on the consolidated financial statements.

### Emphasis of Matter

As described in Note 2.2, in preparation of these consolidated 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 consolidated 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
<b>The Key Audit Matters in the auditor's report of its subsidiary company is reproduced as under:</b>		
<b>In respect of the Consolidated Financial Statements of INOX Leisure Limited</b>		
1	<b>Carrying amount of goodwill, right-of-use assets and property, plant and equipment</b>  As at 31 March 2022, the carrying amount of goodwill, right-of-use assets (ROU) and property, plant and equipment (PPE) is ₹ 1,750.97 lakhs, ₹ 2,13,479.51 lakhs and ₹ 92,834.85 lakhs respectively.	To address this key audit matter, our audit procedures included the following: <ul style="list-style-type: none"> <li>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.</li> </ul>

**Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 (continued)**

Sr.	Key Audit Matter	Auditor's Response
<b>The Key Audit Matters in the auditor's report of its subsidiary company is reproduced as under:</b>		
<b>In respect of the Consolidated Financial Statements of INOX Leisure Limited</b>		
	<p>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.</p> <p>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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Obtained an external valuation report in respect of the goodwill.</li> <li>• For all CGUs identified for impairment testing and the CGU with goodwill, we obtained the discounted cash flow forecasts prepared by the management.</li> <li>• 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.</li> <li>• For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations.</li> </ul>
<b>2</b>	<p><b>Claims and exposure relating to indirect taxation</b></p> <p>The Group has disclosed in Note 42 to the consolidated financial statements the contingent liabilities as at 31 March 2022 which includes amount of ₹ 9,236.87 lakhs in respect of indirect tax matters viz. entertainment tax and service tax.</p> <p>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.</p> <p>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.</p>	<p>To address this key audit matter, our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues.</li> <li>• 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.</li> <li>• Obtained and verified the final copies for all the matters settled during the year.</li> </ul>

## **Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 (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 ₹ 1,417.33 lakhs as at 31 March 2022, total revenues of ₹ 58.24 lakhs, total net loss after tax of ₹ 0.06 lakhs and total comprehensive income of ₹ (0.06) lakhs and net cash inflows amounting to ₹ 8.09 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. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

In respect of one associate, the consolidated financial statements include the Group's share of net profit after tax and total comprehensive income of ₹ 1762 lakhs for the period from 1 April 2021 to 31 August 2021, based on its interim financial statement. These interim 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 this matter.

### **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 associate 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; 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

## Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 (continued)

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 associate 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 associate 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 associate 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 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

## Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 (continued)

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

- 1) With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" or "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the respective auditors of companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report as under:

Sr. No.	Name of the Entity	CIN	Holding company/ subsidiary	Clause number of the CARO Report which is qualified or adverse
1	INOX Leisure Limited	L92199MH1999PLC353754	Subsidiary company	Clause 3(i)(c) *

\* This clause pertains to title deeds of certain immovable properties not held in the name of the company.

- 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 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

31 March 2022 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 31 March 2022 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 one of its subsidiary companies to its directors during the year is in accordance with the provisions of section 197 of the Act.

**Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 (continued)**

- (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.
  - iv. (a) The respective management of the Holding Company and its subsidiary companies have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The respective management of the Holding Company and its subsidiary companies have represented that, to the best of their knowledge and belief, no funds have been received by the Holding company and its subsidiary company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Holding Company and its subsidiary companies have neither declared nor paid any dividend during the year.

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

**A D Talavlikar**  
Partner

Place: Pune  
Date: 6 May 2022

Membership No. 130432  
UDIN: 22130432AIMZZD8546



**Annexure to Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 – 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"), as of and for the year ended 31 March 2022, 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; and (3) provide reasonable assurance regarding prevention or



**Annexure to Independent auditor's report to the members of GFL Limited on the Consolidated Financial Statements for the year ended 31 March 2022 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (continued)**

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 31 March 2022, 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

Place: Pune  
Date: 6 May 2022

Membership No. 130432  
UDIN: 22130432AIMZZD8546

# Consolidated Balance Sheet

as at 31 March 2022

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31 March 2022	As at 31 March 2021
	<b>ASSETS</b>			
<b>1</b>	<b>Non - current assets</b>			
	(a) Property, plant and equipment	5(a)	92,834.85	94,139.23
	(b) Capital work-in-progress	5(b)	2,628.77	5,695.01
	(c) Right-of-use assets	5(c)	213,479.51	211,639.39
	(d) Investment Property	6	252.04	253.79
	(e) Goodwill	7	1,750.97	1,750.97
	(f) Other intangible assets	8	337.82	563.93
	(g) Investments accounted for using the equity method	9	-	688.70
	(h) Financial assets			
	(i) Other investments	10	-	9.49
	(ii) Other financial assets	11	18,571.42	19,130.78
	(i) Deferred tax assets (net)	12	35,768.33	28,405.42
	(j) Income tax assets (net)	13	557.92	171.38
	(k) Other non-current assets	14	3,004.53	2,767.62
	<b>Total non - current assets</b>		<b>3,69,186.16</b>	<b>3,65,215.71</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	15	1,432.74	1,033.53
	(b) Financial assets			
	(i) Other investments	10	16,682.34	1,514.73
	(ii) Trade receivables	16	2,930.01	1,778.24
	(iii) Cash and cash equivalents	17	2,347.78	887.24
	(iv) Bank balances other than (iii) above	18	3,375.73	7,112.27
	(v) Other financial assets	11	293.24	2,676.28
	(c) Other current assets	14	4,010.07	4,916.52
	<b>Total current assets</b>		<b>31,071.91</b>	<b>19,918.81</b>
<b>3</b>	<b>Assets held for sale</b>	19	3,200.00	3,200.00
	<b>Total assets (1+2+3)</b>		<b>4,03,458.07</b>	<b>3,88,334.52</b>
	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	20	1,098.50	1,098.50
	(b) Other equity	21	34,202.89	36,159.97
	<b>Equity attributable to owners of the Company</b>		<b>35,301.39</b>	<b>37,258.47</b>
	Non-controlling interests	22	39,054.61	33,592.52
	<b>Total equity</b>		<b>74,356.00</b>	<b>70,850.99</b>

# Consolidated Balance Sheet

as at 31 March 2022

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at 31 March 2022	As at 31 March 2021
	<b>LIABILITIES</b>			
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	23	6,940.58	4,701.69
	(ii) Lease Liabilities	24	2,75,980.98	2,65,925.65
	(iii) Other financial liabilities	25	107.89	666.66
	(b) Provisions	26	1,558.57	1,669.15
	(c) Deferred tax liabilities (net)	12	3.49	28.34
	(d) Other non-current liabilities	27	5,122.83	5,765.33
	<b>Total non - current liabilities</b>		<b>2,89,714.34</b>	<b>2,78,756.82</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	28	1,707.65	6,822.79
	(ii) Lease liabilities	24	10,178.83	8,109.57
	(iii) Trade payables			
	a. total outstanding dues of micro enterprises and small enterprises	29	1,023.77	796.68
	b. total outstanding dues of creditors other than micro enterprises and small enterprises	29	12,568.68	10,815.01
	(iv) Other financial liabilities	25	5,693.35	6,042.98
	(b) Other current liabilities	30	6,296.41	4,184.79
	(c) Provisions	26	1,914.24	1,950.84
	(d) Current tax liabilities (net)	13	4.80	4.05
	<b>Total current liabilities</b>		<b>39,387.73</b>	<b>38,726.71</b>
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>4,03,458.07</b>	<b>3,88,334.52</b>

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**

**A. D. Talavlikar**

Partner

Membership No: 130432

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Bhavi Shah**

Company Secretary

Place: Vadodara

Place: Pune

Date: 6 May 2022

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	31	68,569.70	10,697.20
Other income	32	2,265.62	4,339.47
<b>Total Income (I)</b>		<b>70,835.32</b>	<b>15,036.67</b>
<b>Expenses</b>			
Cost of materials consumed		4,271.23	787.66
Exhibition cost	33	19,634.67	2,639.23
Employee benefits expense	34	9,566.03	8,903.88
Finance costs	35	25,828.33	25,254.59
Depreciation and amortisation expense	36	29,386.00	28,322.48
Rent concessions		(14,497.99)	(22,201.40)
Other expenses	37	28,593.83	15,792.29
<b>Total expenses (II)</b>		<b>1,02,782.10</b>	<b>59,498.73</b>
Share of profit of associate (III)		199.96	563.60
<b>Loss before exceptional items and tax (I-II+III = IV)</b>		<b>(31,746.82)</b>	<b>(43,898.46)</b>
Exceptional items (V)	44	(69.51)	507.29
<b>Loss before tax (IV-V = VI)</b>		<b>(31,677.31)</b>	<b>(44,405.75)</b>
Tax expense	38		
Current tax		69.00	4.20
Deferred tax		(7,821.44)	(10,661.92)
Taxation pertaining to earlier years		428.94	(180.05)
<b>Total tax expense(VII)</b>		<b>(7,323.50)</b>	<b>(10,837.77)</b>
<b>Loss for the year from continuing operations (VI-VII=VIII)</b>		<b>(24,353.81)</b>	<b>(33,567.98)</b>
Loss from discontinued operations before tax (IX)	51	-	(10,183.94)
Tax expense of discontinued operations (X)	51	-	(754.38)
<b>Loss for the year from discontinued operations (IX-X=XI)</b>		<b>-</b>	<b>(9,429.56)</b>
<b>Loss for the year (VIII+XI=XII)</b>		<b>(24,353.81)</b>	<b>(42,997.54)</b>
<b>Other Comprehensive Income (XIII)</b>			
<b>A. In respect of continuing operations</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		122.40	168.32
(ii) Tax on above	38	(30.80)	(42.37)
<b>B. In respect of discontinued operations</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		-	(12.03)
(ii) Tax on above	38	-	5.50
<b>Total other comprehensive Income (A+B)</b>		<b>91.60</b>	<b>119.42</b>
<b>Total Comprehensive income for the year (XII + XIII = XIV)</b>		<b>(24,262.21)</b>	<b>(42,878.12)</b>
<b>(Comprising loss and other comprehensive income for the year)</b>			

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
<b>Loss for the year attributable to:</b>			
- Owners of the Company		(11,126.50)	(23,171.79)
- Non-controlling interests		(13,227.31)	(19,825.75)
		<b>(24,353.81)</b>	<b>(42,997.54)</b>
<b>Other comprehensive income for the year attributable to</b>			
- Owners of the Company		39.53	64.84
- Non-controlling interests		52.07	54.58
		<b>91.60</b>	<b>119.42</b>
<b>Total comprehensive income for the year attributable to:</b>			
- Owners of the Company		(11,086.97)	(23,106.95)
- Non-controlling interests		(13,175.24)	(19,771.17)
		<b>(24,262.21)</b>	<b>(42,878.12)</b>
<b>Total comprehensive income for the year attributable to owners of the Company:</b>			
From continuing operations		(11,086.97)	(16,830.55)
From discontinued operations		-	(6,276.40)
<b>From total operations</b>		<b>(11,086.97)</b>	<b>(23,106.95)</b>
<b>Basic &amp; diluted Earnings/(Loss) per equity share of Re. 1 each (in Rs.)</b>			
From continuing operations	56	(22.17)	(30.56)
From discontinued operations	56	-	(8.58)
From total operations	56	(22.17)	(39.14)

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

Membership No: 130432

Place: Pune

Date: 6 May 2022

**For and on behalf of the Board of Directors**

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Bhavi Shah**

Company Secretary

Place: Vadodara

# Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flows from operating activities</b>		
<b>Loss for the year after tax from continuing operations</b>	<b>(24,353.81)</b>	<b>(33,567.98)</b>
<b>Adjustments for:</b>		
Income tax expense	(7,323.50)	(10,837.77)
Depreciation and amortisation expense	29,386.00	28,322.47
Loss on disposal of property, plant and equipment (net)	173.77	35.36
Finance costs	25,828.33	25,254.59
Inventories written off	69.06	131.17
Interest income recognised in profit and loss	(856.52)	(840.81)
Share of profit in associate	(199.96)	(563.60)
Loss on retirement from associates	666.32	-
Liabilities and provisions, no longer required, written back	(819.18)	(606.04)
Deferred revenue- government grant	(486.65)	(646.45)
Deferred revenue – convenience fee income	(37.30)	(47.72)
ESOP charges	194.89	17.86
Allowance for doubtful deposits and advances (net)	87.50	-
Gain on investments measured at fair value through profit and loss	(476.37)	(175.54)
Bad debt & remissions	0.30	1.31
Deposits and advances written off	31.94	-
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34
Rent concessions	(16,361.83)	(22,960.24)
Exceptional items	-	408.11
Unrealised foreign exchange loss (net)	0.12	1.77
	<b>5,527.04</b>	<b>(15,882.17)</b>
<b>Movements in working capital:</b>		
(Increase)/decrease in trade receivables	(1,156.00)	4,911.25
(Increase)/decrease in inventories	(468.27)	199.84
(Increase)/decrease in other financial assets	694.56	123.96
(Increase)/decrease in other assets	929.27	(502.33)
Increase/(decrease) in trade payables	2,590.90	(2,026.24)
Increase/(decrease) in provisions	149.97	85.00
Increase/(decrease) in other financial liabilities	(693.78)	126.46
Increase/(decrease) in other liabilities	1,805.43	(794.03)
<b>Cash generated from/(used in) operations</b>	<b>9,379.12</b>	<b>(13,758.26)</b>
Income taxes refund/(paid) (net)	(483.82)	430.26
<b>Net cash generated from/(used in) operating activities</b>		
From continuing operations	8,895.30	(13,328.00)
From discontinued operations	-	(2,245.91)
<b>Net cash generated from/(used in) operating activities</b>	<b>8,895.30</b>	<b>(15,573.91)</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of property, plant and equipment (including changes in capital work in progress, capital creditors & capital advances)	(7,345.88)	(5,956.75)
Payment for acquiring other intangible assets/right-of-use assets	(355.51)	(107.66)
Proceeds from disposal of property, plant and equipment	105.27	11.78
Maturity of Government securities	12.50	46.55
Purchase of current investments	(51,570.00)	(13,434.99)
Sale of current investments	35,573.64	13,909.22
Sale/redemption of non-current investments	1,297.23	798.91
Proceeds on retirement from an associate	2,022.34	-
Interest received	259.25	270.36
Movement in other bank balances	4,025.31	(6,484.92)
<b>From discontinued operations:</b>	-	18,327.59
<b>Net cash generated from/(used in) investing activities</b>	<b>(15,975.85)</b>	<b>7,380.09</b>

# Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flows from financing activities</b>		
Proceeds from sale of treasury shares (net of expenses)	-	10,066.02
Proceeds from issue of equity shares through QIP (net of expenses)	29,613.45	24,655.56
Shares issued under ESOP	4.31	5.06
Transaction with non-controlling interests	(2,045.45)	-
Repayment of borrowings - non current	(4,613.94)	(5,413.67)
Proceeds from borrowings - non current	3,900.00	7,600.00
Net movement in current borrowings	(2,100.00)	(8,264.13)
Payment of lease liabilities	(15,117.67)	(5,759.27)
Finance costs	(1,099.61)	(1,724.81)
<b>From discontinued operations:</b>	-	(15,564.06)
<b>Net cash generated from financing activities</b>	<b>8,541.09</b>	<b>5,600.70</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,460.54</b>	<b>(2,593.12)</b>
Cash and cash equivalents at the beginning of the year	887.24	4,801.00
Eliminated on disposal of subsidiary	-	13.37
Cash and cash equivalents transferred pursuant to demerger of Renewable Energy Business	-	1,307.27
<b>Cash and cash equivalents at the end of the year</b>	<b>2,347.78</b>	<b>887.24</b>

## Changes in liabilities arising from financing activities during the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
<b>Opening balance</b>	<b>9,365.51</b>	<b>2,158.97</b>
Interest expense	749.72	72.26
Cash flows	(1,467.00)	(2,231.23)
<b>Closing balance</b>	<b>8,648.23</b>	<b>-</b>

## Changes in liabilities arising from financing activities during the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
<b>Opening balance</b>	<b>7,230.82</b>	<b>10,280.38</b>
Interest expense	953.35	610.92
Cash flows	1,181.34	(8,732.33)
<b>Closing balance</b>	<b>9,365.51</b>	<b>2,158.97</b>

### Notes:

- The above Consolidated Statement of cash flows has been prepared under the Indirect method.
- Components of cash and cash equivalents are as per Note 17.
- 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

Membership No: 130432

Place: Pune

Date: 6 May 2022

**For and on behalf of the Board of Directors**

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Bhavi Shah**

Company Secretary

Place: Vadodara

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

## A. Equity Share Capital

	Balance as at 31 March 2020	Changes during 2020-21	Balance as at 31 March 2021	Changes during 2021-22	Balance as at 31 March 2022
See Note 20	1,098.50	-	1,098.50	-	1,098.50

(₹ in Lakhs)

## B. Other Equity

Particulars	ATTRIBUTABLE TO OWNERS OF THE COMPANY								Non controlling interests (b)	Total (a+b)	
	Reserves and surplus										
	Capital reserve	Securities premium	Capital redemption reserve	Debt redemption reserve	Shares options outstanding account	General reserve	Treasury share reserve	Retained earnings			Other equity (a)
Balance as at 1 April 2020	177.36	46,741.53	59.30	1,135.55	70.26	1,729.72	-	1,66,860.83	2,16,774.55	1,01,309.63	3,18,084.18
On account of demerger of Renewable Energy Business (see Note 50)	-	(40,691.41)	-	(1,135.55)	-	-	-	(1,24,404.81)	(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)	(19,825.75)	(42,997.54)
Other comprehensive income for the year, net of tax (*)	-	-	-	-	-	-	-	64.84	64.84	54.58	119.42
Total comprehensive income for the year	-	-	-	-	-	-	-	(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	21,566.76	30,291.41
On account of stock options in subsidiary	-	42.21	-	-	(42.72)	-	-	-	(0.51)	36.00	35.49
Balance as at 31 March 2021	177.36	14,248.64	59.30	-	27.54	1,541.25	3,190.75	16,915.13	36,159.97	33,592.52	69,752.49

(₹ in Lakhs)



# Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

## B. Other Equity (Contd.)

Particulars	ATTRIBUTABLE TO OWNERS OF THE COMPANY								Non controlling interests (b)	Total (a+b)	
	Reserves and surplus										
	Capital reserve	Securities premium	Capital redemption reserve	Debtenture redemption reserve	Shares options outstanding account	General reserve	Treasury share reserve	Retained earnings			Other equity (a)
Additions during the year:											
Loss for the year	-	-	-	-	-	-	-	(11,126.50)	(11,126.50)	(13,227.31)	(24,353.81)
Other comprehensive income for the year, net of tax (*)	-	-	-	-	-	-	-	39.53	39.53	52.07	91.60
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,086.97)</b>	<b>(11,086.97)</b>	<b>(13,175.24)</b>	<b>(24,262.21)</b>
Transactions with non-controlling interests (see Note 22)	-	-	-	-	-	-	-	(1,750.29)	(1,750.29)	(295.16)	(2,045.45)
On issue of fresh equity shares by a subsidiary, net of expenses	-	10,142.00	-	-	32.16	(92.32)	(225.59)	938.31	10,794.56	18,821.77	29,616.33
On account of stock options in subsidiary	-	34.36	-	-	51.26	-	-	-	85.62	110.72	196.34
<b>Balance as at 31 March 2022</b>	<b>177.36</b>	<b>24,425.00</b>	<b>59.30</b>	<b>-</b>	<b>110.96</b>	<b>1,448.93</b>	<b>2,965.16</b>	<b>5,016.18</b>	<b>34,202.89</b>	<b>39,054.61</b>	<b>73,257.50</b>

(\*) 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

**A. D. Talavlikar**

Partner

Membership No: 130432

Place: Pune

Date: 6 May 2022

**For and on behalf of the Board of Directors**

**D. K. JAIN**

Managing Director

DIN: 00029782

Place: New Delhi

**Mukesh Patni**

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

**Siddharth Jain**

Director

DIN: 00030202

Place: Mumbai

**Bhavi Shah**

Company Secretary

Place: Vadodara

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 1. Group information

GFL Limited ("the Company"), 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 associate. The Group is mainly engaged in operating and managing multiplexes and cinema theatres in India. During the year, the holding company has started business of distribution of investment products and is registered as a sub broker. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The INOX Leasing and Finance Limited has ceased to be the holding company of GFL Limited w.e.f. 22 September 2021.

The Company's registered office is located at: 7<sup>th</sup> Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai-400018.

In the preceding year, 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, was demerged w.e.f. 1 July 2020.

For details of composite scheme of arrangement during the preceding year, see Note 50.

## 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 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 50, 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.

Ministry of Corporate Affairs (MCA), vide its Notification dated 24 March 2021, amended Schedule III to the Companies Act, 2013 with effect from 1 April 2021. In the opinion of the management since the changes are effective from 1 April 2021, they are applicable to consolidated financial statements in respect of accounting years commencing on or after 1 April 2021.

These CFS for the year ended 31 March 2022 are approved for issue by the Board of Directors at its meeting held on 6 May 2022.

### 2.2 Assessment of COVID-19 pandemic impact on the Group

In view of the COVID-19 pandemic situation, the cinema exhibition sector was under lockdown, partial lockdown and operating restrictions, which adversely impacted the cinema exhibition industry and consequently the business activities of the Group during the preceding and the current financial year. However, due to the relaxation in restrictions and the release of main stream and regional contents, the Group has witnessed significant recovery and an improved performance by the end of financial year.

In developing the assumptions relating to possible future uncertainties, the Group has considered all relevant internal and external information available upto the date of approval of these financial statements and the Group has used the principles of prudence in applying judgement, estimates and assumptions. Given the 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 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 an accrual basis and under the historical cost convention except as under:

- a) certain financial assets and liabilities are measured at fair value or amortised cost (refer accounting policy regarding financial instruments),
- b) defined benefit liability is measured as per actuarial valuation, and
- c) share-based payments (see Note 3.13)

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 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.

## 2.4 Amendments of existing accounting standards and recent accounting pronouncements

### a. Amendments to existing accounting standards:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 18 June, 2021, amendments to the existing standards have been notified and these amendments are effective from 1 April 2021. Following amendments have become applicable for the current reporting period:

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

- Amendments to Ind AS 116 Leases - COVID-19 related rent concessions: The amendments to Ind AS 116 extend the period of availing the practical expedient relating to Covid-19 related rent concessions to 30 June 2022 (from earlier 30 June 2021). The Company has continued to apply 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 24 for further details.
- Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 - Interest Rate Benchmark Reform Phase 2: The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). This amendment has no impact on the consolidated financial statements of the Company.

## b. New accounting pronouncements:

As per Notification dated 23 March, 2022, amendments to the existing standards have been notified and these amendments are effective from 1 April 2022. The summary of these amendments is as under:

- Amendments to Ind AS 103 Business Combinations: The amendments specify that in a business combination, to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed, at the acquisition date, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- Amendments to Ind AS 16 Property Plant & Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly

attributable costs considered as part of cost of an item of property, plant, and equipment.

- Amendments to Ind AS 37 Provision Contingent Liabilities & Contingent Asset: The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
- Amendments to Ind AS 109 Financial Instruments: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Group does not expect the above amendments to have any significant impact on its 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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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 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 loses 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 or joint venture.

## 3.2 Business combinations 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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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.

## 3.3 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 purpose 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 associate

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 associate 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 associate 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 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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

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 associate 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.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 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.

### A) Theatrical exhibition business:

#### a) 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.

#### b) 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.

#### c) 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.

d) 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, 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.

#### e) 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'.



# Notes to the Consolidated Financial Statements

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## B) Other:

Guarantee Commission and brokerage income 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. In respect of brokerage Income, the performance obligations are satisfied over a period of time and is recognized as per the agreed percentage of the underlying investments. 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.

## 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.
- 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

- 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 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

- 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 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

- 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

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.

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 assets" 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

# Notes to the Consolidated Financial Statements

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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 from 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 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

# Notes to the Consolidated Financial Statements

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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 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 39.

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,

# Notes to the Consolidated Financial Statements

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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.

## 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.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations

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.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Subsequent expenditure on additions and betterment of operational properties are capitalised, only if, it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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.
- Laser projectors shall be depreciated over 10 years.
- 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.

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 1<sup>st</sup> 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.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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 1<sup>st</sup> 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 the intangible assets are as follows:

- |                      |         |
|----------------------|---------|
| • Operating software | 3 years |
| • Other software     | 6 years |
| • Website            | 5 years |

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1<sup>st</sup> 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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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.

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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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.

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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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 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)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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.

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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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 Derivative financial instruments and hedge accounting

The Group 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 Group designates certain hedging instruments, which include derivatives, as either fair value hedges, or cash flow hedges.

At the inception of the hedge relationship, the Group 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 Group 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 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'.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

## b) Cash flow hedge:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'Other income' line item.

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

## 3.23 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

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



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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 and 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 determined using a variety of valuation techniques 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



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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) Share-based payment**

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option and making assumptions about them. For assumptions and models used for estimating fair value for share-based payments, see Note 39.

**k) In respect of INOX Employee Welfare Trust and INOX Benefit Trust:**

INOX Employee Welfare Trust manages the ESOP Scheme of INOX Leisure Limited and INOX Benefit Trust held 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 Company have concluded that the Group has control over these trusts and the same has been consolidated in these CFS. The INOX Benefit Trust was wound up during the preceding year.

**l) Investment in associate:**

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. During the year, the Company has retired from the LLP w.e.f. 31 August 2021.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 5(a). Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Carrying amounts of:</b>		
Freehold land	2,669.66	2,669.66
Buildings	10,616.96	10,866.32
Leasehold improvements	34,094.16	33,721.98
Plant and equipment	35,105.77	35,562.67
Furniture and fixtures	8,073.30	8,567.15
Vehicles	83.14	104.78
Office equipment	2,191.86	2,646.67
<b>Total</b>	<b>92,834.85</b>	<b>94,139.23</b>

Details of property, plant and equipment pledged as security towards borrowings (see Note 40)

### a) Details of carrying amounts of buildings that are mortgaged are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings	2,891.00	2,954.36
<b>Total</b>	<b>2,891.00</b>	<b>2,954.36</b>

### b) Details of carrying amounts of leasehold improvements, plant and equipment, office equipment and furniture and fixtures that are hypothecated are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Leasehold improvements	3,455.53	8,317.76
Plant and equipment	3,922.62	9,881.19
Furniture and fixtures	1,093.32	2,502.80
Office equipment	388.08	696.11
<b>Total</b>	<b>8,859.55</b>	<b>21,397.86</b>

The Group is not allowed to mortgage/hypothecate these assets as security for other borrowings.

For impairment testing, see Note 5(d)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 5(a). Property, plant and equipment - continued

### A. Continuing Business:

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Cost or deemed cost</b>								
<b>Balance as at 1 April 2020</b>	<b>2,669.66</b>	<b>12,309.49</b>	<b>43,708.91</b>	<b>53,857.17</b>	<b>15,967.36</b>	<b>175.43</b>	<b>8,554.65</b>	<b>1,37,242.67</b>
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)
<b>Balance as at 31 March 2021</b>	<b>2,669.66</b>	<b>12,328.88</b>	<b>46,875.13</b>	<b>56,520.43</b>	<b>16,917.26</b>	<b>170.56</b>	<b>8,962.35</b>	<b>1,44,444.27</b>
Additions	-	-	3,622.83	4,450.33	1,392.25	-	683.41	10,148.82
Disposals	-	-	(120.05)	(668.31)	(234.23)	-	(80.82)	(1,103.41)
<b>Balance as at 31 March 2022</b>	<b>2,669.66</b>	<b>12,328.88</b>	<b>50,377.91</b>	<b>60,302.45</b>	<b>18,075.28</b>	<b>170.56</b>	<b>9,564.94</b>	<b>1,53,489.68</b>
<b>Accumulated depreciation and impairment</b>								
<b>Balance as at 1 April 2020</b>	-	<b>1,213.05</b>	<b>10,202.62</b>	<b>16,579.75</b>	<b>6,578.76</b>	<b>49.01</b>	<b>5,080.71</b>	<b>39,703.90</b>
Depreciation expense for the year	-	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)
<b>Balance as at 31 March 2021</b>	-	<b>1,462.56</b>	<b>13,153.15</b>	<b>20,957.76</b>	<b>8,350.11</b>	<b>65.78</b>	<b>6,315.68</b>	<b>50,305.04</b>
Depreciation expense for the year	-	249.36	3,156.70	4,739.21	1,870.56	21.64	1,136.71	11,174.18
Eliminated on disposal of assets	-	-	(26.10)	(500.29)	(218.69)	-	(79.31)	(824.39)
<b>Balance as at 31 March 2022</b>	-	<b>1,711.92</b>	<b>16,283.75</b>	<b>25,196.68</b>	<b>10,001.98</b>	<b>87.42</b>	<b>7,373.08</b>	<b>60,654.83</b>

(₹ in Lakhs)

Carrying amounts	Land - Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31 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>As at 31 March 2022</b>	<b>2,669.66</b>	<b>10,616.96</b>	<b>34,094.16</b>	<b>35,105.77</b>	<b>8,073.30</b>	<b>83.14</b>	<b>2,191.86</b>	<b>92,834.85</b>

### B. Discontinued Business (see Note 51)

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Cost or deemed Cost</b>							
<b>Balance as at 1 April 2020</b>	<b>2,162.88</b>	<b>22,512.06</b>	<b>1,33,859.55</b>	<b>518.71</b>	<b>316.91</b>	<b>374.63</b>	<b>1,59,744.74</b>
Additions	-	-	-	-	-	-	-
Disposals	(165.00)	-	(2,786.34)	-	-	-	(2,951.34)
<b>Balance as at 30 June 2020</b>	<b>1,997.88</b>	<b>22,512.06</b>	<b>1,31,073.21</b>	<b>518.71</b>	<b>316.91</b>	<b>374.63</b>	<b>1,56,793.40</b>
<b>Accumulated depreciation</b>							
<b>Balance as at 1 April 2020</b>	-	<b>5,085.66</b>	<b>24,046.74</b>	<b>204.66</b>	<b>119.50</b>	<b>326.74</b>	<b>29,783.30</b>
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)
<b>Balance as at 30 June 2020</b>	-	<b>5,475.38</b>	<b>25,592.37</b>	<b>218.34</b>	<b>129.19</b>	<b>335.96</b>	<b>31,751.24</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 5(a). Property, plant and equipment - continued

(₹ in Lakhs)

Carrying amounts	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 30 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 31 March 2022	As at 31 March 2021
Capital work-in-progress	2,256.27	4,961.67
Pre-operative expenditure pending allocation	372.50	733.34
<b>Total</b>	<b>2,628.77</b>	<b>5,695.01</b>

Particulars of pre-operative expenditure incurred during the year are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	733.34	1,112.58
Add: Expenses incurred during the year		
Salaries and wages	147.61	78.88
Contribution to provident and other funds	19.21	9.80
Staff welfare	-	0.44
Legal & professional fees and expenses	228.08	169.27
Travelling & conveyance	63.76	57.31
Power & fuel	17.54	38.80
Housekeeping expenses	4.43	1.57
Outsourced personnel cost	1.75	1.25
Security expenses	43.41	35.04
Miscellaneous expenses	18.96	13.32
	<b>544.75</b>	<b>405.68</b>
Sub-total	1,278.09	1,518.26
Less: Capitalised during the year	905.59	784.92
<b>Closing balance</b>	<b>372.50</b>	<b>733.34</b>

Capital work in progress includes amount of Rs. Nil (preceding year ₹ 1,787.36 Lakhs) in respect of multiplex premises under construction which have been hypothecated to secured loans from banks (see Note 40). 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

for the year ended 31 March 2022

## 5(b). Capital work in progress - continued

Capital work in progress (CWIP) ageing as at 31 March 2022:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,917.76	200.48	455.64	54.89	2,628.77
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,917.76</b>	<b>200.48</b>	<b>455.64</b>	<b>54.89</b>	<b>2,628.77</b>

Capital work in progress (CWIP) ageing as at 31 March 2021:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,612.46	3,923.27	149.98	9.30	5,695.01
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,612.46</b>	<b>3,923.27</b>	<b>149.98</b>	<b>9.30</b>	<b>5,695.01</b>

## 5(c) Right of use assets

### A. Continuing Business:

(₹ in Lakhs)

Particulars	Class of assets		
	Leasehold Land	Building	Total
<b>Gross Block</b>			
<b>Balance as at 1 April 2020</b>	<b>280.70</b>	<b>2,29,542.71</b>	<b>2,29,823.41</b>
Additions	-	15,972.80	15,972.80
Deductions/adjustments	-	(1,566.34)	(1,566.34)
<b>Balance as at 31 March 2021</b>	<b>280.70</b>	<b>2,43,949.17</b>	<b>2,44,229.87</b>
Additions	-	19,920.40	19,920.40
Deductions/adjustments	-	(250.32)	(250.32)
<b>Balance as at 31 March 2022</b>	<b>280.70</b>	<b>2,63,619.25</b>	<b>2,63,899.95</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2020</b>	<b>6.96</b>	<b>15,633.68</b>	<b>15,640.64</b>
Depreciation expense for the year	6.96	17,001.63	17,008.59
Deductions/adjustments	-	(58.75)	(58.75)
<b>Balance as at 31 March 2021</b>	<b>13.92</b>	<b>32,576.56</b>	<b>32,590.48</b>
Depreciation expense for the year	6.96	17,872.86	17,879.82
Deductions/adjustments	-	(49.86)	(49.86)
<b>Balance as at 31 March 2022</b>	<b>20.88</b>	<b>50,399.56</b>	<b>50,420.44</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 5(c) Right of use assets- continued

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	Total
As at 31 March 2021	266.78	2,11,372.61	2,11,639.39
As at 31 March 2022	259.82	2,13,219.69	2,13,479.51

For impairment testing, see Note 5(d)

## B. Discontinued Business (see Note 51)

(₹ in Lakhs)

Particulars	Class of assets		
	Leasehold Land	Building	Total
<b>Gross Block</b>			
Balance as at 1 April 2020	185.03	4,532.78	4,717.81
Additions	-	272.47	272.47
Balance as at 30 June 2020	185.03	4,805.25	4,990.28
<b>Accumulated depreciation</b>			
Balance as at 1 April 2020	43.54	162.45	205.99
Depreciation expense for the period	40.50	22.74	63.24
Balance as at 30 June 2020	84.04	185.19	269.23

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	Total
As at 30 June 2020	100.99	4,620.06	4,721.05

## 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.

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 applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates other assumptions) including sensitivity analysis and based on current indicators of the future economic conditions, there is no impairment in current year and preceding year.

## 5(e) The Group has not revalued its property, plant and equipment (including right-of-use assets).

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 6 Investment Property

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Carrying amount of:</b>		
Land (*)	168.45	168.45
Building	83.59	85.34
<b>Total</b>	<b>252.04</b>	<b>253.79</b>

(₹ in Lakhs)

Particulars	Land	Building	Total
<b>Cost or Deemed Cost</b>			
<b>Balance as at 1 April 2020</b>	<b>168.45</b>	<b>96.32</b>	<b>264.77</b>
Additions	-	-	-
<b>Balance as at 31 March 2021</b>	<b>168.45</b>	<b>96.32</b>	<b>264.77</b>
Additions	-	-	-
<b>Balance as at 31 March 2022</b>	<b>168.45</b>	<b>96.32</b>	<b>264.77</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2020</b>	-	<b>9.20</b>	<b>9.20</b>
Depreciation expense for the year	-	1.78	1.78
<b>Balance as at 31 March 2021</b>	-	<b>10.98</b>	<b>10.98</b>
Depreciation expense for the year	-	1.75	1.75
<b>Balance as at 31 March 2022</b>	-	<b>12.73</b>	<b>12.73</b>

(₹ in Lakhs)

Carrying amounts	Land	Building	Total
<b>As at 31 March 2021</b>	<b>168.45</b>	<b>85.34</b>	<b>253.79</b>
<b>As at 31 March 2022</b>	<b>168.45</b>	<b>83.59</b>	<b>252.04</b>

(\*) The land is taken on lease for 999 years.

### a) Fair Value of Investment Properties:

Fair valuation of Investment Properties as at 31 March 2022 and 31 March 2021 have been arrived at on the basis of valuation carried out on the respective dates by an independent valuer, R.K Patel, who is the registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. The fair value is determined based on the area and locality, facilities available and present rate of similar type of 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. If current market prices in an active market for similar properties are not available the capitalised income projections is considered based on property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 6 Investment Property - continued

### b) Details of the investment properties and information about fair value hierarchy:

(₹ in Lakhs)

Particulars	Fair value as at	
	31 March 2022	31 March 2021
Land	641.29	586.35
Building	370.83	353.17
<b>Total</b>	<b>1,012.12</b>	<b>939.52</b>

### c) The operating expenses related to investment property are as under:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Insurance	0.34	0.25
Housekeeping & maintenance expenses	27.33	3.55
Electricity expenses	0.25	0.17
<b>Total</b>	<b>27.92</b>	<b>3.97</b>

## 7 Goodwill

(₹ in Lakhs)

Particulars	On business combination	On consolidation	Total
<b>Gross carrying amount</b>			
As at 1 April 2020	1,750.00	41.85	1,791.85
As at 31 March 2021	1,750.00	41.85	1,791.85
As at 31 March 2022	1,750.00	41.85	1,791.85
<b>Accumulated impairment loss</b>			
As at 1 April 2020	-	40.88	40.88
As at 31 March 2021	-	40.88	40.88
As at 31 March 2022	-	40.88	40.88
<b>Net carrying amount</b>			
As at 31 March 2021	1,750.00	0.97	1,750.97
As at 31 March 2022	1,750.00	0.97	1,750.97

Goodwill on business combination is in respect of one of the multiplexes of the Group acquired through business combination. Goodwill on consolidation is in respect of consolidation of Shouri Properties Private Limited, a subsidiary of INOX Leisure Limited.

### Impairment Testing:

#### 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. The Group has used a period greater than five years since the Group has a long term lease arrangement in respect of this multiplex.

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 applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates other assumptions) including sensitivity analysis.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 7 Goodwill - continued

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 8% p.a.
- c) Budgeted Refuel Per Person (RPP) is expected to grow by 10% 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 9.50% 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 is 9.50% p.a. and growth rates used to estimate future performance are based on conservative estimates from past performance.

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 31 March, 2021	Year ended 31 March, 2020
<b>Carrying amounts of:</b>		
Computer Software	337.82	563.93
Website	-	-
<b>Total</b>	<b>337.82</b>	<b>563.93</b>

### A. Continuing Business

(₹ in Lakhs)

Description of Assets	Computer Software	Website	Total
<b>Cost or deemed Cost</b>			
<b>Balance as at 1 April 2020</b>	<b>2,168.30</b>	<b>46.00</b>	<b>2,214.30</b>
Additions	60.57	-	60.57
Disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>2,228.87</b>	<b>46.00</b>	<b>2,274.87</b>
Additions	104.16	-	104.16
Disposals	(2.98)	-	(2.98)
<b>Balance as at 31 March 2022</b>	<b>2,330.05</b>	<b>46.00</b>	<b>2,376.05</b>
<b>Accumulated amortisation</b>			
<b>Balance as at 31 March 2020</b>	<b>1,327.26</b>	<b>46.00</b>	<b>1,373.26</b>
Amortisation expense for the year	337.68	-	337.68
Eliminated on disposal of assets	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,664.94</b>	<b>46.00</b>	<b>1,710.94</b>
Amortisation expense for the year	330.25	-	330.25
Eliminated on disposal of assets	(2.96)	-	(2.96)
<b>Balance as at 31 March 2022</b>	<b>1,992.23</b>	<b>46.00</b>	<b>2,038.23</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 8 Other intangible assets - continued

(₹ in Lakhs)

Carrying amounts	Computer Software	Website	Total
As at 31 March 2021	563.93	-	563.93
As at 31 March 2022	337.82	-	337.82

Note: The group has not revalued its intangible assets.

## B. Discontinued Business (see Note 51)

(₹ in Lakhs)

Particulars	Computer Software	Technical Know How	Total
<b>Cost or Deemed Cost</b>			
Balance as at 1 April 2020	607.42	4,863.29	5,470.71
Additions	-	-	-
Balance as at 30 June 2020	607.42	4,863.29	5,470.71
<b>Accumulated amortisation</b>			
Balance as at 1 April 2020	201.76	2,501.08	2,702.84
Amortisation expense for the period	97.76	116.96	214.72
Balance as at 30 June 2020	299.52	2,618.04	2,917.56

(₹ in Lakhs)

Carrying amounts	Computer Software	Technical Know How	Total
Balance as at 30 June 2020	307.90	2,245.25	2,553.15

## (9) Investments accounted for using the equity method

### 9(a) Investment in associate

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Nos.	Amounts	Nos.	Amounts
<b>Non-current Investments</b>				
Unquoted Investments				
<b>Investment in Limited Liability Partnership</b>				
Nexome Realty LLP (The group has retired from the LLP w.e.f. 31 August 2021)		-		688.70
<b>Total investment in associate</b>		-		<b>688.70</b>
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted investments		-		-
Aggregate carrying value of unquoted investments		-		688.70
Aggregate amount of impairment in value of investments		-		-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## (9) Investments accounted for using the equity method - continued

### 9(b) Details and financial information of associate

#### Associates of INOX Infrastructure Limited

Nexome Realty LLP is incorporated in India and was engaged in the business of real estate development:

The Group has retired from Nexome Realty LLP, w.e.f. 31 August 2021. The loss of ₹ 666.32 lakhs for year ended 31 March 2022 on account of discontinuance of equity method on retirement is included in Note 37 'other expenses'.

(₹ in Lakhs)

Name of associate	Proportion of ownership interest/voting rights held	
	As at 31 March 2022	As at 31 March 2021
Nexome Realty LLP	-	20.00%

(₹ in Lakhs)

Particulars	Proportion of ownership interest/voting rights held	
	As at 31 March 2022	As at 31 March 2021
The Group's share of profit	199.96	563.60
The Group's share of other comprehensive income	-	-
<b>The Group's share of total comprehensive income</b>	<b>199.96</b>	<b>563.60</b>

9(c) For investment in an associate reclassified as held for sale, see Note 19.

## 10 Other Investments

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31 March 2022		As at 31 March 2021	
		Nos.	Amounts	Nos.	Amounts
<b>Non-current</b>					
<b>I. Quoted Investments (fully paid up)</b>					
<i>Investments in mutual funds (Measured at FVTPL)</i>					
HDFC FMP 1430 Days July 2017(I)-Direct-Growth - Sr. 38	10	-	-	1,00,00,000	1,286.84
Less: Current portion of Non-current investments disclosed under current investments			-		(1,286.84)
<b>Total quoted investments</b>			-		-
<b>II. Unquoted Investments</b>					
<i>Investment in Government securities (unquoted, fully paid up)</i>					
National Savings Certificates			2.60		19.98
Less: Current portion of Non-current investments			(2.60)		(10.49)
<b>Total unquoted investments</b>			-		<b>9.49</b>
<b>Total non-current Investments (A)</b>			-		<b>9.49</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 10 Other Investments - continued

(₹ in Lakhs)

Particulars	Face Value (₹)	As at 31 March 2022		As at 31 March 2021	
		Nos.	Amounts	Nos.	Amounts
<b>Current</b>					
<b>I. Quoted Investments (Fully paid up)</b>					
Current portion of Non-current investments			-		1,286.84
<b>II. Unquoted Investments (Fully paid up)</b>					
<b>a. Investment in Government Securities (measured at amortised cost)</b>					
Current portion of Non-current investments:					
National Savings Certificate			2.60		10.49
<b>b. Investments in mutual funds (Measured at FVTPL)</b>					
HDFC Liquid Fund - Direct Plan - Growth	1,000	3513	147.03	4612	186.56
ABSL Low Duration Fund - Growth - Regular Plan	100	78,950	423.13		
ICICI Prudential Liquid Plan-Growth-Regular Plan	100	1,0177	31.87	10177	30.84
Aditya Birla SL - Liquid Fund Reg (G)	100	5,88,505	2,003.49		
HDFC- Liquid Fund Reg (G)	1,000	40,984	1,701.58		
Nippon India - Liquid Fund (G)	1,000	29,078	1,501.69		
Nippon India Money Market Fund - Growth Plan	1,000	77,622	2,578.20		
Uti Money Market Fund - Regular Growth	1,000	1,04,472	2,577.71		
HDFC Low Duration Fund-Growth - Regular Plan	10	25,21,869	1,180.60		
Axis Liquid Fund - Growth	1,000	85,271	2,003.82		
Aditya Birla Sunlife Money Manager Fund- Growth	100	8,54,138	2,530.62		
			<b>16,679.74</b>		<b>217.40</b>
<b>Total unquoted Investments</b>			<b>16,682.34</b>		<b>227.89</b>
<b>Total Current investments (B)</b>			<b>16,682.34</b>		<b>1,514.73</b>
<b>Total Other investments (A+B)</b>			<b>16,682.34</b>		<b>1,524.22</b>
Aggregate book value of quoted investments			-		1,286.84
Aggregate market value of quoted investments			-		1,286.84
Aggregate carrying value of unquoted investments			16,682.34		237.38
Aggregate amount of impairment in value of investments			-		-

### Note:

- The Group had kept on lien certain mutual funds (including current portion of non-current investments) against long-term borrowing (see Note 40)
- These NSC's are pledged with Government authorities and held in the name of ex-director/employees.

(₹ in Lakhs)

Category-wise other investments – as per Ind AS 109 classification	As at 31 March 2022	As at 31 March 2021
<b>Financial assets measured at FVTPL</b>		
Mandatorily measured at FVTPL - Mutual funds	16,679.74	1,504.24
<b>Financial assets measured at amortised cost</b>		
National Savings Certificates	2.60	19.98
<b>Total</b>	<b>16,682.34</b>	<b>1,524.22</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 11. Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
Security deposits		
Unsecured - considered good	11,507.22	10,477.52
Unsecured - credit impaired	78.46	147.46
	<b>11,585.68</b>	<b>10,624.98</b>
Less: Provision for impairment	(78.46)	(147.46)
	<b>11,507.22</b>	<b>10,477.52</b>
Entertainment tax and GST subsidy claimed	895.06	782.90
Electricity charges refund claimed (see Note 42)	389.83	389.83
Non-current bank balances (from Note 18)	24.28	341.54
Amount recoverable towards claims		
Unsecured - considered good	-	-
Unsecured - credit impaired	914.16	914.16
	<b>914.16</b>	<b>914.16</b>
Less: Provision for impairment	(914.16)	(914.16)
	-	-
Other advances (*)		
Unsecured - considered good	<b>5,755.03</b>	<b>7,138.99</b>
Unsecured - credit impaired	187.00	80.50
	<b>5,942.03</b>	<b>7,219.49</b>
Less: Provision for impairment	(187.00)	(80.50)
	<b>5,755.03</b>	<b>7,138.99</b>
<b>Total</b>	<b>18,571.42</b>	<b>19,130.78</b>
<b>Current</b>		
Security deposits		
Unsecured - considered good	205.50	30.00
Current account with Nexome Realty LLP	-	1,800.00
Interest accrued - other	18.23	25.28
Other receivables		
- From related party (see Note 49)	69.51	821.00
<b>Total</b>	<b>293.24</b>	<b>2,676.28</b>

The above financial assets are carried at amortised cost.

### Notes:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amount of security deposits whose contractual cash flow characteristics have been assessed based on the facts & circumstances that existed at the date of transition to Ind AS.	4,247.16	4,062.31

(\*) Other advances represents advances given for properties to be taken on lease, pending execution of final agreement.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 12. Deferred tax assets/(liabilities)

The major components of deferred tax assets/(liabilities) arising on account of timing differences are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets	35,768.33	28,405.42
Deferred tax liabilities	(3.49)	(28.34)
<b>Net deferred tax assets</b>	<b>35,764.84</b>	<b>28,377.08</b>

### Year ended 31 March 2022

#### 12.1 Deferred tax assets/(liabilities) in relation to:

(₹ 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	(1,530.17)	(193.08)	-	(1,723.25)
Effect of measuring investments at fair value	(28.34)	(29.15)	-	(57.49)
Gratuity and leave benefits	499.13	24.54	(30.80)	492.87
Expenses allowable on payment basis	742.84	(44.39)	-	698.45
Allowance for doubtful trade receivables and expected credit loss	185.45	(25.00)	-	160.45
Government grants - deferred income	1,544.11	(122.48)	-	1,421.63
Lease Liabilities	16,257.35	2,370.18	-	18,627.53
Business losses (see Note 12.3)	5,522.10	2,539.67	-	8,061.77
Unabsorbed Depreciation (see Note 12.3)	2,914.99	2,804.34	-	5,719.33
Others deferred tax assets	2,269.62	93.93	-	2,363.55
<b>Total</b>	<b>28,377.08</b>	<b>7,418.56</b>	<b>(30.80)</b>	<b>35,764.84</b>

### Year ended 31 March 2021

#### 12.2 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)
Effect of measuring investments at fair value	(0.87)	(27.47)	-	(28.34)
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 12.3)	-	5,522.10	-	5,522.10
Unabsorbed Depreciation (see Note 12.3)	-	2,914.99	-	2,914.99
Others deferred tax assets	1,973.40	296.22	-	2,269.62
<b>Total</b>	<b>17,728.47</b>	<b>10,690.98</b>	<b>(42.37)</b>	<b>28,377.08</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 12. Deferred tax assets/(liabilities) - Continued

### B) Discontinued operations (see Note 51)

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	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	-
Business losses	27,427.50	2,038.11	-	(206.58)	(29,259.03)	-
Lease Liabilities	16.10	7.00	-	-	(23.10)	-
Other deferred tax assets	1,387.68	(8.50)	-	-	(1,379.18)	-
Other deferred tax liabilities	1,727.80	70.41	-	-	(1,798.21)	-
	<b>14,599.01</b>	<b>1,810.72</b>	<b>5.50</b>	<b>(206.58)</b>	<b>(16,208.65)</b>	<b>-</b>
MAT credit entitlement	10,950.20	(1,056.34)	-	-	(9,893.86)	-
<b>Total</b>	<b>25,549.21</b>	<b>754.38</b>	<b>5.50</b>	<b>(206.58)</b>	<b>(26,102.51)</b>	<b>-</b>

### 12.3 Deferred tax asset on tax losses recognized by INOX Leisure Limited

INOX Leisure Limited ("ILL") has recognised deferred tax asset on tax losses comprising of unabsorbed depreciation and business losses as per the Income-tax Act, 1961. These tax losses pertain to financial year 2020-21 and 2021-22, which is consequent to the COVID-19 pandemic and the resultant lockdown. 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. As stated in Note 53, the Board of Directors at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company). As defined in the Scheme, the appointed date means the effective date, or such other date as may be mutually agreed between the parties i.e., the appointed date of the Scheme will be determined in future. On the basis of the projections and estimates of the profitability of ILL and the legal position available, ILL expects the said business loss and unabsorbed depreciation to be utilized and consequently the ILL has concluded that the said deferred tax asset is recoverable.

**12.4** As at 31 March 2022, one of the subsidiary has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

Particulars	Financial Year	Gross amount (Rs. in Lakhs)	Expiry date
Business Losses	2014-15	9.27	31 March 2023
Business Losses	2015-16	13.76	31 March 2024
Business Losses	2020-21	1.34	31 March 2029
Business Losses	2021-22	0.68	31 March 2030

**12.5** 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 ₹ 26,036.30 lakhs (preceding year ₹ 25,353.22 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 31 March 2022

## 13. Income tax assets and Current tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non current	Current	Non current
<b>Income tax assets (net)</b>				
Income tax paid (net of provisions)	-	557.92	-	171.38
<b>Total</b>	-	<b>557.92</b>	-	<b>171.38</b>
<b>Current tax liabilities (net)</b>				
Provision for income tax (net of payments)	4.80	-	4.05	-
<b>Total</b>	<b>4.80</b>	-	<b>4.05</b>	-

## 14. Other non-current and current assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
Capital advances	724.07	464.33
Security deposits with government authorities	1,696.12	1,748.18
Prepayments	584.34	555.11
<b>Total</b>	<b>3,004.53</b>	<b>2,767.62</b>
<b>Current</b>		
Advances to suppliers	446.94	493.21
Other advances for expense	22.06	36.29
Balances with government authorities - GST credit available	2,681.69	3,356.62
Prepayments	859.38	1,015.93
Contract assets - unbilled revenue	-	14.47
<b>Total</b>	<b>4,010.07</b>	<b>4,916.52</b>

## 15. Inventories

(at lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Food & beverages	825.03	524.63
Stores, spares & fuel	607.71	508.90
<b>Total</b>	<b>1,432.74</b>	<b>1,033.53</b>

The mode of valuation of inventories is stated in Note 3.19



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 16. Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
Unsecured, considered good	2,930.01	1,778.24
Trade receivables which have significant increase in credit risk	39.99	20.48
Trade receivables which are credit impaired	597.53	716.36
	<b>3,567.53</b>	<b>2,515.08</b>
Less: Provision for expected credit loss & impairment	(637.52)	(736.84)
<b>Total</b>	<b>2,930.01</b>	<b>1,778.24</b>
Trade receivable includes amount due from a private company in which a director of the Company is a director (see Note 49)	0.98	0.04

Ageing for trade receivables - outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
Considered good	2,529.92	399.67	0.07	-	0.35	-	2,930.01
Which have significant increase in credit risk	32.18	7.46	*	-	0.35	-	39.99
Credit impaired	-	-	-	1.05	128.85	467.63	597.53
<b>Disputed trade receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>2,562.10</b>	<b>407.13</b>	<b>0.07</b>	<b>1.05</b>	<b>129.55</b>	<b>467.63</b>	<b>3,567.53</b>
Less: Provision for expected credit loss & impairment	(32.18)	(7.46)	*	(1.05)	(129.20)	(467.63)	(637.52)
<b>Balance at the end of the year</b>	<b>2,529.92</b>	<b>399.67</b>	<b>0.07</b>	<b>-</b>	<b>0.35</b>	<b>-</b>	<b>2,930.01</b>

Ageing for trade receivables - outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
Considered good	233.99	117.12	165.73	322.92	879.42	59.06	1,778.24
Which have significant increase in credit risk	5.06	2.43	0.94	12.05	-	-	20.48
Credit impaired	-	-	10.47	227.11	467.63	11.15	716.36
<b>Disputed trade receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>239.05</b>	<b>119.55</b>	<b>177.14</b>	<b>562.08</b>	<b>1,347.05</b>	<b>70.21</b>	<b>2,515.08</b>
Less: Provision for expected credit loss & impairment	(5.06)	(2.43)	(11.41)	(239.16)	(467.63)	(11.15)	(736.84)
<b>Balance at the end of the year</b>	<b>233.99</b>	<b>117.12</b>	<b>165.73</b>	<b>322.92</b>	<b>879.42</b>	<b>59.06</b>	<b>1,778.24</b>

(\*) Amount less than ₹ 0.01 lakhs

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 17. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks in current accounts	1,956.27	764.70
Cash on hand	390.51	122.54
Deposits with original maturity period of less than three months	1.00	-
<b>Total</b>	<b>2,347.78</b>	<b>887.24</b>

## 18. Other bank balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance in unclaimed dividend accounts	124.28	150.38
<b>Fixed deposits</b>		
Deposits with original maturity for more than three months but less than twelve months	2,898.56	6,949.36
Deposit with original maturity for more than twelve months	377.17	354.07
	<b>3,275.73</b>	<b>7,303.43</b>
Less: Amount disclosed under Note 11 - 'Other financial assets - non current'	(24.28)	(341.54)
	<b>3,251.45</b>	<b>6,961.89</b>
<b>Total</b>	<b>3,375.73</b>	<b>7,112.27</b>

### Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Deposits with original maturity for more than three months but less than twelve months	326.67	356.27
b) Deposits with original maturity for more than twelve months	262.83	354.07

## 19. Assets held for Sale

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in unquoted, partly paid equity shares of Megnasolace City Private Limited - 50,00,000 equity shares of ₹ 10/- each (paid up ₹ 1.60 per share) - earlier classified as 'associate company'	3,200.00	3,200.00
	<b>3,200.00</b>	<b>3,200.00</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 19. Assets held for Sale - continued

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. In earlier year, as per the order dated 29<sup>th</sup> 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, on as-is-where-is basis, 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 and realise the amount as per the consent terms.

## 20. Share capital

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised capital</b>		
<b>20,00,00,000</b> (31 March 2021: 20,00,00,000) equity shares of Re. 1 each	2,000.00	2,000.00
<b>Issued, subscribed and fully paid up</b>		
<b>10,98,50,000</b> (31 March 2021: 10,98,50,000) equity shares of Re. 1 each	1,098.50	1,098.50
	<b>1,098.50</b>	<b>1,098.50</b>

Note: Pursuant to the Composite Scheme of arrangement (see Note 50), 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 1 April 2020. Subsequently, pursuant to the demerger of Renewable Energy Business w.e.f. 1 July 2020 (see Note 50), 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 31 March 2022		As at 31 March 2021	
	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	-	-	-	-
<b>At the end of the year</b>	<b>10,98,50,000</b>	<b>1,098.50</b>	<b>10,98,50,000</b>	<b>1,098.50</b>

### (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) Shares held by holding company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
INOX Leasing & Finance Limited (upto 21 September 2021)	-	-	5,81,49,021	581.49
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,81,49,021</b>	<b>581.49</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 20. Share capital - continued

### (iv) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
INOX Leasing and Finance Limited	-	-	5,81,49,021	52.93%
Devansh Trademart LLP	-	-	66,62,360	6.06%
Siddhapavan Trading LLP	-	-	55,76,440	5.08%
Pavan Kumar Jain	4,63,08,012	42.16%	-	-
Siddharth Jain	1,48,27,953	13.50%	-	-
Nayantara Jain	93,62,056	8.52%	-	-
Meenu Bhanshali	54,95,182	5.00%	5,495,182	5.00%

### (v) Shareholding of promoters

Disclosure of Shareholding Promoters as at 31 March 2022 is as follows:

Name of shareholder	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
<b>Promoter</b>					
Vivek Kumar Jain	-	-	20,100	0.02%	(0.02%)
Devansh Jain	-	-	10,000	0.01%	(0.01%)
Hem Kumari	-	-	10,000	0.01%	(0.01%)
Kapoor Chand Jain	-	-	10,000	0.01%	(0.01%)
Nandita Jain	-	-	10,000	0.01%	(0.01%)
Pavan Kumar Jain	4,63,08,012	42.16%	20,100	0.02%	42.14%
Siddharth Jain	1,48,27,953	13.50%	20,000	0.02%	13.48%
Nayantara Jain	93,62,056	8.52%	10,000	0.01%	8.51%
Devendra Kumar Jain	20,100	0.02%	20,100	0.02%	-
<b>Promoter group</b>					
INOX Leasing and Finance Limited	-	-	5,81,49,021	52.93%	(52.93%)
Devansh Trademart LLP	-	-	66,62,360	6.06%	(6.06%)
Siddhopavan Trading LLP	-	-	55,76,440	5.08%	(5.08%)
INOX Chemicals LLP	29,55,230	2.69%	29,55,230	2.69%	-
Siddho Mal Trading LLP	20,19,260	1.84%	20,19,260	1.84%	(0.00%)

Disclosure of Shareholding of promoters as at 31 March 2021 is as follows:

Name of shareholder	As at 31 March 2021		As at 31 March 2020		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
<b>Promoter</b>					
Vivek Kumar Jain	20,100	0.02%	20,100	0.02%	-
Devansh Jain	10,000	0.01%	10,000	0.01%	-
Hem Kumari	10,000	0.01%	10,000	0.01%	-
Kapoor Chand Jain	10,000	0.01%	10,000	0.01%	-
Nandita Jain	10,000	0.01%	10,000	0.01%	-
Pavan Kumar Jain	20,100	0.02%	20,100	0.02%	-
Siddharth Jain	20,000	0.02%	20,000	0.02%	-
Nayantara Jain	10,000	0.01%	10,000	0.01%	-
Devendra Kumar Jain	20,100	0.02%	20,100	0.02%	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 20. Share capital - continued

Name of shareholder	As at 31 March 2021		As at 31 March 2020		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
<b>Promoter group</b>					
INOX Leasing and Finance Limited	58,149,021	52.93%	58,149,021	52.93%	-
Devansh Trademart LLP	6,662,360	6.06%	6,662,360	6.06%	-
Siddho Mal Trading LLP	5,576,440	5.08%	5,576,440	5.08%	-
INOX Chemicals LLP	2,955,230	2.69%	2,955,230	2.69%	-
Siddho Mal Trading LLP	2,019,260	1.84%	2,019,260	1.84%	-

## 21. Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital reserve	177.36	177.36
Securities premium	24,425.00	14,248.64
Capital redemption reserve	59.30	59.30
Debenture redemption reserve	-	-
Shares option outstanding account	110.96	27.54
General reserve	1,448.93	1,541.25
Treasury share reserve	2,965.16	3,190.75
Retained earnings	5,016.18	16,915.13
<b>Total</b>	<b>34,202.89</b>	<b>36,159.97</b>

### 22.1 Capital reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	177.36	177.36
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>177.36</b>	<b>177.36</b>

The balance in Capital reserve represents the capital reserve on consolidation.

### 21.2 Securities premium

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	14,248.64	46,741.53
Movement during the year		
On account of demerger of Renewable Energy Business (see Note 50)	-	(40,691.41)
On issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses	10,142.00	8,156.31
On account of stock option in subsidiary	34.36	42.21
<b>Balance at the end of the year</b>	<b>24,425.00</b>	<b>14,248.64</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 21. Other equity - continued

Securities Premium represents premium on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

### 21.3 Capital redemption reserve

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	59.30	59.30
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>59.30</b>	<b>59.30</b>

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.

### 21.4 Debenture redemption reserve

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	1,135.55
Movement during the year	-	-
On account of demerger of Renewable Energy Business (see Note 50)	-	(1,135.55)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

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.

### 21.5 Share options outstanding account

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	27.54	70.26
Movement during the year	-	-
On account of stock option in subsidiary and on issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses	83.42	(42.72)
<b>Balance at the end of the year</b>	<b>110.96</b>	<b>27.54</b>

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 39.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 21. Other equity (Contd.)

### 21.6 General reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,541.25	1,729.72
Movement during the year		
On issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses	(92.32)	(188.47)
<b>Balance at the end of the year</b>	<b>1,448.93</b>	<b>1,541.25</b>

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.

### 21.7 Treasury shares reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	3,190.75	-
Movement during the year		
On account of sale of treasury shares, net of expenses	-	3,190.75
On issue of fresh equity shares by a subsidiary, net of expenses	(225.59)	-
<b>Balance at the end of the year</b>	<b>2,965.16</b>	<b>3,190.75</b>

The above reserve relates to gain on sale of treasury shares in the case of INOX Leisure Limited.

### 21.8 Retained Earnings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	16,915.13	166,860.83
Movement during the year		
On account of demerger of Renewable Energy Business (see Note 50)	-	(124,404.81)
Loss attributable to owners of the Company	(11,126.50)	(23,171.79)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	39.53	64.84
Transactions with non-controlling interests (see Note 22)	(1,750.29)	-
On issue of fresh equity shares & sale of treasury shares by a subsidiary, net of expenses	938.31	(2,433.94)
<b>Balance at the end of the year</b>	<b>5,016.18</b>	<b>16,915.13</b>

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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 22. Non-controlling interests

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	33,592.52	101,309.63
On account of demerger of Renewable Energy Business (see Note 50)	-	(69,548.70)
	<b>33,592.52</b>	<b>31,760.93</b>
<b>Movement during the year on account of:</b>		
Share of Total Comprehensive Income for the year	(13,175.24)	(19,771.17)
Transactions with non-controlling interests (see Note below)	(295.16)	-
On issue of fresh equity shares & sale of treasury shares by a subsidiary (see Note 53)	18,821.77	21,566.76
On account of stock options in a subsidiary	110.72	36.00
<b>Balance at the end of the year</b>	<b>39,054.61</b>	<b>33,592.52</b>

### Transactions with non-controlling interests:

The Group held 99.29% equity shares in the subsidiary, Shouri Properties Private Limited (SPPL). During the year, the Group has acquired the balance 0.71% of equity shares in SPPL and consequently SPPL has become a wholly owned subsidiary of the Group with effect from 20 January 2022. Further, the Group has purchased additional 5,00,581 equity shares of INOX Leisure Limited, a subsidiary company, from the open market. Accordingly, the Group has recognised a decrease in non-controlling interests and the effect on the equity attributable to the owners of the Company during the year is summarised as under:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Carrying amount of non-controlling interests acquired	295.16	-
Consideration paid to non-controlling interests	2,045.45	-
<b>Excess of consideration paid recognised in retained earnings</b>	<b>1,750.29</b>	<b>-</b>

There were no transactions with non-controlling interests in the preceding year.

## 23. Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>		
Term loans - from banks	6,048.23	8,418.24
Rupee Loan - from other Parties	-	947.27
<b>Unsecured</b>		
Term loans - from banks	2,600.00	-
<b>Total borrowings</b>	<b>8,648.23</b>	<b>9,365.51</b>
Less: Amounts disclosed under Note 28 "Current borrowings"		
Current maturities	(1,666.67)	(4,613.94)
Interest accrued	(40.98)	(49.88)
<b>Total</b>	<b>6,940.58</b>	<b>4,701.69</b>

Note: For terms of repayment and securities etc. (see Note 40)



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 24. Lease liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	2,75,980.98	2,65,925.65
Current lease liabilities	10,178.83	8,109.57
<b>Total</b>	<b>2,86,159.81</b>	<b>2,74,035.22</b>

### Movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities at the beginning of the year	2,74,035.22	2,66,185.55
Additions during the year (net of lease liability reversed Rs. Nil (preceding year ₹ 1,163.11 lakhs))	18,852.90	13,181.42
Interest on lease liabilities	24,751.19	23,387.76
Payment of lease liabilities	(15,117.67)	(5,759.27)
Rent concessions	(16,361.83)	(22,960.24)
<b>Lease liabilities at the end of the year</b>	<b>2,86,159.81</b>	<b>2,74,035.22</b>

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, 2021 and 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 ₹ 14,497.99 lakhs (previous year ₹ 22,201.40 lakhs) (after adjusting rent expenses of ₹ 1,863.84 lakhs (previous year ₹ 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.

## 25. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
Security deposits	84.65	641.73
Retention money	23.24	24.93
	<b>107.89</b>	<b>666.66</b>
<b>Current</b>		
Unclaimed dividend (*)	124.28	150.38
Security deposits	740.88	151.85
Creditors for capital expenditure	3,243.05	3,246.49
Retention money	894.54	806.85
Employee dues	471.36	573.26
Expenses and other payable	219.24	1,114.15
	<b>5,693.35</b>	<b>6,042.98</b>
<b>Total</b>	<b>5,801.24</b>	<b>6,709.64</b>

(\*) Investor Education and Protection Fund will be credited as and when due.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 26. Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
<b>Employee benefits (see Note 47)</b>		
a) Gratuity	1,204.99	1,286.23
b) Compensated absences	353.58	382.92
<b>Total</b>	<b>1,558.57</b>	<b>1,669.15</b>
<b>Current</b>		
<b>Employee benefits (see Note 47)</b>		
a) Gratuity	253.52	155.34
b) Compensated absences	176.70	191.87
Other provisions (see Note below)	1,484.02	1,603.63
<b>Total</b>	<b>1,914.24</b>	<b>1,950.84</b>

(₹ in Lakhs)

Other provisions	Service Tax	Other indirect taxes	Total
<b>Balance as at 1 April 2020</b>	<b>1,035.02</b>	<b>613.60</b>	<b>1,648.62</b>
Provided during the year	-	48.60	48.60
Reversed during the year	-	(93.59)	(93.59)
<b>Balance as at 31 March 2021</b>	<b>1,035.02</b>	<b>568.61</b>	<b>1,603.63</b>
Provided during the year	-	30.39	30.39
Paid during the year	-	(150.00)	(150.00)
<b>Balance as at 31 March 2022</b>	<b>1,035.02</b>	<b>449.00</b>	<b>1,484.02</b>

- (i) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1 June 2007 to 30 September 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1 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.

## 27. Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred revenue arising from Government grant	5,648.58	6,135.22
Less: Current portion disclosed under Note 30 "Other current liabilities"	(525.75)	(586.62)
	5,122.83	5,548.60
Revenue received in advance	-	216.73
<b>Total</b>	<b>5,122.83</b>	<b>5,765.33</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 27. Other non-current liabilities - continued

Movement in deferred revenue arising from government grant:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	6,135.22	6,973.54
Less: Transferred to other operating revenue	(486.64)	(646.43)
Less: Reversed during the year (see Note 44)	-	(191.89)
<b>Closing Balance</b>	<b>5,648.58</b>	<b>6,135.22</b>

## 28. Current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Secured Loan</b>		
Current maturities of long-term debt (*) (from Note 23)	1,707.65	4,663.82
<b>Unsecured loan</b>		
- <b>From ultimate holding company</b>		
Inter-corporate deposit (see Note 49)	-	2,158.97
<b>Total</b>	<b>1,707.65</b>	<b>6,822.79</b>

(\*) Includes interest accrued on long-term debts.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

For terms of repayment and securities etc. (see Note 40)

## 29 Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Dues of micro enterprises and small enterprises	1,023.77	796.68
Dues of creditors other than micro enterprises and small enterprises	12,568.68	10,815.01
<b>Total</b>	<b>13,592.45</b>	<b>11,611.69</b>

Ageing for trade payables - outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	160.40	861.00	2.37	-	-	1,023.77
(ii) Others	5,599.42	263.87	5,839.94	173.52	95.22	510.13	12,482.10
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	86.58	86.58
<b>Balance at the end of the year</b>	<b>5,599.42</b>	<b>424.27</b>	<b>6,700.94</b>	<b>175.89</b>	<b>95.22</b>	<b>596.71</b>	<b>13,592.45</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 29 Trade Payables - continued

Ageing for trade payables - outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars			Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	87.37	698.52	8.80	2.16	0.05	796.90
(ii) Others	3,642.18	172.17	5,301.66	732.88	47.67	778.90	10,675.46
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	139.33	139.33
<b>Balance at the end of the year</b>	<b>3,642.18</b>	<b>259.54</b>	<b>6,000.18</b>	<b>741.68</b>	<b>49.83</b>	<b>918.28</b>	<b>11,611.69</b>

## 30. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue received in advance	3,091.88	1,747.94
Advances received from customers	832.01	830.89
Deferred revenue arising from Government grant (from Note 27)	525.75	586.62
Statutory dues		
- Taxes payable (other than income taxes)	1,367.73	549.18
- Employee recoveries and employer contributions	96.85	110.47
Other liabilities	382.19	359.69
<b>Total</b>	<b>6,296.41</b>	<b>4,184.79</b>

## 31. Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Revenue from contracts with customers:</b>		
Revenue from services	48,515.42	7,098.96
Food and beverages revenue	19,271.92	2,775.60
Fees and commission income		
- Brokerage income	148.96	-
- Guarantee commission income	-	101.11
	<b>67,936.30</b>	<b>9,975.67</b>
Interest Income	5.48	-
Gain on investments measured at fair value through profit or loss	21.45	2.96
Other operating revenue	606.47	718.57
<b>Total revenue</b>	<b>68,569.70</b>	<b>10,697.20</b>
Note: Realised gain on sale of investments	2.82	3.66

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 31. Revenue from operations - continued

### Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Type of services or goods		
Revenue from box office	41,762.21	5,449.51
Revenue from advertisement services	3,445.64	266.61
Convenience fees	2,047.29	1,045.96
Virtual print fees	857.87	166.54
Other services	402.41	170.34
	<b>48,515.42</b>	<b>7,098.96</b>
Fees and commission income		
- Brokerage income	148.96	-
- Guarantee commission income	-	101.11
	<b>148.96</b>	<b>101.11</b>
Sale of food and beverages	19,271.92	2,775.60
<b>Total revenue from contracts with customers</b>	<b>67,936.30</b>	<b>9,975.67</b>

### Contract balances:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	2,930.01	1,778.24
Contract assets - unbilled revenue	-	14.47
Contract liabilities	3,923.89	2,795.56

During the year ended 31 March 2022, the Company has recognized revenue of ₹ 1,361.56 Lakhs (preceding Year ₹ 1,014.11 Lakhs) arising from opening contract liabilities.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as under:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Within one year	2,701.33	2,022.29
More than one year but less than five years	2,494.00	4,988.28
<b>Total</b>	<b>5,195.33</b>	<b>7,010.57</b>

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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 32. Other income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>A) Interest income</b>		
<b>Interest income calculated using the effective interest method:</b>		
On bank fixed deposits	202.00	208.05
On long term investments	1.77	3.47
On security deposits	611.60	563.16
	<b>815.37</b>	<b>774.68</b>
<b>Other interest income</b>		
Interest on income tax refunds	21.17	6.56
Others	14.50	59.57
	<b>35.67</b>	<b>66.13</b>
<b>Total interest income</b>	<b>851.04</b>	<b>840.81</b>
<b>B) Other non-operating income</b>		
Liabilities and provisions no longer required, written back	819.18	606.04
Insurance claims received	63.92	2,489.60
Bad debts recovered	24.72	88.48
Miscellaneous income	51.84	122.26
<b>Total other non-operating income</b>	<b>959.66</b>	<b>3,306.38</b>
<b>C) Other gains and losses</b>		
Gain on investments measured at fair value through profit or loss	454.92	172.58
Net gain on foreign currency transactions and translation	-	19.70
<b>Total other gain and losses</b>	<b>454.92</b>	<b>192.28</b>
<b>Total</b>	<b>2,265.62</b>	<b>4,339.47</b>
Note: Realised gains in respect of mutual funds	538.83	223.08

## 33. Exhibition cost

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Distributors' share	19,201.13	2,552.53
Other exhibition cost	433.54	86.70
<b>Total</b>	<b>19,634.67</b>	<b>2,639.23</b>

## 34. Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages	8,368.16	7,961.27
Contribution to provident and other funds	580.94	514.50
Expense on ESOP	194.89	15.76
Gratuity	277.43	336.52
Staff welfare expenses	144.61	75.83
<b>Total</b>	<b>9,566.03</b>	<b>8,903.88</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 35. Finance costs

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>a) Interest on financial liabilities carried at amortised cost</b>		
- loans from related parties (see Note 49)	72.26	63.75
- other borrowings	782.74	1,551.46
	<b>855.00</b>	<b>1,615.21</b>
<b>b) Interest on lease liabilities (see Note 24)</b>	24,751.19	23,387.76
<b>c) Other Interest</b>		
Interest on income tax	3.01	-
Other Interest expense	187.77	215.28
	<b>190.78</b>	<b>215.28</b>
<b>Total interest (a+b+c)</b>	<b>25,796.97</b>	<b>25,218.25</b>
Other borrowing costs	31.36	36.34
<b>Total</b>	<b>25,828.33</b>	<b>25,254.59</b>

## 36. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	11,174.18	10,974.43
Depreciation on right-of-use assets	17,879.82	17,008.59
Depreciation on investment property	1.75	1.78
Amortisation of intangible assets	330.25	337.68
<b>Total</b>	<b>29,386.00</b>	<b>28,322.48</b>

## 37. Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	5,618.25	2,928.26
Common facility charges	7,483.50	4,849.32
Repairs to :		
- Buildings	168.62	89.11
- Plant and equipment	2,051.81	1,175.00
- Others	542.01	390.46
Rates and taxes	824.55	744.15
Corporate Social Responsibility (CSR) expenses - see Note (i) below	-	264.84
Directors' sitting fees	25.00	17.20
Remuneration to non-executive directors	150.00	-
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34
Allowance for doubtful advances and deposits	87.50	-
Bad debts & remissions	0.30	1.31
Deposits and advances written off	31.94	-
Indirect tax expenses	1,880.12	660.33
Net loss on foreign currency transactions and translations	20.58	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 37 Other expenses -continued

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Legal and professional fees and expense	1,313.11	914.36
Advertisement & sales promotion	427.14	121.70
Travelling & conveyance expenses	201.79	120.95
Housekeeping expenses	2,144.56	1,292.87
Security charges	1,149.34	526.26
Outsourced personnel cost	2,243.72	398.40
Loss on sale/disposal of property, plant and equipment (net)	173.77	35.36
Loss on retirement from associate	666.32	-
Inventories written off - see Note (ii) below	69.06	131.17
Miscellaneous expenses	1,316.91	939.90
<b>Total</b>	<b>28,593.83</b>	<b>15,792.29</b>

- (i) During the year ended 31 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 ₹ 522.00 lakhs (preceding Year ₹ 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 31 March 2022	Year ended 31 March 2021
Gross CSR obligation pertaining to chemical business undertaking	522.00	821.00
Less: Amount recovered	(522.00)	(821.00)
<b>Net amount charged in profit or loss</b>	<b>-</b>	<b>-</b>

- (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.

## 38. Tax expense

### 38.1 Income tax recognised in profit or loss

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Current tax</b>		
In respect of the current year	69.00	4.20
In respect of earlier years	26.06	(150.99)
	<b>95.06</b>	<b>(146.79)</b>
<b>Deferred tax</b>		
In respect of the current year	(7,821.44)	(14,368.24)
In respect of earlier years	402.88	2,922.88
	<b>(7,418.56)</b>	<b>(11,445.36)</b>
<b>Total income tax expense recognised in the current year</b>	<b>(7,323.50)</b>	<b>(11,592.15)</b>



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38. Tax expense - continued

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss before tax from continued operations	(31,677.31)	(44,405.75)
Loss before tax from discontinued operations	-	(10,183.94)
	<b>(31,677.31)</b>	<b>(54,589.69)</b>
Income tax expense calculated at 25.168% (preceding year 25.168%)	(7,972.55)	(13,739.13)
Effect of non-deductible expenses	234.90	479.60
Effect of income that is exempted from tax	(4.44)	-
Effect of differential tax rates of subsidiaries	-	(1,078.55)
Others (net)	(10.35)	(25.96)
	<b>(7,752.44)</b>	<b>(14,364.04)</b>
Taxation pertaining to earlier years	428.94	2,771.89
<b>Tax expense as per the Statement of Profit and Loss</b>	<b>(7,323.50)</b>	<b>(11,592.15)</b>

The tax rate used in the reconciliations above is the corporate tax rate of 25.168% payable under section 115BAA by corporate entities in India on taxable profits.

## 38.2 Income tax recognised in other comprehensive income

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Deferred tax</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	30.80	36.87
<b>Total income tax recognised in other comprehensive income</b>	<b>30.80</b>	<b>36.87</b>

## 38.3 Taxation pertaining to earlier:

In preceding year, INOX Renewables Limited ("IRL") was amalgamated with the Company w.e.f. 1 April 2020. 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 were not available for set-off in the hands of the Company. Accordingly, the same was charged to the statement of profit and loss.

## 38.4 In respect of taxation matters of one of the subsidiary company (INOX Leisure Limited)

The Group's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Hon'ble Supreme Court in respect of the exemption availed in the state of Maharashtra, West Bengal & Gujarat on the basis of Schemes pertaining to these three States. In respect of all other states, the same has been accepted by various appellate authorities and Hon'ble High Court of Judicature at Gujarat. Provision for income tax, till the year ended 31 March 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 39. 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.

In the year ended 31 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 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 carry 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 01 June 2021, stock options of 1,47,500 shares have been granted to employees and on 23 June 2017, stock options of 1,67,500 shares had been granted to employees. 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:

Particular	Options granted	
Date of grant	01 June 2021	23 June 2017
Fair value of share option at grant date	297.75	269.10
No. of share options granted	1,47,500	1,67,500
Grant date share price (in Rs.)	310.65	281.50
Exercise price in Rs.	15.00	15.00
Expected volatility	42.13% to 52.07%	33.53% to 39.82%
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	0	0
Risk free interest rate	4.18% to 5.56%	6.25% to 6.53%

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 39. Share-based payments - continued

### Movements in share options during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at beginning of the year	28,750	67,500
Granted during the year	1,47,500	0
Forfeited during the year	0	5,000
Exercised during the year	28,750	33,750
Balance at end of the year	1,47,500	28,750
Exercisable as at end of the year	Nil	Nil
Weighted average exercise price of all stock options (in Rs.)	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 ₹ 194.89 Lakhs (preceding year ₹ 17.86 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 1 June 2021:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	1,47,500	-
Weighted Average Remaining Contractual Life (in years)	4.50	-
Weighted Average Exercise Price (Rs.)	15	-

#### For Options granted on 23 June 2017:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	-	28,750
Weighted Average Remaining Contractual Life (in years)	-	1.23
Weighted Average Exercise Price (Rs.)	-	15

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 40. Nature of securities and terms of repayment:

### I. In respect of loans taken by GFL Limited

#### Terms of repayment and security for current borrowing

- (i) The terms of repayment of term loan is as under:

#### As at 31 March 2021

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of Interest
<b>Unsecured</b>			
Intercompany deposit from INOX Leasing and Finance Limited.	100.00	Repayable in bullet instalment of ₹ 100.00 lakhs in 6 months i.e. on 7 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 31 March 2022

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of Interest
<b>Secured</b>			
HDFC Bank Ltd (Tranche 1)	1,527.78	The Loan is repayable in 18 equal quarterly instalments ₹138.89 lakhs beginning from 2 <sup>nd</sup> September 2020.	8.20%
HDFC Bank Ltd (Tranche 2)	1,527.78	The Loan is repayable in 18 equal quarterly instalments ₹138.89 lakhs beginning from 17 <sup>th</sup> September 2020.	8.20%
HDFC Bank Ltd (Tranche 3)	1,666.66	The Loan is repayable in 18 equal quarterly instalments ₹138.89 lakhs beginning from 15 <sup>th</sup> October 2020.	8.20%
HDFC Bank Ltd - ECGLS Term Loan	1,300.00	The Loan is repayable in 48 equal monthly instalments ₹27.08 lakhs beginning from 01 <sup>st</sup> July 2023.	6.85%
Axis Bank Ltd - ECGLS Term Loan	2,600.00	The Loan is repayable in 48 equal monthly instalments ₹54.17 lakhs beginning from 30 <sup>th</sup> June 2023.	6.75%

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 40. Nature of securities and terms of repayment - continued

As at 31 March 2021

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
<b>Secured</b>			
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 7 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 29 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 26 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 2 <sup>nd</sup> 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 17 <sup>th</sup> 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 15 <sup>th</sup> October 2020.	9.00%

### (ii) Securities provided for secured loans:

#### 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.

#### The Hongkong and Shanghai Banking Corporation Limited

Term loans from The Hongkong and Shanghai Banking Corporation Limited were secured by first exclusive charge on all movable fixed assets of multiplexes financed by the said term loans. Term loans have been repaid during the year.

### (iii) There is no default on repayment of principal or payment of interest on borrowings.

#### (B) Terms of repayment and securities for current borrowings

##### (i) The terms of repayment of term loans are as under:

As at 31 March 2021:

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Rate of Interest
<b>Secured</b>			
Intercompany Deposit from INOX Leasing and Finance Limited.	2,000.00	Repayable in bullet instalment of ₹ 2,000 lakhs on 28 October 2021	7.50%

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 40. Nature of securities and terms of repayment - continued

- (ii) Unsecured overdraft facility carried interest rate ranging from 7.50% to 9%.
- (iii) There is no default on repayment of principal or payment of interest on borrowings.

### III. In respect of loans taken by INOX Infrastructure Limited (IIL)

#### Terms of repayment and securities for non-current borrowings

##### (i) The terms of repayment of term loans are as under:

As at 31 March 2021

Particulars	Amount outstanding (₹ in lakhs)	Terms of repayment	Effective rate of interest
<b>Secured</b>			
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. 6 February 2020.	7.01%

##### ii) The terms of repayment of term loan from bank was as under:

The entire term loan was repayable in a single bullet repayment after 18 months from date of disbursement i.e. 6 February, 2020 and carried effective interest @ 8.00% p.a. (preceding year 7.01% p.a.)

##### iii) Securities provided for secured loans:

The term loan from bank was secured by first charge by way of lien on certain mutual funds at loan-to-value (LTV) of 90% of the NAV.

##### iv) There is no default on repayment of principal or payment of interest on borrowing.

For additional disclosures/regulatory information in respect of borrowings from banks, as required by Schedule III to the Companies Act, 2013, see Note 54.

## 41. Commitments

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	6,315.77	2,313.20
(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.	3,171.02	4,605.35

For capital commitments transferred and vested on demerger, see Note 50

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 42. Contingent liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>1) In respect of INOX Leisure Limited (ILL)</b>		
<b>a. Claims against the company not acknowledged as debt :</b>	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 lakhs 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>b. Entertainment Tax matters:</b>	2,923.65	4,674.01
<b><i>This includes</i></b>		
i Demands in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.	2,821.33	4,571.69
ii 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 ₹ 7.70 lakhs (preceding year Rs 578.43 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
<b>c. Service Tax matters:</b>	6,313.22	20,540.19
<b><i>This includes</i></b>		
i In respect of levy of service tax on film distributor's share paid by the Company. During the year, the matter is decided in favour of the Company by CESTAT and Hon'ble Supreme Court.	-	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 ₹ 397.55 lakhs (preceding year ₹ 976.55 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
<b>d. Stamp duty matter:</b>		
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
<b>e. Custom duty matter in respect of import of projector:</b>	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.		
<b>f. TDS matters, disputed in appeal by the company and includes:</b>	43.64	21.79
The Company has paid ₹ 4.30 lakhs (preceding year Rs. Nil) to the respective authorities under protest (which is included in 'Other non current assets')		

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 42. Contingent liabilities - continued

(₹ in Lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
g. The Company may be required to charge additional cost towards electricity from 1 June 2007 to 31 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 19 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
<b>2) In respect of GFL Limited</b>		
a) Corporate guarantees given to banks/financial institutions/lenders in respect of loans taken by a fellow subsidiaries, see Note 49	-	12,923.07
b) The contingent liabilities in respect of the chemical business undertaking and the renewable business, demerged as per the respective schemes of arrangement, sanctioned by the Hon'ble National Company Law Tribunal, vest with the respective resulting companies.		

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.

**43.** The Code on Social Security 2020 has been notified in the Official Gazette on 29 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.

## 44. Exceptional items:

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Expenses incurred in respect of Scheme of Arrangement referred to in Note 50	-	99.18
b) Out of above, expenses recovered from demerged company during the year	(69.51)	-
c) 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)
	-	<b>408.11</b>
<b>Total</b>	<b>(69.51)</b>	<b>507.29</b>



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 45 Segment information

**45.1** After the demerger of Renewable Energy Business (see Note 50), the Group now has a single operating segment viz. Theatrical Exhibition – Comprising of operating and managing multiplex cinema theatres.

### 45.2 Revenue from major products and services in respect of continuing operations

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(a)</b>	<b>Sale of products</b>		
	Food & beverages	19,271.92	2,775.60
		<b>19,271.92</b>	<b>2,775.60</b>
<b>(b)</b>	<b>Sale of services</b>		
	Revenue from box office	41,762.21	5,449.51
	Convenience Fees	2,047.29	1,045.96
	Virtual Print fee	857.87	166.54
	Revenue from advertising income	3,445.64	266.61
	Other services	402.41	170.34
		<b>48,515.42</b>	<b>7,098.96</b>
<b>(c)</b>	<b>Other revenue</b>	782.36	822.64
	<b>Total</b>	<b>68,569.70</b>	<b>10,697.20</b>

### 45.3 Other Information

- a) There is no single external customer who has contributed more than 10% to the Group's revenue for both FY 2021-2022 and FY 2020-2021.
- b) All multiplexes/theatres are located in India.

### 45.4 Particulars of discontinued operations in respect of demerged Renewable Energy Business w.e.f. 1 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 51.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 46 Leases

### 46.1 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.

#### A) Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	32,867.71	30,838.96
One to five years	1,40,000.93	1,37,779.66
More than five years	3,69,823.27	3,47,725.09
<b>Total</b>	<b>5,42,691.91</b>	<b>5,16,343.71</b>

#### B) Amount recognized in statement of profit and loss:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
A) Interest on lease liabilities	24,751.19	23,387.76
B) Included in rent expenses (see Note below):		
a) Variable lease payments not included in the measurement of lease liabilities	1,863.64	727.98
b) Expense relating to short-term leases	0.20	30.86
	<b>1,863.84</b>	<b>758.84</b>

As explained in Note 24: Lease Liabilities, the Group has recognised rent concessions aggregating to ₹ 16,361.83 lakhs (preceding year ₹ 22,960.24 lakhs) and after adjusting the rent expenses of ₹ 1,863.84 lakhs (preceding year ₹ 758.84 lakhs) as above, the net amount of ₹ 14,497.99 lakhs (preceding year ₹ 22,201.40 lakhs) has been disclosed as a separate line item in the statement of Profit and Loss.

### 46.2 As lessor

#### A Operating lease

The Group 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 ₹ 171.80 lakhs (31 March 2021: Rs 125.89 lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	316.88	154.01
One to five years	843.52	1,056.54
More than five years	67.58	25.42
<b>Total</b>	<b>1,227.98</b>	<b>1,235.97</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 47 Employee Benefits:

### (a) Defined Contribution Plans

The Group contributes to the Government managed provident and pension fund for all qualifying employees. During the year contribution to provident and pension Fund of ₹ 557.75 Lakhs (preceding year ₹ 592.20 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss and ₹ 19.21 Lakhs (preceding year ₹ 9.80 Lakhs) is included in pre-operative expenses.

### (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 31 March 2022 by members of the Institute of 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 31 March 2022	As at 31 March 2021
Opening defined benefit obligation	1,441.57	2,130.97
Effect of business combinations (net)	182.94	(701.82)
Current Service Cost	93.34	293.81
Interest cost	1.15	103.40
<b>Actuarial (gains)/losses on obligation:</b>		
a) arising from changes in financial assumptions	(43.21)	38.77
b) arising from experience adjustments	(79.19)	(195.06)
Benefits paid	(138.09)	(228.50)
<b>Present value of obligation as at year end</b>	<b>1,458.51</b>	<b>1,441.57</b>

#### (ii) Components of amount recognized in profit and loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31 March 2022	As at 31 March 2021
<b>Current Service Cost</b>		
- Continuing operations	184.94	246.07
- Discontinued operations	-	47.74
<b>Net interest expense</b>		
- Continuing operations	92.49	93.02
- Discontinued operations	-	10.38
<b>Amount recognized in profit &amp; loss</b>	<b>277.43</b>	<b>397.21</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 47 Employee Benefits: - continued

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31 March 2022	As at 31 March 2021
<b>Actuarial (gains) /losses on:</b>		
a) arising from changes in financial assumptions		
- Continuing operations	(46.58)	11.67
- Discontinued operations	-	27.10
b) arising from experience adjustments		
- Continuing operations	(75.82)	(179.99)
- Discontinued operations	-	(15.07)
<b>Amount recognized in other comprehensive income</b>	<b>(122.40)</b>	<b>(156.29)</b>
<b>Total</b>	<b>155.03</b>	<b>240.92</b>

(iii) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at 31 March 2022	As at 31 March 2021
Discount rate	6.86% to 6.90%	5.70% to 6.43%
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.

## (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 31 March 2022	As at 31 March 2021
If discount rate increased by 1%	(91.41)	(92.17)
If discount rate decreased by 1%	103.01	104.57
If salary escalation rate increased by 1%	101.89	97.83
If salary escalation rate decreased by 1%	(92.14)	(87.93)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 47 Employee Benefits: - continued

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 31 March 2022
Expected outflow in 1 <sup>st</sup> Year	253.42
Expected outflow in 2 <sup>nd</sup> Year	192.27
Expected outflow in 3 <sup>rd</sup> Year	131.48
Expected outflow in 4 <sup>th</sup> Year	132.82
Expected outflow in 5 <sup>th</sup> Year	127.07
Expected outflow in more than 5 years	2,255.34

The average duration of the defined benefit plan obligation at the end of the reporting period is in the range of 7 to 9.21 years. (preceding year : 6.47 to 7.88 years)

### (c) Other employment benefits:

#### Compensated absences

The liability towards compensated absences (Annual privilege leave and short term leave) 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	As at 31 March 2022	As at 31 March 2021
Compensated absences recognised in the statement of Profit & Loss		
- Continued operations	(8.09)	(71.06)
- Discontinued operations	-	(15.44)
<b>Total</b>	<b>(8.09)</b>	<b>(86.50)</b>

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation (Leave Encashment)	
	As at 31 March 2022	As at 31 March 2021
Discount rate	6.86% to 6.90%	5.70% to 6.43%
Expected rate of salary increase	7.00% to 8.00%	7.00% to 8.00%
Employee Attrition Rate	5.00% to 10.00%	5.00% to 10.00%
Mortality	IALM (2012-14) ultimate mortality table	

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 48 Financial Instruments:

### 48.1 Capital Management

The Group manages its capital to ensure that it 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 requirements. The Company's Board of Directors (BOD) reviews the capital structure of the Group. As part of this review, the BOD considers the cost of capital and risk associated with each class of capital.

#### 48.1.1 Gearing Ratio

The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
Total debt	8,648.23	11,524.48
Cash & bank balances	(5,034.01)	(7,480.33)
Net debt	3,614.22	4,044.15
Total equity	74,356.00	70,850.99
<b>Net debt to equity Ratio (in times)</b>	<b>0.05</b>	<b>0.06</b>

- Debt is defined as total borrowings in Notes 23 and 28, and excludes lease liabilities.
- Cash and bank balances includes cash & cash equivalents (Note 17) and other bank balances (Note 18) not subject to lien and balance in unclaimed dividend accounts).

### 48.2 Categories of financial instruments

(₹ in Lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Mandatorily measured as at FVTPL		
(i) Investments in Mutual Funds	16,679.74	1,504.24
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	5,747.79	8,341.05
(b) Other financial assets at amortised cost		
(i) Investments in NSC	2.60	19.98
(ii) Trade receivables	2,930.01	1,778.24
(iii) Other financial assets	18,840.38	21,465.52
<b>Sub total</b>	<b>27,520.78</b>	<b>31,604.79</b>
<b>Total financial assets</b>	<b>44,200.52</b>	<b>33,109.03</b>
<b>b) Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	8,648.23	11,524.40
(b) Lease Liabilities	2,86,159.81	2,74,035.22
(c) Trade Payables	13,592.45	11,611.69
(d) Other Financial Liabilities	5,801.24	6,709.64
<b>Total financial liabilities</b>	<b>3,14,201.73</b>	<b>3,03,881.00</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 48 Financial Instruments: - continued

The carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

### 48.3 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 and ROU. 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:

### 48.4 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.

### 48.5 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:

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Liabilities</b>		
Capital Creditors	-	131.11
Others	51.70	170.51
USD	<b>51.70</b>	<b>301.62</b>
<b>Assets - trade receivable</b>		
USD	24.34	-
Euro	-	1.01

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 48 Financial Instruments: - continued

### 48.5.1 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 31 March 2022	As at 31 March 2021
Impact on profit or loss for the year	2.05	22.57
Impact on total equity as at the end of the reporting period	2.05	22.57

(₹ in Lakhs)

Particulars	EURO Impact (net of tax)	
	As at 31 March 2022	As at 31 March 2021
Impact on profit or loss for the year	-	0.08
Impact on total equity as at the end of the reporting period	-	0.08

### 48.6 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.

### 48.6.1 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 31 March 2022	As at 31 March 2021
Increase by 50 basis points	(32.21)	(31.31)
Decrease by 50 basis points	32.21	31.31

### 48.7 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.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 48 Financial Instruments: - continued

### 48.8 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 represents more than 5% of the total balance of trade receivable as at 31 March 2022 is ₹ 1,164.74 lakhs (as at 31 March 2021 of ₹ 149.37 lakhs) are due from 4 customers (preceding year 2 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

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	20.48	194.84
Net increase /(decrease) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.51	(174.36)
<b>Balance at the end of the year</b>	<b>39.99</b>	<b>20.48</b>

### 48.9 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.

#### 48.9.1 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 48 Financial Instruments: - continued

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
<b>As at 31 March 2022</b>				
Borrowings	1,707.65	6,751.00	189.58	8,648.23
Trade Payables	13,592.45	-	-	13,592.45
Other financial liabilities	5,693.35	99.82	8.07	5,801.24
<b>Total</b>	<b>20,993.45</b>	<b>6,850.82</b>	<b>197.65</b>	<b>28,041.92</b>
<b>As at 31 March 2021</b>				
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
<b>Total</b>	<b>24,477.46</b>	<b>5,341.68</b>	<b>26.67</b>	<b>29,845.81</b>

Particulars of contractual maturities in respect of lease liabilities are as per Note 46.

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.

### 48.9.2 Fair Value Measurements

- a. Fair Value of the Entity's financial assets that are measured at fair value on a recurring basis.

Financial assets	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31 March 2022 (Rs. in Lakhs)	31 March 2021 (Rs. in Lakhs)		
Investments in Mutual Funds (see Note 10)	16,679.74	1,504.24	Level 1	Quoted prices in an active market

In the period, there were no transfers between Level 1, 2 and 3.

- b. Financial instrument measured at Amortised Cost

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 31 March 2022

## 49. Related Party disclosures

### (A) Where control exists:

#### Holding company

INOX Leasing and Finance Limited (Upto 21 September 2021)

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

#### Fellow subsidiaries upto 21 September 2021 and subsequently reclassified

Gujarat Fluorochemicals Limited

GFL GM Fluorspar SA

INOX Wind Energy Limited (earlier, a subsidiary upto 30 June 2020)

INOX Green Energy Services Limited (Earlier known INOX Wind Infrastructure Services Limited) (earlier, a subsidiary upto 30 June 2020)

#### Associate of INOX Infrastructure Limited

Nexome Realty LLP (upto 31 August 2022)

#### Key Management Personnel

##### a) Whole Time Directors/Chief Executive Officer

Mr. Devendra Kumar Jain (Managing Director & Chief Executive Officer )

Mr. Alok Tandon (Chief Executive Officer in INOX Leisure Limited)

Mr. Devansh Jain (in INOX Wind Limited) (\*)

Mr. Kailash Lal Tarachandani- (Whole time Director & Chief Executive Officer in INOX Wind Limited) (\*)

Mr. Vineet Valentine Davis (in INOX Wind Limited w.e.f. 19.05.2020) (\*)

Mr. Manoj Dixit (in INOX Green Energy Services Limited) (\*)

Mr. Mukesh Manglik (in INOX Green Energy Services Limited w.e.f. 19.05.2020) (\*)

##### b) Non Executive Directors

Mr. Pavan Kumar Jain

Mr. Deepak Asher (upto 12 October 2020)

Mr. Vivek Kumar Jain

Mr. Shashi Jain (w.e.f. 30 May 2021)

Ms. Vanita Bhargava

Mr. Amit Jatia (in INOX Leisure Limited)

Mr. Shailendra Swarup (Upto 10 May 2021)

Ms. Girija Balkrishnan (in INOX Leisure Limited)

Mr. Shanti Prasad Jain

Mr. Haigreve Khaitan (in INOX Leisure Limited)

Mr. Siddharth Jain

Mr. Vishesh Chander Chandiok (in INOX Leisure Limited)

Mr. V. Sankaranarayanan (in INOX Wind Limited) (\*)

Ms. Bindu Saxena (in INOX wind Limited) (\*)

Mr. Vineet Valentine Davis (in INOX Green Energy Services Limited w.e.f. 19.05.2020) (\*)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 49. Related Party disclosures - continued

(\*) ceased to be a related party w.e.f. 1 July 2020 - see Note below

### Enterprises in which KMP and/or their relatives have control/significant influence

Gujarat Fluorochemicals Limited

INOX Wind Energy Limited (IWEL)

INOX Wind Limited (IWL)

INOX Green Energy Services Limited (Earlier known INOX Wind Infrastructure Services Limited)

GFL GM Fluorspar SA

INOX Chemicals LLP

Note: Pursuant to the demerger of the Renewable Energy Business (See Note 50), certain subsidiaries of the Company weretransferred w.e.f. 1 July 2020, and they have become fellow subsidiaries from that date. Preceding year disclosures regarding related party transactions are made accordingly.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 49. Related Party disclosures - continued

Particulars of transactions:

Particulars	(₹ in Lakhs)					
	Holding Company		Fellow Subsidiary Company		Associates	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>A) Transactions during the year</b>						
<b>O&amp;M charges received</b>						
Gujarat Fluorochemicals Limited			-	125.95		125.95
<b>Total</b>			-	<b>125.95</b>		<b>125.95</b>
<b>Sale of movie tickets</b>						
INOX India Private Limited					3.33	0.08
<b>Total</b>					<b>3.33</b>	<b>0.08</b>
<b>Purchase of goods</b>						
Gujarat Fluorochemicals Limited			-	946.52		946.52
<b>Total</b>			-	<b>946.52</b>		<b>946.52</b>
<b>Share in profit of associate</b>						
Nexome Realty LLP						
<b>Total</b>						
<b>Return of capital received on retirement</b>						
Nexome Realty LLP					17.62	4.62
<b>Total</b>					<b>17.62</b>	<b>4.62</b>
<b>Interest paid on inter corporate deposits</b>						
Nexome Realty LLP					2,000.00	-
<b>Total</b>					<b>2,000.00</b>	<b>-</b>
<b>Inter corporate deposit taken</b>						
INOX Leasing and Finance Limited		2,100.00				2,100.00
<b>Total</b>		<b>2,100.00</b>				<b>2,100.00</b>
<b>Inter corporate deposit repaid</b>						
INOX Leasing and Finance Limited	2,100.00	-				-
<b>Total</b>	<b>2,100.00</b>	<b>-</b>			<b>2,100.00</b>	<b>-</b>
<b>Interest paid on inter corporate deposits</b>						
INOX Leasing and Finance Limited	72.26	63.75				63.75
<b>Total</b>	<b>72.26</b>	<b>63.75</b>			<b>72.26</b>	<b>63.75</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 49. Related Party disclosures - continued

Particulars	Holding Company		Fellow Subsidiary Company		Associates		Enterprises in which KMP and/or their relatives have control/significant influence		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Interest paid on advances from customers</b>										
Gujarat Fluorochemicals Limited			-	2,173.75					-	2,173.75
<b>Total</b>			-	<b>2,173.75</b>					-	<b>2,173.75</b>
<b>Reimbursement of expenses paid</b>										
Gujarat Fluorochemicals Limited			522.00	1,038.48					522.00	1,038.48
<b>Total</b>			<b>522.00</b>	<b>1,038.48</b>					<b>522.00</b>	<b>1,038.48</b>
<b>Reimbursement of expenses received</b>										
INOX Wind Energy Limited			-	6.24			69.51	-	69.51	6.24
Gujarat Fluorochemicals Limited			-	50.39					-	50.39
<b>Total</b>			-	<b>56.63</b>			<b>69.51</b>	-	<b>69.51</b>	<b>56.63</b>
<b>Liability written back</b>										
Gujarat Fluorochemicals Limited							41.12	-	41.12	-
<b>Total</b>							<b>41.12</b>	-	<b>41.12</b>	-
<b>Guarantee commission paid</b>										
Gujarat Fluorochemicals Limited			-	96.57					-	96.57
<b>Total</b>			-	<b>96.57</b>					-	<b>96.57</b>
<b>Guarantee commission Received</b>										
INOX Green Energy Services Limited			-	101.11					-	101.11
<b>Total</b>			-	<b>101.11</b>					-	<b>101.11</b>
<b>Rent paid</b>										
INOX Chemicals LLP							0.61	-	0.61	-
Gujarat Fluorochemicals Limited			-	45.31					-	45.31
<b>Total</b>			-	<b>45.31</b>			<b>0.61</b>	-	<b>0.61</b>	<b>45.31</b>

(₹ in Lakhs)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 49. Related Party disclosures - continued

(₹ in Lakhs)

Particulars	Holding Company		Fellow Subsidiary Company		Enterprises in which KMP and/or their relatives have control/significant influence		Total	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
<b>B) Amounts outstanding</b>								
<b>a) Amounts payable</b>								
Gujarat Fluorochemicals Limited			-	228.28	187.15	-	187.15	228.28
<b>Total</b>			-	<b>228.28</b>	<b>187.15</b>	-	<b>187.15</b>	<b>228.28</b>
<b>b) Inter-corporate deposits payable</b>								
INOX Leasing and Finance Limited	-	2,100.00					-	2,100.00
<b>Total</b>	-	<b>2,100.00</b>					-	<b>2,100.00</b>
<b>c) Interest payable on Inter corporate deposits</b>								
INOX Leasing and Finance Limited	-	58.97					-	58.97
<b>Total</b>	-	<b>58.97</b>					-	<b>58.97</b>
<b>C) Amounts receivable</b>								
<b>a) Trade / other receivables</b>								
INOX Green Energy Services Limited			-	1,347.81			-	1,347.81
INOX Wind Energy Limited			-	6.24	75.75	-	75.75	6.24
Gujarat Fluorochemicals Limited			-	821.00			-	821.00
INOX India Private Limited					0.98	0.04	0.98	0.04
<b>Total</b>			-	<b>2,175.05</b>	<b>76.73</b>	<b>0.04</b>	<b>76.73</b>	<b>2,175.09</b>
<b>D) Guarantees given</b>								
INOX Green Energy Services Limited			-	10,878.00			-	10,878.00
GFL GM Fluorspar SA			-	2,045.07			-	2,045.07
<b>Total</b>			-	<b>12,923.07</b>			-	<b>12,923.07</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 49. Related Party disclosures - (Contd.)

### Compensation of Key Management Personnel

(₹ in Lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(i) Remuneration paid</b>		
Mr. Devendra Kumar Jain	-	120.00
Mr. Pavan Kumar Jain	75.00	-
Mr. Siddharth Jain	75.00	-
Mr. Alok Tandon	155.90	100.70
Mr. Devansh Jain	-	23.16
Mr. Kailash Lal Tarachandani	-	35.53
Mr. Manoj Dixit	-	7.82
Mr. Vineet Valentine Davis	-	15.80
Mr. Mukesh Manglik	-	6.80
<b>Total</b>	<b>305.90</b>	<b>309.81</b>
(ii) Professional fees paid - Mr. Deepak Asher	-	60.00
(iii) Director's sitting fees paid	25.00	28.80

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 ₹ 7.66 Lakhs (as at 31 March 2021 ₹ 7.89 Lakhs) included in the amount of remuneration reported above.

The amount of remuneration reported above includes:

Share options exercised under ESOP of ₹ 14.81 lakhs (as at 31 March 2021 ₹ 10.77 lakhs)

### Notes

- Sales, purchases and service transactions with related parties are made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts.
- No expense has been recognised for the year ended 31 March 2022 and 31 March 2021 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- The Group had been provided with Inter-corporate deposits at rate comparable to the average rate of interest. These loans are unsecured and same has been repaid during the year.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 50 Business Combinations

### (a) Demerger of Renewable Energy Business w.e.f. 1 July 2020

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January, 2021 had 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. 1 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. 1 July 2020

The aforesaid Scheme was filed with the Registrar of Companies (ROC) on 9 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 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 listed on BSE and NSE on 11 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 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

Vinirrrmaa 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

#### 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 31 March 2022

## 50 Business Combinations -continued

Summary of assets and liabilities transferred on demerger w.e.f. 1 July 2020 is as under:

Particulars	(₹ in Lakhs)
<b>ASSETS</b>	
<b>1) Non-current assets</b>	
(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
<b>Sub-total</b>	<b>2,26,587.60</b>
<b>2) Current assets</b>	
(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
<b>Sub-total</b>	<b>3,48,733.35</b>
<b>Total assets (1+2)</b>	<b>5,75,320.95</b>

Particulars	(₹ in Lakhs)
<b>LIABILITIES</b>	
<b>1) Non-current liabilities</b>	
(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
<b>Sub-total</b>	<b>21,100.63</b>
<b>2) Current liabilities</b>	
(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
<b>Sub-total</b>	<b>3,13,587.17</b>
<b>Total liabilities (1+2)</b>	<b>3,34,687.80</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 50 Business Combinations - continued

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
<b>Net assets transferred on demerger (a)</b>	<b>2,40,633.15</b>
Reserves transferred on demerger	
Security premium	40,691.41
Debenture redemption reserve	1,135.55
Retained earnings	129,257.49
<b>Total reserves transferred on demerger (b)</b>	<b>1,71,084.45</b>
<b>Non controlling interest transferred (c)</b>	<b>69,548.70</b>
<b>Sub-total (d = b - a + c)</b>	<b>-</b>
Consolidation adjustments on demerger (net of deferred tax) (e)	4,852.68
<b>Difference adjusted in retained earnings (d + e)</b>	<b>4,852.68</b>

### 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 1 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
<b>Total</b>	<b>1,56,793.40</b>	<b>31,751.24</b>	<b>1,25,042.16</b>

### Details of Intangible assets transferred on demerger:

(₹ in Lakhs)

Particulars	Gross Block	Accumulated depreciation	Net Block as 1 July 2020
Technical know-how	4,863.29	2,618.04	2,245.25
Software	607.42	299.52	307.90
<b>Total</b>	<b>5,470.71</b>	<b>2,917.56</b>	<b>2,553.15</b>

### Details of Investments transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1 July 2020
<b>Investments in associates</b>	
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
	<b>6,955.00</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 50 Business Combinations - continued

### Details of Cash and cash equivalents transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1 July 2020
Balances with Banks - in current account	1,300.80
Cash on hand	6.47
	<b>1,307.27</b>

### Details of Contingent Liabilities and Capital Commitments transferred on demerger:

(₹ in Lakhs)

Particulars	As at 1 July 2020
<b>1) Contingent liabilities</b>	
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
<b>2) Capital commitments</b>	
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

## 51 Discontinued Operations - demerger of Renewable Energy Business

As detailed in Note 50, 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.

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 had been classified as Discontinued Operations in the consolidated financial statements. Break-up of these is presented below:

### Statement of Profit and loss of discontinued operations

(₹ in Lakhs)

Particulars	Year ended 31 March 2021
Revenue from Operations	9,822.36
Other income	611.02
<b>Total Income</b>	<b>10,433.38</b>
Cost of materials consumed	2,096.34
Changes in inventories of finished goods, stock-in-trade and work in progress	3,152.33
Employee benefits expense	2,309.52
Finance costs	5,971.98
Depreciation and amortisation expense	2,333.72
Other expenses	4,753.43
<b>Total expenses</b>	<b>20,617.32</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 51 Discontinued Operations - demerger of Renewable Energy Business - continued

(₹ in Lakhs)

Particulars	Year ended 31 March 2021
Share of profit of associates	-
<b>Loss before tax</b>	<b>(10,183.94)</b>
Tax expense	
Current tax	-
Deferred tax	(754.38)
	<b>(754.38)</b>
<b>Loss for the year</b>	<b>(9,429.56)</b>

### Cash flows from discontinued operations:

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2021
1	Net cash generated from operating activities	(2,245.91)
2	Net cash used in investing activities	18,327.59
3	Net cash used in financing activities	(15,564.06)
	<b>Total Cash flow from discontinued operations</b>	<b>517.62</b>

## 52. 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 (%)		Loss allocated to non- controlling interests (Rs.in Lakhs)		Accumulated non- controlling interests (Rs.in Lakhs)	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
INOX Leisure Limited	India	56.44%	53.15%	(11,609.63)	(17,851.68)	39,054.61	33,591.91
Individually immaterial subsidiaries with non controlling interests						-	0.61
<b>Total</b>				<b>(11,609.63)</b>	<b>(17,851.68)</b>	<b>39,054.61</b>	<b>33,592.52</b>

For subsidiaries transferred pursuant to demerger as part of Renewable Energy Business (see Note 50)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 52. Non - controlling Interests - continued

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:

### INOX Leisure Limited

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Non-current assets	3,68,913.67	3,64,228.28
Current assets	29,071.28	14,196.64
Non-current liabilities	2,89,685.42	2,78,727.59
Current liabilities	39,042.19	36,402.48
Equity attributable to owners of the Company	30,202.73	29,702.33
Non-controlling interest	39,054.61	33,592.52

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	70,577.34	14,819.51
Expenses	101,908.46	59,046.70
<b>Loss before exceptional items and tax</b>	<b>(31,331.12)</b>	<b>(44,227.19)</b>
<b>Loss for the year</b>	<b>(23,943.30)</b>	<b>(33,765.49)</b>
Loss attributable to owners of the company	(12,304.91)	(15,846.14)
Loss attributable to non-controlling interests	(11,638.39)	(17,919.35)
<b>Loss for the year</b>	<b>(23,943.30)</b>	<b>(33,765.49)</b>
Other comprehensive income attributable to the owners of the company	65.36	59.84
Other comprehensive income attributable to the non-controlling interests	28.76	67.67
<b>Other comprehensive income for the year</b>	<b>94.12</b>	<b>127.51</b>
Total comprehensive income attributable to the owners of the company	(12,239.55)	(15,786.30)
Total comprehensive income attributable to the non-controlling interests	(11,609.63)	(17,851.68)
<b>Total comprehensive income for the year</b>	<b>(23,849.18)</b>	<b>(33,637.98)</b>
Net cash inflow from operating activities	7,685.16	(13,083.39)
Net cash outflow from investing activities	(17,787.58)	(12,155.99)
Net cash outflow from financing activities	11,659.36	21,991.13
<b>Net cash inflow/(outflow)</b>	<b>1,556.94</b>	<b>(3,248.25)</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 53. Details of subsidiaries at the end of the reporting period

### a) Subsidiaries of the Company

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March 2022	As at 31 March 2021
INOX Leisure Limited (ILL)	Operating and managing multiplexes & cinema theatres in India	India	43.56%	46.85%
INOX Infrastructure Limited (ILL)	Real estate and property development	India	100.00%	100.00%

For subsidiaries transferred pursuant to demerger as part of Renewable Energy Business (see Note 50)

### b) Subsidiaries of ILL

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March 2022	As at 31 March 2021
Shouri Properties Private Limited	Holds a license to operate a multiplex cinema theatre which is operated by INOX Leisure Limited.	India	100%	99.29%
INOX Leisure Limited - Employees Welfare Trust	Manages the ESOP Scheme of INOX Leisure Limited	India	Controlled by INOX Leisure Limited	

### c) Scheme of Amalgamation - INOX Leisure Limited with PVR Limited

The Board of Directors of the INOX Leisure Limited at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The share exchange ratio shall be 3 equity shares of the face value of ₹ 10 of Transferee Company, credited as fully paid-up, for every 10 equity shares of the face value of ₹ 10 each fully paid-up held by such member in the Transferor Company. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities under applicable laws and the respective shareholders and creditors of the companies. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed between the parties. The effective date as per the Scheme is the date on which last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme has been filed with the Bombay Stock Exchange and the National Stock Exchange on 30 March 2022 for their approval.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 53. Details of subsidiaries at the end of the reporting period - continued

### d) Scheme of Amalgamation (Merger by Absorption) - Shouri Properties Private Limited with INOX Leisure Limited

At the meeting of the Board of Directors of the ILL held on 21 January 2022, the Board has approved the draft Scheme of Amalgamation (Merger by Absorption) ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("the Act") and relevant applicable sections of the act for amalgamation of SPPL with the ILL subject to approval of the Scheme by the Shareholders, Creditors of the respective Companies (if required), Hon'ble National Company Law Tribunal, Bench at Mumbai (NCLT Mumbai) and subject to approval of any other statutory authorities as may be required. Once sanctioned, the Scheme will be effective from the Appointed Date i.e., 1 February 2022. The first hearing at NCLT Mumbai was held on 12 April 2022 and the directions of NCLT Mumbai are awaited.

### e) Qualified Institutions Placement (QIP) of equity shares by INOX Leisure Limited (ILL) & additional investment in ILL by INOX Infrastructure Limited

INOX Leisure Limited (ILL) has allotted 96,77,419 equity shares at ₹ 310 per share (including premium of ₹ 300 per share) on 11 June 2021 under Qualified Institutions Placement (QIP). Further, INOX Infrastructure Limited has purchased 5,00,581 equity shares of ILL from the open market in December 2021. Consequently, the Group's holding in INOX Leisure Limited is changed to 43.56% from 46.85% as at 31 March 2022. 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.

### f) The financial year of the above entities is 1 April to 31 March.

### g) There are no restrictions on the holding company or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

## 54. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013

### a) Details of benami property held

No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

### b) Compliance with number of layers of companies

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

### c) Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

### d) Loans and advances granted to related party

The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 54. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013 - continued

### e) Undisclosed income

There is no income surrendered or disclosed as income during the current or preceding year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

### f) Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in crypto currency or virtual currency during the financial year.

### g) Utilisation of Borrowed funds and share premium

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### h) In case of borrowings from banks

#### i) Utilisation of borrowed funds

At the balance sheet date, the Group has used the borrowings from banks for the specific purpose for which it was taken.

#### ii) Security of current assets against borrowings

The Group does not have any borrowings from banks on the basis of security of current assets.

#### iii) Wilful defaulter

The Group is not declared wilful defaulter by any bank or financial institution or other lender.

#### iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 54. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013 - continued

### iv) i) Relationship with Struck off Companies

Details of struck off companies with whom the Group has transaction during the year or outstanding balance:

#### A) In respect of GFL Limited (holding company)

(₹ in Lakhs)					
Sr. No.	Name of Struck Off Company	Nature of transactions with struck off Company	Balance as at 31.03.2022	Balance as at 31.03.2021	Relationship with the Struck off company
1	Ashutosh Investment Private Limited	Unclaimed dividend	0.14	0.18	None
2	Avi Exim Private Limited	Unclaimed dividend	0.14	0.18	None
3	Kamla Holdings Private Limited	Unclaimed dividend	0.68	0.68	None
4	Meghna Finance and Investment Private Limited	Unclaimed dividend	0.14	0.14	None

Below struck off companies are equity shareholders of the holding company as on the Balance Sheet date

Sr. No.	Name of Struck Off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company
1	Dreams Broking Private Limited	Shares held by struck off company	None
2	Mittal Sales Private Limited	Shares held by struck off company	None
3	Kamla Holdings Private Limited	Shares held by struck off company	None
4	Meghna Finance and Investment Private Limited	Shares held by struck off company	None

#### B) In respect of INOX Leisure Limited (ILL)

Sr. No.	Name of Struck Off Company	Nature of transactions with struck off Company	Balance as at 31.03.2022 (Rs. in Lakhs)	Balance as at 31.03.2021 (Rs. in Lakhs)	Relationship with the Struck off company
1	Jaiswal Food Factory Private Limited	Amount payable	0.24	0.24	None

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 55. Disclosure of additional information as required by the Schedule III

### (a) As at and for the year ended 31 March 2022

(₹ 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
<b>Parent</b>								
<b>GFL Limited</b>	29.16%	31,215.55	(0.41%)	96.81	(0.40%)	(2.52)	(0.41%)	94.29
<b>Subsidiaries (Group's share)</b>								
<b>Indian Subsidiaries</b>								
INOX Infrastructure Limited	6.05%	6,478.15	0.10%	(23.35)	85.45%	538.12	(2.22%)	514.77
INOX Leisure Limited	64.70%	69,263.61	100.34%	(23,933.68)	14.95%	94.12	102.66%	(23,839.56)
Shouri Properties Private Limited	0.08%	84.89	*	(0.06)	-	-	*	(0.06)
INOX Leisure Limited Employees welfare trust	0.01%	7.99	0.04%	(9.56)	-	-	0.04%	(9.56)
<b>Indian Associates</b>								
Nexome Realty LLP	-	-	(0.07%)	17.63	-	-	(0.08%)	17.63
<b>Sub-total</b>	<b>100.00%</b>	<b>107,050.19</b>	<b>100.00%</b>	<b>(23,852.21)</b>	<b>100.00%</b>	<b>629.72</b>	<b>100.00%</b>	<b>(23,222.49)</b>
Consolidation eliminations/ adjustments		32,694.19		501.60		538.12		1,039.72
<b>Total</b>		<b>74,356.00</b>		<b>(24,353.81)</b>		<b>91.60</b>		<b>(24,262.21)</b>
<b>Break-up</b>								
Owners share		35,301.39		(11,126.50)		39.53		(11,086.97)
Minority Interest in all subsidiaries		39,054.61		(13,227.31)		52.07		(13,175.24)
<b>Total</b>		<b>74,356.00</b>		<b>(24,353.81)</b>		<b>91.60</b>		<b>(24,262.21)</b>

### (b) As at and for the year ended 31 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
<b>Parent</b>								
<b>GFL Limited</b>	30.97%	31,121.26	7.17%	(3,121.95)	7.03%	8.39	7.17%	(3,113.56)
<b>Subsidiaries (Group's share)</b>								
<b>Indian Subsidiaries</b>								
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
<b>Indian Associates</b>								
Nexome Realty LLP	-	-	(0.01%)	4.62	-	-	(0.01%)	4.62
In respect of subsidiaries & associates, part of discontinued business (see Note 50)	NA	NA	15.12%	(6,584.33)	(13.80%)	(16.48)	15.20%	(6,600.81)
<b>Sub-total</b>	<b>100.00%</b>	<b>100,478.24</b>	<b>100.00%</b>	<b>(43,552.00)</b>	<b>100.00%</b>	<b>119.42</b>	<b>100.00%</b>	<b>(43,432.58)</b>

(\*) Less than 0.01%

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 55. Disclosure of additional information as required by the Schedule III - continued

(₹ 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
Consolidation eliminations/ Adjustments		29,627.25		(554.46)		-		(554.46)
<b>Total</b>		<b>70,850.99</b>		<b>(42,997.54)</b>		<b>119.42</b>		<b>(42,878.12)</b>
<b>Break-up</b>								
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)
<b>Total</b>		<b>70,850.99</b>		<b>(42,997.54)</b>		<b>119.42</b>		<b>(42,878.12)</b>

(\*) less than 0.01%

## 56. Earnings/(Loss) per share

Basic earnings/(loss) per share:

### a) From continuing operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year (Rs. in Lakhs)	(24,353.81)	(33,567.98)
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 (Rs.)	1.00	1.00
Basic and diluted earnings/(loss) per share (Rs.)	(22.17)	(30.56)

### b) From discontinued operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year (Rs. in Lakhs)	-	(9,429.56)
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 (Rs.)	1.00	1.00
Basic and diluted earnings/(loss) per share (Rs.)	-	(8.58)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 56. Earnings/(Loss) per share - continued

### c) From total operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year (Rs. in Lakhs)	(24,353.81)	(42,997.54)
Weighted average number of equity shares for the purposes of basic earnings/(loss) per shares (nos.)	109,850,000	109,850,000
Nominal value of each share (Rs.)	1.00	1.00
Basic and diluted earnings/(loss) per share (Rs.)	(22.17)	(39.14)

As per our report of even date attached

### For Kulkarni and Company

Chartered Accountants

Firm's Reg. No: 140959W

### A. D. Talavlikar

Partner

Membership No: 130432

Place: Pune

Date: 6 May 2022

### For and on behalf of the Board of Directors

### D. K. JAIN

Managing Director

DIN: 00029782

Place: New Delhi

### Mukesh Patni

Chief Financial Officer

Place: New Delhi

Date: 6 May 2022

### Siddharth Jain

Director

DIN: 00030202

Place: Mumbai

### Bhavi Shah

Company Secretary

Place: Vadodara

## Notes

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**Disclaimer**

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forwardlooking statement, whether as a result of new information, future events, or otherwise.



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