



# GUJARAT FLUOROCHEMICALS LIMITED

(earlier known as Inox Fluorochemicals Limited)

CIN : U24304GJ2018PLC105479, Website : www.gfl.co.in , email : contact@gfl.co.in  
Registered Office: 16/3, 26 & 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat 389 380

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS

FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH, 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended 31 March 2020 (Audited)	Preceding Quarter ended 31 Dec 2019 (Unaudited)	Corresponding Quarter ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)
I	Revenue from operations	63,271	57,117	71,002	2,60,637	2,72,927
II	Other income	17,278	406	1,770	18,379	5,711
III	<b>Total Income (I+II)</b>	<b>80,549</b>	<b>57,523</b>	<b>72,772</b>	<b>2,79,016</b>	<b>2,78,638</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	19,905	21,804	22,507	95,389	95,583
	Purchases of stock-in-trade	-	28	43	57	58
	Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	2,602	(5,512)	(498)	(10,339)	(19,415)
	Material extraction and processing cost	796	966	343	3,893	343
	Power and fuel	10,773	11,679	11,204	48,128	50,153
	Employee benefits expense	4,901	5,084	4,636	20,488	17,983
	Foreign exchange fluctuation (gain)/loss (net)	(412)	(916)	(242)	(3,249)	(2,886)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	8,149	(748)	(658)	8,158	3,664
	Finance costs	3,299	2,773	1,438	10,479	5,616
	Depreciation and amortisation expense	4,927	4,790	4,380	19,241	16,437
	Other expenses	13,744	11,817	13,350	50,958	45,738
	<b>Total expenses (IV)</b>	<b>68,684</b>	<b>51,765</b>	<b>56,503</b>	<b>2,43,203</b>	<b>2,13,274</b>
V	Share of profit/(loss) of joint venture	*	*	(10)	*	(12)
VI	<b>Profit before exceptional items and tax (III-IV+V)</b>	<b>11,865</b>	<b>5,758</b>	<b>16,259</b>	<b>35,813</b>	<b>65,352</b>

VII	Exceptional items (see note 4)	-	-	(824)	(2,604)	(824)
VIII	<b>Profit before tax (VI+VII)</b>	<b>11,865</b>	<b>5,758</b>	<b>15,435</b>	<b>33,209</b>	<b>64,528</b>
IX	Tax expense					
	(1) Current tax	6,713	951	4,449	14,594	21,742
	(2) Deferred tax	473	889	510	814	1,022
	(3) Tax pertaining to earlier periods (see note 3)	2,120	(1)	(47,909)	(1,130)	(82,843)
	<b>Total tax expense</b>	<b>9,306</b>	<b>1,839</b>	<b>(42,950)</b>	<b>14,278</b>	<b>(60,079)</b>
X	<b>Profit for the period (VIII-IX)</b>	<b>2,559</b>	<b>3,919</b>	<b>58,385</b>	<b>18,931</b>	<b>1,24,607</b>
XI	<b>Other comprehensive income</b>					
	<b>A) Items that will not be reclassified to profit or loss</b>					
	Remeasurement of the defined benefit plan	8	17	18	(107)	(90)
	Income tax on above	(3)	(6)	(6)	37	31
	<b>B) Items that will be reclassified to profit or loss</b>					
	(a) Exchange differences in translating the financial statements of foreign operations	710	186	(169)	1,063	244
	(b) Gains and (losses) on effective portion of hedging instruments in a cash flow hedge	(70)	(117)	(64)	(213)	(79)
	Income tax on above	25	41	22	75	28
	<b>Total other comprehensive income (net of tax)</b>	<b>670</b>	<b>121</b>	<b>(199)</b>	<b>855</b>	<b>134</b>
XII	<b>Total comprehensive income for the period (Comprising Profit and Other Comprehensive Income for the period) (IX+X)</b>	<b>3,229</b>	<b>4,040</b>	<b>58,186</b>	<b>19,786</b>	<b>1,24,741</b>
	Profit/(Loss) for the year attributable to:					
	- Owners of the Company	2,851	4,057	58,471	19,632	1,24,855
	- Non-controlling interests	(292)	(138)	(86)	(701)	(248)
	Other comprehensive income for the year attributable to:					
	- Owners of the Company	709	132	(204)	908	130
	- Non-controlling interests	(39)	(11)	5	(53)	4
	Total comprehensive income for the year attributable to:					
	- Owners of the Company	3,560	4,189	58,267	20,540	1,24,985
	- Non-controlling interests	(331)	(149)	(81)	(754)	(244)
XIII	<b>Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>	<b>10,962</b>	<b>12,167</b>	<b>19,659</b>	<b>55,312</b>	<b>85,370</b>
XIV	Paid-up equity share capital (face value of Re 1 each)	1,099	1,099		1,099	
XV	Basic and Diluted Earnings per equity share of Re 1 each (in Rs.)	2.33**	3.57**		17.23	

(\*) amount is less than Rs. 1 Lakh

(\*\*) Not annualised

**AUDITED CONSOLIDATED BALANCE SHEET**

**(Rs.in Lakhs)**

Sr No	Particulars	As at 31 March 2020 (Audited)	As at 1 April 2019 (see note 2)
	<b>ASSETS</b>		
<b>(1)</b>	<b>Non-current assets</b>		
	(a) Property, plant & equipment	2,32,701	2,26,150
	(b) Capital work-in-progress	31,837	22,868
	(c) Right of use assets	5,107	-
	(d) Investment property	1,011	1,032
	(e) Other intangible assets	2,573	3,365
	(f) Investments accounted for using the equity method	88	88
	(g) Financial assets		
	(i) Other investments	19,038	34,085
	(ii) Loans	820	745
	(iii) Others financial assets	888	746
	(h) Deferred tax assets (net)	23,853	32,377
	(i) Other non-current assets	94,417	9,176
	(j) Income tax assets (net)	1,658	20,506
	<b>Sub-total</b>	<b>4,13,991</b>	<b>3,51,138</b>
<b>(2)</b>	<b>Current Assets</b>		
	(a) Inventories	81,283	64,206
	(b) Financial assets		
	(i) Investments	6,739	19
	(ii) Trade receivables	56,473	57,406
	(iii) Cash & cash equivalents	1,659	4,066
	(iv) Bank balances other than (iii) above	*	-
	(v) Loans	4,196	4,144
	(vi) Other financial assets	4,834	191
	(c) Current tax assets	30,691	-
	(d) Other current assets	6,830	10,692
	<b>Sub-total</b>	<b>1,92,705</b>	<b>1,40,724</b>
	<b>Total Assets</b>	<b>6,06,696</b>	<b>4,91,862</b>

Sr No	Particulars	As at 31 March 2020 (Audited)	As at 1 April 2019 (see note 2)
	<b>EQUITY &amp; LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	1,099	1,099
	(b) Other equity	3,70,462	3,49,922
	(c) Non-controlling interest	(1,069)	(315)
	<b>Sub-total</b>	<b>3,70,492</b>	<b>3,50,706</b>
	<b>LIABILITIES</b>		
<b>(1)</b>	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	47,872	18,571
	(ii) Other financial liabilities	1,475	150
	(b) Provisions	2,523	1,960
	(c) Deferred tax liabilities (net)	8	6
	<b>Sub-total</b>	<b>51,878</b>	<b>20,687</b>
<b>(2)</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,04,166	70,459
	(ii) Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	83	1
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	36,630	23,163
	(iii) Other financial liabilities	38,228	23,348
	(b) Other current liabilities	1,785	1,042
	(c) Provisions	1,391	1,274
	(d) Current tax liabilities (net)	2,043	1,182
	<b>Sub-total</b>	<b>1,84,326</b>	<b>1,20,469</b>
	<b>Total Equity &amp; Liabilities</b>	<b>6,06,696</b>	<b>4,91,862</b>

(\*) amount is less than Rs. 1 Lakh

**AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**

(Rs.in Lakhs)

	Particulars	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)
<b>A</b>	<b>Cash flow from operating activities</b>		
	<b>Profit for the year</b>	18,931	1,24,607
	Adjustments for:		
	Tax expense	14,278	(60,080)
	Depreciation and amortisation expense	19,241	16,437
	Gain on retirement /disposal of property, plant and equipment (net)	(3)	(583)
	Liabilities and provisions no longer required written back	(232)	(362)
	Deposits, advances and claims written off	512	275
	Exchange difference on translation of assets and liabilities	650	172
	Unrealised Foreign exchange gain -net	112	(326)
	Fair value (gain)/loss on investments	8,158	3,664
	Mark-to-market (gain)/loss on derivative financial instruments	(355)	(675)
	Allowance for doubtful trade receivables and expected credit losses (net of reversal)	190	(73)
	Share of loss of a joint venture	*	12
	Interest income	(17,051)	(282)
	Finance Costs	10,479	5,616
	<b>Operating profit before working capital changes</b>	<b>54,910</b>	<b>88,402</b>
	Adjustments for:		
	Increase/(decrease) in provisions	572	521
	Increase/(decrease) in trade payables	10,492	13,198
	Increase /(decrease) in other financial liabilities	493	(367)
	Increase /(decrease) in other liabilities	2,684	294
	(Increase) /decrease in loans	(398)	622
	(Increase)/decrease in inventories	(17,076)	(26,688)
	(Increase)/decrease in trade receivables	6,432	(15,309)
	(Increase)/decrease in other financial assets	(120)	(145)
	(Increase)/decrease in other assets	1,829	19,156
	<b>Cash generated from operations</b>	<b>59,818</b>	<b>79,684</b>
	Income-tax paid (net)	(5,178)	(1,502)
	<b>Net cash generated from operating activities</b>	<b>54,640</b>	<b>78,182</b>

<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of Property, Plant and Equipment (including change in capital work in progress and capital creditors/capital advances)	(1,19,610)	(52,056)
	Proceeds from disposal of property, plant and equipment	4	1,469
	Purchase of other investments	(5,000)	(56,451)
	Redemption of other investments	5,169	64,631
	Inter-corporate deposits given	-	(3,753)
	Inter-corporate deposits received back	225	2,974
	Interest and Dividend received (net of expenses)	21	434
	Movement in Bank deposits	(26)	*
	<b>Net cash used in investing activities</b>	<b>(1,19,217)</b>	<b>(42,752)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from borrowings - non current	49,178	10,166
	Repayment of borrowings - non current	(8,678)	(6,003)
	Proceeds from/(repayment of) current borrowings (net)	32,024	12,273
	Payment of lease liability	(289)	-
	Finance lease payment	-	(31)
	Finance costs	(10,066)	(5,394)
	<b>Net cash generated from financing activities</b>	<b>62,169</b>	<b>11,011</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,408)</b>	<b>46,441</b>
	Cash and cash equivalents as at the beginning of the period	944	
	Cash and cash equivalents received pursuant to demerger scheme	3,123	
	Cash and cash equivalents as at the end of the period	1,659	
Note: The above consolidated statement of cash flows has been prepared in accordance with 'Indirect Method' as set out in Ind AS 7: Statement of Cash Flows			

(\*) amount is less than Rs. 1 Lakh

**Notes:**

1. The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at its meeting held on 30th July, 2020. The Statutory Auditors of the Company have carried out the audit and have issued their unmodified opinion on the financial statements.
2. The Scheme of Arrangement for the demerger of Chemical Business Undertaking from Gujarat Fluorochemicals Limited, now known as GFL Limited (“the demerged company”) to Inox Fluorochemicals Limited, now known as Gujarat Fluorochemicals Limited (“the resulting company” or “the Company”) and the respective shareholders of the two companies, under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“the Scheme”) was approved by Honourable National Company Law Tribunal, Ahmedabad Bench on 4th July 2019. The said NCLT Order was filed by both the companies with the Registrar of Companies on 16th July, 2019 i.e. making the Scheme operative. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, including employees and investment in subsidiaries and joint venture pertaining to the said Chemical Business, stand transferred and vested into the Company from its Appointed Date i.e. 1st April 2019. Certain assets, particularly the immovable properties, are in the process of being registered in the name of the Company. Further, in respect of the secured loans transferred to the Company, the process of transfer of charges is in progress.

All the shareholders of the demerged company are allotted one fully paid-up equity share of Re. 1 each in the resulting company, for every one fully paid-up equity share of Re. 1 each held by them in the demerged company. The name of the Company was changed from Inox Fluorochemicals Limited to Gujarat Fluorochemicals Limited w.e.f. 26th July, 2019 and the equity shares of the Company are listed on BSE and NSE on 16th October 2019.

The Company was incorporated on 6th December 2018 as a wholly-owned subsidiary of the demerged company for the purpose of vesting of the demerged undertaking. As part of the Scheme, the shares of the Company held by the demerged company are cancelled. Accordingly, the Company has ceased to be a subsidiary of the demerged company and now is a subsidiary of Inox Leasing and Finance Limited.

The demerger is accounted as per ‘pooling of interest’ method in accordance with Appendix C of Ind AS 103 - Business Combinations, being common control business combination. Accordingly, the assets and liabilities pertaining to the Chemical Business Undertaking are recorded at their respective carrying values as appearing the books of the demerged company. The summary of the effect of the demerger on the consolidated financial statements is as under:

Particulars	Rs. in lakhs
Assets transferred and vested on demerger	4,91,861
Less: Liabilities transferred and vested on demerger	(1,41,155)
Net assets transferred and vested on demerger (a)	3,50,706
Total transferred reserves on demerger	3,49,888
Face value of fully paid-up equity shares issued to the shareholders of demerged company	1,099
Aggregate of transferred reserve and fresh issue of equity shares (b)	3,50,987
Net amount adjusted against the capital reserve (a) - (b)	(281)

In this case, as the Company was incorporated on 6th December 2018 and as per the Scheme the business combination has occurred on 1st April 2019 viz. the appointed date, for the purpose of meaningful comparison and fair presentation:

- a) The balance sheet as at 1st April 2019, after giving effect to the assets and liabilities of the demerged Chemical Business Undertaking (including those of the subsidiaries), transferred to and vested in the Company as at 1st April 2019, and the resulting changes in the share capital and other equity of the Company, are disclosed separately.

- b) The comparative figures of the profit and loss account and the cash flow statement of the demerged Chemical Business Undertaking (including those of the subsidiaries), transferred to and vested in the Company are also disclosed separately for the entire financial year 2018-19 viz. from 1st April 2018 to 31st March 2019
- c) The comparative figures of the profit and loss account for the quarter ended 31st March 2019 of the demerged Chemical Business Undertaking (including those of the subsidiaries), transferred to and vested in the Company are also given in the above results

The Company did not have any subsidiaries during the year ended 31st March 2019 and hence the consolidated financial statements for the year ended 31st March 2019 were not applicable. Investments by the demerged company in subsidiaries and joint venture pertaining to Chemical Business Undertaking are vested with the Company w.e.f. 1st April 2019 in terms of the Scheme. Accordingly, the first consolidated financial statements are prepared by the Company for the year ended 31st March 2020 and includes the financial statements of these subsidiaries and the joint venture.

- 3. After recording the assets and liabilities, acquired on demerger, at book values, the Company has reassessed and recomputed the deferred tax assets/liabilities which has resulted in increase in deferred tax liability by Rs. 2,591 lakhs, on account of non-availability of benefits u/s 80IA of the Income-tax Act to the Company in respect of the demerged captive power plants, which is charged to the statement of profit and loss and included in 'tax pertaining to earlier periods'. Further, on receipt of ITAT orders during the year, the Company is entitled to net incremental tax benefit of Rs. 3,713 lakhs for earlier periods in respect of the demerged Chemical Business Undertaking vested with the Company which is also included in the 'tax pertaining to earlier periods' in the above results. Interest of Rs. 11,969 lakhs on the resulting income-tax refunds is included in 'Other Income' during the quarter and year ended 31st March 2020. The Income-tax Department has contested the ITAT Orders before the Hon'ble Gujarat High Court / Supreme Court.
- 4. The 'exceptional items' in the above results represent
  - a) For the current year: Expenses in connection with the demerger scheme.
  - b) For the previous year: Non-utilization penalty for extension of time limit to utilize industrial plot
- 5. In view of the COVID-19 pandemic and consequential declaration of lockdown by the Government of India, the manufacturing facilities of the Company at Ranjitnagar and Dahej, Gujarat were closed from 25th March 2020. However, the Company was permitted to restart its manufacturing facilities from 8th April 2020 being 'essential commodity chemical supplier' to the pharma and agrochemical industries. The manufacturing activities of the Company were closed down only for a few days and with the subsequent easing of the lockdown guidelines, now the operations of the Company are significantly stabilized. On the basis of assessment of the current situation carried out by the Group, the COVID-19 pandemic has no material impact on the operations of the Group and is likely to be short term in nature. Given the continuing uncertainties of 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 Company's operations to be continuously monitored.
- 6. The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 "Leases", which is effective for accounting periods beginning on or after 1st April, 2019. Ind AS 116 supersedes the earlier Ind AS 17: Leases which was followed by the demerged company in respect of the Chemical Business Undertaking vested with the Company (see Note 2). As a lessor, the transition to Ind AS 116 does not have any impact on the financial statements of the Group. As a lessee, the Group has transitioned to Ind AS 116 using 'modified retrospective approach'. Under this approach, the Group has recognised lease liability measured at the present value of the remaining lease payments, discounted at the incremental borrowing rate as on the date of transition and right of use asset at an amount equal to lease liability. Further, the comparatives for the previous periods are not required to be restated. The adoption of this Ind AS does not have significant impact on the profit after tax for the current periods.
- 7. Payment of commission of Rs. 417 lakhs to a non-executive director and payment of capital advance of Rs. 70,440 lakhs to a related party requires approval of the shareholders in the forthcoming Annual General Meeting of the Company as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations.
- 8. The Group has a single operating segment viz. 'Chemicals'.



9. Figures for the quarter ended 31st March 2020 and the corresponding quarter for the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year.

Place: Noida

Date: 30th July 2020

On behalf of the Board of Directors  
For Gujarat Fluorochemicals Limited

A handwritten signature in black ink, appearing to read 'Vivek Jain', written in a cursive style.

Vivek Jain  
Managing Director



# GUJARAT FLUOROchemicals LIMITED

(earlier known as Inox Fluorochemicals Limited)

CIN : U24304GJ2018PLC105479, Website : www.gfl.co.in , email : contact@gfl.co.in  
Registered Office: 16/3, 26 & 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat 389 380

## STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS

### FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended 31 March 2020 (Audited)	Preceding Quarter ended 31 Dec 2019 (Unaudited)	Corresponding Quarter ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)
I	Revenue from operations	56,210	54,213	68,188	2,49,639	2,73,055
II	Other income	17,346	320	1,460	18,360	5,140
III	<b>Total Income (I+II)</b>	<b>73,556</b>	<b>54,533</b>	<b>69,648</b>	<b>2,67,999</b>	<b>2,78,195</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	19,527	21,195	22,086	94,693	93,395
	Purchases of stock-in-trade	-	28	43	57	58
	Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	(564)	(4,238)	(468)	(7,471)	(11,748)
	Power and fuel	10,662	11,551	11,226	47,629	50,079
	Employee benefits expense	4,419	4,626	4,274	18,661	16,512
	Foreign exchange fluctuation (gain)/loss (net)	(976)	(738)	(320)	(3,767)	(3,246)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	8,149	(748)	3,664	8,158	3,664
	Finance costs	3,262	2,686	1,403	10,138	5,571
	Depreciation and amortisation expense	4,500	4,364	4,232	17,607	16,162
	Other expenses	12,797	11,002	7,802	47,388	42,686
	<b>Total expenses (IV)</b>	<b>61,776</b>	<b>49,728</b>	<b>53,942</b>	<b>2,33,093</b>	<b>2,13,133</b>

<b>V</b>	<b>Profit before exceptional items and tax (III-IV)</b>	<b>11,780</b>	<b>4,805</b>	<b>15,706</b>	<b>34,906</b>	<b>65,062</b>
<b>VI</b>	Exceptional items (see note 4)	-	-	(824)	(2,604)	(824)
<b>VII</b>	<b>Profit before tax (V+VI)</b>	<b>11,780</b>	<b>4,805</b>	<b>14,882</b>	<b>32,302</b>	<b>64,238</b>
<b>VIII</b>	<b>Tax expense</b>					
	(1) Current tax	6,506	854	4,356	13,922	20,838
	(2) Deferred tax	298	652	337	507	1,634
	(3) Tax pertaining to earlier periods (see note 3)	2,120	-	(47,915)	(1,122)	(82,852)
	<b>Total tax expense</b>	<b>8,924</b>	<b>1,506</b>	<b>(43,222)</b>	<b>13,307</b>	<b>(60,380)</b>
<b>IX</b>	<b>Profit for the period (VII-VIII)</b>	<b>2,856</b>	<b>3,299</b>	<b>58,104</b>	<b>18,995</b>	<b>1,24,618</b>
<b>X</b>	<b>Other Comprehensive Income</b>					
	<b>A) Items that will not be reclassified to profit or loss</b>					
	Remeasurement of the defined benefit plan	8	17	17	(107)	(90)
	Income tax on above	(3)	(6)	(7)	37	31
	<b>B) Items that will be reclassified to profit or loss</b>					
	Gains and (losses) on effective portion of hedging instruments in a cash flow hedge	(70)	(117)	(64)	(213)	(79)
	Income tax on above	24	41	23	74	28
	<b>Total other comprehensive income (net of tax)</b>	<b>(41)</b>	<b>(65)</b>	<b>(31)</b>	<b>(209)</b>	<b>(110)</b>
<b>XI</b>	<b>Total comprehensive income for the period (Comprising Profit and Other Comprehensive Income for the period) (IX+X)</b>	<b>2,815</b>	<b>3,234</b>	<b>58,073</b>	<b>18,786</b>	<b>1,24,508</b>
<b>XII</b>	<b>Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>	<b>10,345</b>	<b>10,787</b>	<b>23,545</b>	<b>52,449</b>	<b>85,319</b>
<b>XIII</b>	Paid-up equity share capital (face value of Re 1 each)	1,099	1,099		1,099	
<b>XIV</b>	Other Equity (excluding revaluation reserves) as shown in the audited balance sheet of the previous year – see note 2(b)					
<b>XV</b>	Basic and Diluted Earnings per equity share of Re. 1 each (in Rs.)	2.60*	3.00*		17.29	

See also note no. 2(b)

(\*) Not Annualised

**AUDITED STANDALONE BALANCE SHEET**

(Rs.in Lakhs)

Sr. No.	Particulars	As at 31 March 2020 (Audited)	As at 1 April 2019 (see note 2)	As at 31 March 2019 (Audited) (see note 2)
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, plant & equipment	2,23,065	2,15,683	-
	(b) Capital work-in-progress	31,837	22,868	-
	(c) Right of use assets	4,534	-	-
	(d) Investment property	1,011	1,032	-
	(e) Other intangible assets	1,891	2,629	-
	(f) Financial assets			
	(i) Investments			
	a) Investments in subsidiaries	8,706	8,706	-
	b) Investments in joint venture	118	118	-
	c) Other investments	19,038	34,085	-
	(ii) Loans	734	684	-
	(iii) Other non-current financial assets	888	746	-
	(g) Deferred tax assets (net)	23,308	31,526	-
	(h) Income tax assets (net)	1,630	20,506	-
	(i) Other non-current assets	93,040	7,894	-
	<b>Sub-total</b>	<b>4,09,800</b>	<b>3,46,477</b>	<b>-</b>
(2)	<b>Current assets</b>			
	(a) Inventories	65,863	53,031	-
	(b) Financial assets			
	(i) Other investments	6,739	19	-
	(ii) Trade receivables	63,965	65,729	-
	(iii) Cash & cash equivalents	983	3,124	1
	(iv) Bank balances other than (iii) above	*	-	-
	(v) Loans	4,073	4,005	-
	(vi) Other current financial assets	5,297	244	-
	(c) Current tax assets	30,691	-	-
	(d) Other current assets	8,251	10,451	-
	<b>Sub-total</b>	<b>1,85,862</b>	<b>1,36,603</b>	<b>1</b>
	<b>Total assets</b>	<b>5,95,662</b>	<b>4,83,080</b>	<b>1</b>

	<b>EQUITY &amp; LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	1,099	1,099	1
	(b) Other equity	3,68,143	3,49,357	(1)
	<b>Sub-total</b>	<b>3,69,242</b>	<b>3,50,456</b>	<b>-</b>
	<b>LIABILITIES</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	46,439	15,896	-
	(ii) Other non-current financial liabilities	1,075	150	-
	(b) Provisions	2,523	1,960	-
	<b>Sub-total</b>	<b>50,037</b>	<b>18,006</b>	<b>-</b>
(2)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	1,02,697	69,345	-
	(ii) Trade payables			
	a) total outstanding dues of micro enterprises and small enterprises	83	1	-
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	33,892	21,908	-
	(iii) Other current financial liabilities	35,624	20,928	1
	(b) Other current liabilities	1,554	920	-
	(c) Provisions	1,365	1,254	-
	(d) Current tax liabilities (net)	1,168	262	-
	<b>Sub-total</b>	<b>1,76,383</b>	<b>1,14,618</b>	<b>1</b>
	<b>Total equity &amp; liabilities</b>	<b>5,95,662</b>	<b>4,83,080</b>	<b>1</b>

(\*) Amount is less than Rs. 1 Lakh

**AUDITED STANDALONE STATEMENT OF CASH FLOWS**

(Rs.in Lakhs)

Particulars		Year ended 31 March 2020 (audited)	Year ended 31 March 2019 (audited)	Year ended 31 March 2019 in respect of the demerged Chemical Business Undertaking vested (see note 2)
<b>A</b>	<b>Cash flow from operating activities</b>			
	<b>Profit/(Loss) for the year</b>	<b>18,995</b>	<b>(1)</b>	<b>1,24,618</b>
	<b>Adjustments for:</b>			
	Tax expense	13,307	-	(60,380)
	Depreciation and amortisation expense	17,607	-	16,162
	Gain on retirement /disposal of property, plant and equipment (net)	(3)	-	(*)
	Allowance for doubtful trade receivables and expected credit losses (net of reversal)	190	-	(73)
	Bad debts and remissions (net)	-	-	*
	Liabilities and provisions no longer required, written back	(232)	-	(351)
	Deposits, advances and claims written off	512	-	275
	Unrealised foreign exchange (gain)/loss (net)	112	-	(331)
	Fair value (gain)/loss on investments	8,158	-	3,664
	Mark-to-market (gain)/loss on derivative financial instruments	(355)	-	(675)
	Interest income	(17,102)	-	(340)
	Finance costs	10,138	-	5,571
	<b>Operating profit/(loss) before working capital changes</b>	<b>51,327</b>	<b>(1)</b>	<b>88,140</b>
	<b>Movements in working capital:</b>			
	Increase/(decrease) in provisions	567	-	512
	Increase/(decrease) in trade payables	11,958	-	1,508
	Increase /(decrease) in other financial liabilities	474	1	(639)
	Increase /(decrease) in other liabilities	635	-	(105)
	(Increase)/decrease in loans	(393)	-	741
	(Increase)/decrease in inventories	(12,831)	-	(18,415)
	(Increase)/decrease in trade receivables	3,862	-	(10,737)
	(Increase)/decrease in other financial assets	96	-	(25)
	(Increase)/decrease in other assets	2,147	-	20,201
	<b>Cash generated from operations</b>	<b>57,842</b>	<b>-</b>	<b>81,181</b>
	Income-tax paid (net)	(4,410)	-	(1,271)
	<b>Net cash generated from operating activities</b>	<b>53,432</b>	<b>-</b>	<b>79,910</b>

<b>B</b>	<b>Cash flow from investing activities</b>			
	Purchase of property, plant and equipment (including changes in capital work in progress and capital creditors/capital advances)	(1,19,538)	-	(50,962)
	Proceeds from disposal of property, plant and equipment	4	-	5
	Investment in shares of subsidiary company	-	-	(2,118)
	Purchase of other investments	(5,000)	-	(56,451)
	Redemption/sale of investments	5,169	-	64,631
	Inter-corporate deposits/loans given	-	-	(3,753)
	Inter-corporate deposits/loans received back	225	-	2,974
	Interest and dividend received	72	-	492
	Movement in other bank balances	(26)	-	(*)
	<b>Net cash used in investing activities</b>	<b>(1,19,094)</b>	<b>-</b>	<b>(45,182)</b>
<b>C</b>	<b>Cash flow from financing activities</b>			
	Proceeds from non-current borrowings	49,178	-	10,166
	Repayment of non-current borrowings	(7,467)	-	(4,991)
	Proceeds from/(repayment of) current borrowings (net)	31,668	-	12,071
	Shares issued during the period	-	1	-
	Finance lease payment	(113)	-	-
	Finance costs	(9,745)	-	(5,360)
	<b>Net cash generated from financing activities</b>	<b>63,521</b>	<b>1</b>	<b>11,886</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,141)</b>	<b>1</b>	<b>46,614</b>
	Cash and cash equivalents as at the beginning of the period	1	-	
	Cash and cash equivalents received pursuant to Demerger scheme	3,123	-	
	Cash and cash equivalents as at the end of the period	983	1	
Note: The above standalone statement of cash flows has been prepared in accordance with 'Indirect Method' as set out in Ind AS 7: Statement of Cash Flows				

(\*) Amount is less than Rs. 1 Lakh

**Notes:**

1. The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at its meeting held on 30th July, 2020. The Statutory Auditors of the Company have carried out the audit and have issued their unmodified opinion on the financial statements.
2. The Scheme of Arrangement for the demerger of Chemical Business Undertaking from Gujarat Fluorochemicals Limited, now known as GFL Limited (“the demerged company”) to Inox Fluorochemicals Limited, now known as Gujarat Fluorochemicals Limited (“the resulting company” or “the Company”) and the respective shareholders of the two companies, under Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“the Scheme”) was approved by Honourable National Company Law Tribunal, Ahmedabad Bench on 4th July 2019. The said NCLT Order was filed by both the companies with the Registrar of Companies on 16th July, 2019 i.e. making the Scheme operative. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, including employees and investment in subsidiaries and joint venture pertaining to the said Chemical Business, stand transferred and vested into the Company from its Appointed Date i.e. 1st April 2019. Certain assets, particularly the immovable properties, are in the process of being registered in the name of the Company. Further, in respect of the secured loans transferred to the Company, the process of transfer of charges is in progress.

All the shareholders of the demerged company are allotted one fully paid-up equity share of Re. 1 each in the resulting company, for every one fully paid-up equity share of Re. 1 each held by them in the demerged company. The name of the Company was changed from Inox Fluorochemicals Limited to Gujarat Fluorochemicals Limited w.e.f. 26<sup>th</sup> July, 2019 and the equity shares of the Company are listed on BSE and NSE on 16th October 2019.

The Company was incorporated on 6th December 2018 as a wholly-owned subsidiary of the demerged company for the purpose of vesting of the demerged undertaking. As part of the Scheme, the shares of the Company held by the demerged company are cancelled. Accordingly, the Company has ceased to be a subsidiary of the demerged company and now is a subsidiary of Inox Leasing and Finance Limited.

The demerger is accounted as per ‘pooling of interest’ method in accordance with Appendix C of Ind AS 103 - Business Combinations, being common control business combination. Accordingly, the assets and liabilities pertaining to the Chemical Business Undertaking are recorded at their respective carrying values as appearing the books of the demerged company. The summary of effect of the demerger is as under:

Particulars	Rs. in lakhs
Assets transferred and vested on demerger	4,83,079
Less: Liabilities transferred and vested on demerger	(1,32,623)
Net assets transferred and vested on demerger (a)	3,50,456
Total transferred reserves on demerger	3,49,638
Face value of fully paid-up equity shares issued to the shareholders of demerged company	1,099
Aggregate of transferred reserve and fresh issue of equity shares (b)	3,50,737
Net amount adjusted against the capital reserve (a) - (b)	(281)

In this case, as the Company was incorporated on 6th December 2018 and as per the Scheme the business combination has occurred on 1st April 2019 viz. the appointed date, for the purpose of meaningful comparison and fair presentation:

- a) The balance sheet as at 1st April 2019, after giving effect to the assets and liabilities of the demerged Chemical Business Undertaking transferred to and vested in the Company as at 1st April 2019, and the resulting changes in the share capital and other equity of the Company, are disclosed separately.



- b) The amounts for the quarter and year ended 31st March 2019 of the Company viz. prior to demerger are as under:  
(Rs. In Lakhs)

Sr. No.	Particulars	Quarter ended 31 March 2019 (Audited)	Year ended 31 March 2019 (Audited)
I	Total Income	-	-
II	Expenses		
	Other expenses	1	1
III	<b>Loss for the period</b>	<b>(1)</b>	<b>(1)</b>
IV	<b>Total comprehensive income for the period</b>	<b>(1)</b>	<b>(1)</b>
V	Other Equity (excluding revaluation reserves) as shown in the audited balance sheet of the previous year		(1)

- c) The comparative figures of the profit and loss account and the cash flow statement of the demerged Chemical Business Undertaking vested in the Company are also disclosed separately for the entire financial year 2018-19 viz. from 1st April 2018 to 31st March 2019
- d) The comparative figures of the profit and loss account for the quarter ended 31<sup>st</sup> March 2019 of the demerged Chemical Business Undertaking are also given in the above results
3. After recording the assets and liabilities, acquired on demerger, at book values, the Company has reassessed and recomputed the deferred tax assets/liabilities which has resulted in increase in deferred tax liability by Rs. 2,591 lakhs, on account of non-availability of benefits u/s 80IA of the Income-tax Act to the Company in respect of the demerged captive power plants, which is charged to the statement of profit and loss and included in 'tax pertaining to earlier periods'. Further, on receipt of ITAT orders during the year, the Company is entitled to net incremental tax benefit of Rs. 3,713 lakhs for earlier periods in respect of the demerged Chemical Business Undertaking vested with the Company which is also included in 'tax pertaining to earlier periods' in the above results. Interest of Rs. 11,969 lakhs on the resulting income-tax refunds is included in 'Other Income' during the quarter and year ended 31st March 2020. The Income-tax Department has contested the ITAT Orders before the Hon'ble Gujarat High Court / Supreme Court.
4. The 'exceptional items' in the above results represent
- For the current year: Expenses in connection with the demerger scheme.
  - For the previous year: Non-utilization penalty for extension of time limit to utilize industrial plot
5. In view of the COVID-19 pandemic and consequential declaration of lockdown by the Government of India, the manufacturing facilities of the Company at Ranjitnagar and Dahej, Gujarat were closed from 25th March 2020. However, the Company was permitted to restart its manufacturing facilities from 8th April 2020 being 'essential commodity chemical supplier' to the pharma and agrochemical industries. The manufacturing activities of the Company were closed down only for a few days and with the subsequent easing of the lockdown guidelines, now the operations of the Company are significantly stabilized. On the basis of assessment of the current situation carried out by the Company, the COVID-19 pandemic has no material impact on its operations and is likely to be short term in nature. Given the continuing uncertainties of 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 Company's operations to be continuously monitored.
6. The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 "Leases", which is effective for accounting periods beginning on or after 1st April, 2019. Ind AS 116 supersedes the earlier Ind AS 17: Leases which was followed by the demerged company in respect of the Chemical Business Undertaking vested with the Company (see Note 2). As a lessor, the transition to Ind AS 116 does not have any impact on the financial statements of the Company. As a lessee, the Company has transitioned to Ind AS 116 using 'modified retrospective approach'. Under this approach, the Company has recognised lease liability measured at the present value of the remaining lease payments, discounted at the incremental borrowing rate as on the date of transition and right of use asset at an amount equal to lease liability. Further, the comparatives for the previous periods are not required to be restated. The adoption of this Ind AS does not have significant impact on the profit after tax for the current periods.

7. Payment of commission of Rs. 417 lakhs to a non-executive director and payment of capital advance of Rs 70,440 lakhs to a related party requires approval of the shareholders in the forthcoming Annual General Meeting as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations.
8. The Company has a single operating segment viz. 'Chemicals'.
9. Figures for the quarter ended 31st March 2020 and the corresponding quarter for the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year.

Place: Noida

Date: 30th July 2020

On behalf of the Board of Directors  
For Gujarat Fluorochemicals Limited



Vivek Jain  
(Managing Director)