

**GFCL  
SOLAR AND GREEN  
HYDROGEN PRODUCTS  
LIMITED**

**1<sup>st</sup>  
ANNUAL REPORT**

**2021-2022**

**Independent Auditor's Report to the members of GFCL Solar and Green Hydrogen Products Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **GFCL Solar and Green Hydrogen Products Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period beginning 8 December 2021 (date of incorporation) and ending on 31 March 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 loss and total comprehensive income, changes in equity and its cash flows for the period beginning 8 December 2021 and ending on 31 March 2022.

**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 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 financial statements under the provisions of the Act and the Rules made thereunder, 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 financial statements.

**Information Other than the 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 the Board's Report, including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

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





**Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period ended 31 March 2022 (continued)**

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

In preparing the 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

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**Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period ended 31 March 2022 (continued)**

- Identify and assess the risks of material misstatement of the 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 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 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 financial statements, including the disclosures, and whether the 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.

**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.



**Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period ended 31 March 2022 (continued)**

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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; and
  - iii. There were no amounts which were 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, whether, 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 entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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

*(Handwritten signature)*



**Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited  
on the financial statements for the period ended 31 March 2022 (continued)**

- (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 period.

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

S.S. Malani

S S Malani  
Partner  
Membership No. 110051  
UDIN: 22110051AIVPWT2835

Place: Vadodara  
Date: 12 May 2022



**Annexure I to Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period 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 terms 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 the 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 and the 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 points of time during the period, 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 made investments, provided any guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the period and accordingly, the requirement to report on clause 3(iii)(a) and 3(iii)(b) of the Order is not applicable to the Company.  
(b) 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 not made any investments in or granted any loans or provided any guarantees or security covered under section 185 and section 186 of the Companies Act, 2013.
- 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 Companies 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 Company is yet to commence commercial activity and hence the Company is not required to maintain cost records under section 148(1) of the Act.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and service tax, income-tax, and other material statutory dues applicable to it. There are no undisputed dues relating to provident fund, Employees' State Insurance, sales tax, service tax, duty of excise, value added tax and cess. There are no undisputed amounts payable in respect these statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.  
(b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes.





**Annexure I to Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period ended 31 March 2022 (continued)**

- 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 taken any loans or other borrowings from any lender and accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.  
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.  
(c) The Company has not taken any term loan and accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable.  
(d) There are no funds raised on short term basis and accordingly, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.  
(e) The Company does not have any subsidiaries, associates or joint venture and accordingly, the requirement to report on clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the period.  
(b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).
- xi. (a) No fraud by the Company or on the Company has been noticed or reported during the period.  
(b) During the period, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
(c) There are no whistle-blower complaints received by the Company during the period.
- 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.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and the nature of its business.  
(b) The provision of section 138 of the Act in respect of appointment of an internal auditor is not applicable to the Company and accordingly, the requirement to report on clause 3(xiv)(b) of the Order is not applicable to the Company.
- 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.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).  
b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the period.







**Annexure I to Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period ended 31 March 2022 (continued)**

- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
d) There is no CIC in the Group.
- xvii. The Company has incurred cash losses in the current financial period amounting to Rs. 1.70 lakhs and this is the first financial year of the Company.
- xviii. There has been no resignation of the statutory auditors during the period.
- 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.
- xx. The provisions of section 135 of the Act in respect of Corporate Social Responsibility (CSR) are not applicable to the Company and accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

Place: Vadodara  
Date: 12 May 2022

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

*S.S. Malani*

S S Malani  
Partner  
Membership No. 110051



**Annexure II to Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period 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 **GFCL Solar and Green Hydrogen Products Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the period 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.



Annexure II to Independent auditor's report to the members of GFCL Solar and Green Hydrogen Products Limited on the financial statements for the period 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*)

#### 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.

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

S.S. Malani

S S Malani  
Partner  
Membership No. 110051

Place: Vadodara  
Date: 12 May 2022



GFCL Solar and Green Hydrogen Products Limited  
Balance Sheet as at 31 March 2022

Particulars	Note No.	(Rs. in Lakhs)
		As at 31 March 2022
<b>ASSETS</b>		
<b>(1) Current assets</b>		
(a) Financial assets		
(i) Cash and cash equivalents	5	0.31
(ii) Other current financial assets	6	0.10
(b) Other current assets	7	0.05
<b>Sub-total</b>		<b>0.46</b>
<b>Total Assets</b>		<b>0.46</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	8	1.00
(b) Other equity	9	(1.70)
<b>Sub-total</b>		<b>(0.70)</b>
<b>LIABILITIES</b>		
<b>(1) Current liabilities</b>		
(a) Financial liabilities		
(i) Trade Payables	10	-
(a) total outstanding dues of micro enterprises and small enterprises		1.12
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
(b) Other current liabilities	11	0.04
<b>Sub-total</b>		<b>1.16</b>
<b>Total Equity and Liabilities</b>		<b>0.46</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

**For Patankar & Associates**

Chartered Accountants

Firm's Registration No. 107628W

*S.S. Malani*

**S. S. Malani**

Partner

Membership No. 110051

Place: Vadodara

Date : 12 May 2022



**For GFCL Solar and Green Hydrogen Products Limited**

*V. K. Jain*

**V. K. Jain**

Director

DIN: 00029968

Place: Noida

Date : 12 May 2022

*Devansh Jain*

**Devansh Jain**

Director

DIN: 01819331

GFCL Solar and Green Hydrogen Products Limited  
Statement of Profit and Loss for the period ended 31 March 2022

Particulars	Note No.	(Rs. in Lakhs)
		From 8 December 2021 to 31 March 2022
Expenses		
Other expenses	12	1.70
Total expenses		1.70
Loss for the period		(1.70)
Other comprehensive income		-
Total comprehensive income for the period (comprising loss and other comprehensive income for the		(1.70)
Basic and Diluted loss per equity share of Re. 1 each (In Rs.)	19	(1.70)

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W

*S.S. Malani*

S. S. Malani

Partner

Membership No. 110051

Place: Vadodara

Date : 12 May 2022



For GFCL Solar and Green Hydrogen Products Limited

*V. K. Jain*

V. K. Jain

Director

DIN: 00029968

Place: Noida

Date : 12 May 2022

*Devansh Jain*

Devansh Jain

Director

DIN: 01819331

*[Signature]*

GFCL Solar and Green Hydrogen Products Limited  
Statement of Changes in Equity for the period ended 31 March 2022

A: Equity Share Capital

Particulars	(Rs. in Lakhs)
Issue of equity share capital on 8 December 2021	1.00
Balance as at 31 March 2022	1.00

B: Other Equity

Particulars	(Rs. in Lakhs)
	Retained earnings
Loss for the period	(1.70)
Total comprehensive income for the period	(1.70)
Balance as at 31 March 2022	(1.70)

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W



S. S. Malani

Partner

Membership No. 110053



Place: Vadodara

Date : 12 May 2022

For GFCL Solar and Green Hydrogen  
Products Limited



V. K. Jain

Director

DIN: 00029968

Place: Noida

Date : 12 May 2022



Devansh Jain

Director

DIN: 01819331



GFCL Solar and Green Hydrogen Products Limited  
Statement of Cash Flows for the period ended 31 March 2022

Particulars	(Rs. in Lakhs)	
	From 8 December 2021 to 31 March 2022	
<b>Cash flows from operating activities</b>		
Loss for the period		(1.70)
<b>Operating loss before working capital changes</b>		<b>(1.70)</b>
<b>Movements in working capital:</b>		
(Increase)/decrease in other financial assets		(0.10)
(Increase)/decrease in other assets		(0.05)
Increase/(decrease) in trade payables		1.12
Increase/(decrease) in other liabilities		0.04
<b>Cash used in operations</b>		<b>(0.69)</b>
Income taxes paid (net)		-
<b>Net cash used in operating activities</b>		<b>(0.69)</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued		1.00
<b>Net cash generated from financing activities</b>		<b>1.00</b>
<b>Net increase in cash and cash equivalents</b>		<b>0.31</b>
Cash and cash equivalents at the beginning of the year		-
<b>Cash and cash equivalents at the end of the year</b>		<b>0.31</b>

**Notes:**

1. The above statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per note 5
3. The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Patankar & Associates**

Chartered Accountants

Firm's Registration No. 107628W

*S.S. Malani*

**S. S. Malani**

Partner

Membership No. 110051

Place: Vadodara

Date : 12 May 2022

*[Signature]*



**For GFCL Solar and Green Hydrogen Products Limited**

*[Signature]*

**V. K. Jain**

Director

DIN: 00029968

Place: Noida

Date : 12 May 2022

**Devansh Jain**

Director

DIN: 01819331

**GFCL Solar and Green Hydrogen Products Limited**  
**Notes to the financial statements for the period ended 31 March 2022**

**1. Company information**

GFCL Solar and Green Hydrogen Products Limited (the "Company" or "GFCL SOLAR") is incorporated on 8 December 2021 under the Companies Act, 2013 and is a wholly owned subsidiary of Gujarat Fluorochemicals Limited ("the Holding Company"). Inox Leasing and Finance Limited is the ultimate holding company. The Company's registered office is located at Survey No 16/3, 26 & 27 Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380.

The Company is in the process of setting up a plant for manufacturing PVDF Films, back-sheet used in solar panel and allied products and also going to manufacture Fluoropolymers required for the hydrogen electrolyzers, fuel cells and charging stations. The company is yet to commence its commercial operations.

**2. Statement of compliance and basis of preparation and presentation**

**2.1 Statement of Compliance**

These financial statements of the Company 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.

These financial statements were authorized for issue by the Company's Board of Directors on 12 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.

The Company is incorporated on 8 December 2021 and these financial statements are the first financial statements of the Company, prepared for the period 8 December 2021 to 31 March 2022. Hence, there are no corresponding amounts for previous period.

These financial statements have been prepared on an accrual basis and the historical cost basis except for certain financial assets and liabilities are measured at fair value or amortised cost (refer accounting policy regarding financial instruments)

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

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

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

Any asset or liability is classified as current if it satisfies any of the following conditions:





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- the asset/liability is expected to be realized/settled in the Company'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 Company 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 Company has ascertained its normal operating cycle as twelve months.

### 2.3 New accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. 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 Provisions, Contingent Liabilities & Contingent Assets: 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 Company does not expect the above amendments to have any impact on its financial statements.

### 3. Significant Accounting Policies

#### 3.1 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.

#### The Company as lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.



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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.

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.

### **3.2 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.





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Presentation of current and deferred tax:

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

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

**3.3 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.

**3.4 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



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are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

**b) Effective interest method**

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

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

**c) Subsequent measurement:**

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

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

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

**i. Financial assets measured at amortized cost:**

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

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances 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.



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**iii. Financial assets measured at FVTPL:**

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

**a) Foreign exchange gains and losses**

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

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

**b) Derecognition:**

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

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

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

**c) Impairment of financial assets**

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

- i. Financial assets measured at amortized cost.
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)



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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.



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The Company has not designated any financial liability as at FVTPL.

**c) Derecognition of financial liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

**3.5 Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss 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 or loss 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 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 significant effects on the amounts recognized in these financial statements

**a) 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. In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Judgment is required to determine the probability of such potential liabilities actually crystallising. In case the probability is low, the same is treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements.





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Notes to the financial statements for the period ended 31 March 2022

Particulars	(Rs. in Lakhs)
	As at 31 March 2022
<b>5. Cash and cash equivalents</b>	
Balances with banks	
In current account	0.31
<b>Total</b>	<b>0.31</b>
<b>6. Other financial assets</b>	
Current	
Security Deposit	0.10
<b>Total</b>	<b>0.10</b>
<b>7. Other current assets</b>	
Advance to suppliers	
Balance with government authorities:	
Balance in GST accounts	0.05
<b>Total</b>	<b>0.05</b>





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Particulars	(Rs. in Lakhs)
	As at 31 March 2022
<b>8. Equity share capital</b>	
<b>Authorised capital</b>	
1,00,000 equity shares of Re. 1 each	1.00
<b>Issued, subscribed and paid up</b>	
1,00,000 equity shares of Re. 1 each fully paid up	1.00
	<u>1.00</u>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

Particulars	As at 31 March 2022	
	No. of shares	(Rs. in Lakhs)
Shares issued during the period	1,00,000	1.00
<b>Shares outstanding at the end of the year</b>	<b>1,00,000</b>	<b>1.00</b>

**(b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 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.

**(c) Shares held by holding company**

Particulars	As at 31 March 2022	
	No. of shares	(Rs. in Lakhs)
Gujarat Fluorochemicals Limited (*)	1,00,000	1.00

**(d) Details of shareholders holding more than 5% shares in the Company:**

Name of shareholder	As at 31 March 2022	
	No. of shares	Holding %
Gujarat Fluorochemicals Limited (*)	1,00,000	100.00%

**(e) Shareholding of promoters:**

Name of promoters	As at 31 March 2022	
	No. of shares	Holding %
Gujarat Fluorochemicals Limited (*)	1,00,000	100.00%

The Company is incorporated on 8 December 2021 and all the shares are issued during the year.

(\*) Includes shares held by nominee shareholders.

*AX*



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Particulars	(Rs. in Lakhs)
	As at 31 March 2022
<b>9. Other Equity</b>	
Retained earnings	(1.70)
<b>Total</b>	<b>(1.70)</b>

Particulars	As at 31 March 2022
	Retained earnings
<b>Balance at the end of the year</b>	<b>(1.70)</b>

Particulars	As at 31 March 2022
	<b>10. Trade Payables</b>
a) total outstanding dues of micro enterprises and small enterprises	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1.12
<b>Total</b>	<b>1.12</b>

The above trade payables are undisputed and are outstanding for a period less than 1 year from the due date of payment and includes unbilled dues of Rs. 1.00 Lakh.

There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company.

Particulars	As at 31 March 2022
	<b>11. Other Current liabilities</b>
Statutory dues and taxes payable	0.04
<b>Total</b>	<b>0.04</b>



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Particulars	(Rs. in Lakhs)
	Period ended 31 March 2022
<b>12. Other expenses</b>	
Rent	0.08
Legal and professional fees and expenses	1.62
<b>Total</b>	<b>1.70</b>



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**Notes to the financial statements for the period ended 31 March 2022**

**13. Payment to Auditors:**

(Rs. in Lakhs)

Particulars	Period ended 31 March 2022
Statutory Audit	1.00

Note: The above amount is exclusive of GST.

**14. Related party transactions**

**(i) Where control exists:**

- a) Gujarat Fluorochemicals Limited (GFL) - the holding company
- b) Inox Leasing and Finance Limited - ultimate holding company
- c) Mr. V. K. Jain - ultimate controlling party

**(ii) Particulars of transactions**

(Rs. in Lakhs)

Particulars	Period ended 31 March 2022
<b>A) Transactions during the year</b>	
<b>With parties where control exists</b>	
(a) Issue of share capital	
Gujarat Fluorochemicals Limited	1.00
(b) Rent paid	
Gujarat Fluorochemicals Limited	0.08

(Rs. in Lakhs)

Particulars	With parties where control exists
<b>B) Balances at the end of the year</b>	
(a) Amounts payable	
<b>(i) Other payables</b>	
Gujarat Fluorochemicals Limited	0.09

**Notes:**

- (a) Amounts outstanding are unsecured and will be settled in cash.
- (b) There have been no guarantees, received or provided, for any related party receivables or payables.

**15. Operating lease arrangements**

Leasing arrangement in respect of operating lease for office premises:

The Company's lease agreement is for a period of 11 months. The aggregate lease rentals are charged as 'Rent' in Note 12: Other expenses in the Statement of Profit and Loss.



GFCL Solar and Green Hydrogen Products Limited

Notes to the financial statements for the period ended 31 March 2022

16. Financial Instruments

The Company is yet to commence its commercial operations and accordingly the financial instruments held by the Company are not significant.

(i) Capital management

The Company is wholly owned by its holding company and it does not have any borrowings and is not subject to any externally imposed capital requirements.

(ii) Categories of financial instruments

Particulars	(Rs. in lakhs)
	As at 31 March 2022
<b>Financial assets</b>	
<b>Measured at amortised cost</b>	
(i) Cash and bank balances	0.31
(ii) Others	0.10
	<b>0.41</b>
<b>Financial liabilities</b>	
<b>Measured at amortised cost</b>	
Trade Payables	1.12

The carrying amounts reflected above represent the Company's maximum exposure to credit risk for such financial assets.

(iii) Financial risk management

The Company is yet to commence its commercial operations. Its financial liabilities comprise of trade payables. The main purpose of these financial liabilities is to finance the Company's present activities. The Company's financial assets comprise of bank balances and security deposit.

The financial assets and liabilities of the Company are not exposed to changes in foreign currency exchange risk, interest rate and other price risk. Further, there is no credit risk as the financial assets comprise bank balance with reputed bank.

*(Handwritten signature)*



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Notes to the financial statements for the period ended 31 March 2022

16. Financial Instruments - continued

Liquidity risk management

The Company manages its liquidity by financial support of holding company.

The following table details the remaining contractual maturity for its financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Rs. in lakhs)

Particulars	Upto 1 year	1-5 years	above 5 years	Total contractual cash flows
As at 31 March 2022				
Trade Payables	1.12	-	-	1.12

Other liabilities of the Company will be repaid with the support of the holding company and cash and bank balances.

(iv) Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statement 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 be eventually received or paid.



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Notes to the financial statements for the period ended 31 March 2022

17. Income tax recognised in profit or loss

(Rs. in Lakhs)

Particulars	Period ended 31 March 2022
Current tax	-
Deferred tax	-
<b>Total income tax expense recognised in the current period</b>	<b>-</b>

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

(Rs. in Lakhs)

Particulars	Period ended 31 March 2022
Loss before tax	(1.70)
Income tax expense calculated at 17.16%	(0.29)
Effect of non-deductible expenses	0.29
<b>Income tax expense recognised in profit or loss</b>	<b>-</b>

17.2 The Company proposes to exercise the option under section 115BAB of the Income Tax Act, 1961. Hence, the applicable tax rate for the year ended 2021-22 is the corporate tax rate of 17.16%.



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**Notes to the financial statements for the period ended 31 March 2022**

**18. 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) Relationship with Struck off Companies**

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**c) Compliance with number of layers of companies**

The Company does not have any subsidiary and hence the provisions regarding compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.

**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 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) Corporate Social Responsibility (CSR)**

The Company is not covered under section 135 of the Companies Act, 2013.

**g) Details of Crypto Currency or Virtual Currency**

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

**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.





GFCL Solar and Green Hydrogen Products Limited  
Notes to the financial statements for the period ended 31 March 2022

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

i) 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.

j) Ratios

The following are analytical ratios for the period ended 31 March 2022

Particulars	Numerator	Denominator	Period ended 31 March 2022
Current ratio (in times)	Total current assets	Total Current liabilities	0.40
Return on Equity (in %)	Net loss after taxes	Average shareholder's equity	(242.86%)
Trade payable turnover ratio (in times)	Other expenses	Average trade payables	1.52
Return on capital employed (in %)	Loss before tax	Capital employed	(242.86%)

Following ratios are considered as not applicable to the Company:

- Debt-equity ratio, since the total equity is negative.
- Debt service coverage ratio, since the earnings available for debt service is negative.
- Inventory turnover ratio, since the Company does not have any inventory.
- Trade receivables turnover ratio, since the Company does not have revenue from operations.
- Net Capital Turnover Ratio, since the working capital is negative.
- Net profit ratio, since the Company does not have revenue from operations.
- Return on Investment, since the Company does not have any investments



GFCL Solar and Green Hydrogen Products Limited  
Notes to the financial statements for the period ended 31 March 2022

19. Earnings per share

Particulars	Period ended 31 March 2022
Loss after tax as per statement of Profit and Loss (Rs. in Lakhs)	(1.70)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos)	1,00,000
Nominal value of equity share (Re.)	1.00
Basic and diluted loss per equity share (Rs.)	(1.70)

As per our report of even date attached

**For Patankar & Associates**

Chartered Accountants

Firm's Registration No. 107628W

*S. S. Malani*

**S. S. Malani**

Partner

Membership No. 110051

Place: Vadodara

Date : 12 May 2022

*[Signature]*



**For GFCL Solar and Green Hydrogen  
Products Limited**

*[Signature]*

**V. K. Jain**

Director

DIN: 00029968

Place: Noida

Date : 12 May 2022

*[Signature]*

**Devansh Jain**

Director

DIN: 01819331