



GUJARAT FLUORO CHEMICALS LIMITED

(earlier known as Inox Fluorochemicals Limited)

CIN : L24304GJ2018PLC105479, 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 UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended 30 September 2020 (Unaudited)	Preceding Quarter ended 30 June 2020 (Unaudited)	Corresponding Quarter ended 30 September 2019 (Unaudited)	Six months ended 30 September 2020 (Unaudited)	Corresponding Six months ended 30 September 2019 (Unaudited)	Year ended 31 March 2020 (Audited)
I	Revenue from operations	61,731	55,877	66,244	117,608	140,249	260,637
II	Other income (see note 3)	3,171	2,822	401	5,993	695	18,379
III	Total Income (I+II)	64,902	58,699	66,645	123,601	140,944	279,016
IV	Expenses						
	Cost of materials consumed	21,809	20,186	25,387	41,995	53,678	95,389
	Purchases of stock-in-trade	-	-	8	-	31	57
	Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	(2,340)	(2,358)	(2,136)	(4,698)	(7,429)	(10,339)
	Material Extraction and Processing Cost	988	893	1,163	1,881	2,130	3,893
	Power and fuel	11,198	9,465	12,935	20,663	25,676	48,128
	Employee benefits expense	5,348	5,451	5,141	10,799	10,503	20,488
	Foreign exchange fluctuation (gain)/loss (net)	(1,410)	(1,288)	(1,162)	(2,698)	(1,921)	(3,249)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	(787)	(1,216)	777	(2,003)	757	8,158
	Finance costs	2,853	3,346	2,476	6,199	4,407	10,479
	Depreciation and amortisation expense	5,082	4,974	4,811	10,056	9,524	19,241
	Other expenses	10,432	9,212	11,724	19,644	25,398	50,958
	Total expenses (IV)	53,173	48,665	61,124	101,838	122,754	243,203
V	Share of profit/(loss) of joint venture	*	*	*	*	*	*
VI	Profit before exceptional items and tax (III-IV+V)	11,729	10,034	5,521	21,763	18,190	35,813
VII	Exceptional items (see note 4)	-	-	(2,604)	-	(2,604)	(2,604)
VIII	Profit before tax (VI+VII)	11,729	10,034	2,917	21,763	15,586	33,209

XV	Other Equity (excluding revaluation reserves) as shown in the audited Balance Sheet of previous year						370,462
XVI	Basic and Diluted Earnings per equity share of Re. 1 each (in Rs.)	7.21(**)	6.39(**)	1.13(**)	13.59(**)	11.34(**)	17.23

(*) amount is less than Rs. 1 Lakh

(**) Not Annualised

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr No	Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
	ASSETS		
(1)	Non-current assets		
	(a) Property, plant & equipment	233,713	232,701
	(b) Capital work-in-progress	33,060	31,837
	(c) Right of use assets	4,982	5,107
	(d) Investment property	1,000	1,011
	(e) Other intangible assets	2,248	2,573
	(f) Investments accounted for using the equity method	87	88
	(g) Financial assets		
	(i) Other investments	13,543	19,038
	(ii) Loans	828	820
	(iii) Others financial assets	20,903	888
	(h) Deferred tax assets (net)	21,057	23,853
	(i) Other non-current assets	92,791	94,417
	(j) Income tax assets (net)	1,289	1,658
	Sub-total	425,501	413,991
(2)	Current Assets		
	(a) Inventories	83,297	81,283
	(b) Financial assets		
	(i) Investments	3,654	6,739
	(ii) Trade receivables	49,773	56,473
	(iii) Cash & cash equivalents	1,857	1,659
	(iv) Bank balances other than (iii) above	1,000	*
	(v) Loans	4,353	4,196
	(vi) Other financial assets	11,154	4,834
	(c) Current tax assets	6,353	30,691
	(d) Other current assets	7,047	6,830
	Sub-total	168,488	192,705
	Total Assets	593,989	606,696

Sr No	Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	1,099	1,099
	(b) Other equity	385,079	370,462
	(c) Non-controlling Interest	(1,053)	(1,069)
	Sub-total	385,125	370,492
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	36,063	47,872
	(ii) Other financial liabilities	1,040	1,475
	(b) Provisions	2,815	2,523
	(c) Deferred tax liabilities (Net)	7	8
	Sub-total	39,925	51,878
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	97,295	104,166
	(ii) Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	263	83
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	24,148	36,630
	(iii) Other financial liabilities	41,134	38,228
	(b) Other current liabilities	1,537	1,785
	(c) Provisions	1,582	1,391
	(d) Current tax liabilities (net)	2,980	2,043
	Sub-total	168,939	184,326
	Total Equity & Liabilities	593,989	606,696

(*) amount is less than Rs. 1 Lakh

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR HALF YEAR ENDED 30th SEPTEMBER, 2020

(Rs. in Lakhs)

	Particulars	As at 30 September 2020	As at 30 September 2019
A	Cash flow from operating activities		
	Profit for the period (a)	14,934	12,453
	Adjustments for:		
	Tax expense	6,829	3,133
	Depreciation and amortisation expense	10,056	9,524
	Gain on retirement /disposal of property, plant and equipment (net)	-	(3)
	Liabilities and provisions no longer required written back	-	200
	Exchange difference on translation of assets and liabilities	(1,195)	54
	Unrealised foreign exchange (gain)/loss (net)	(813)	(397)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	(2,003)	757
	Mark-to-market (gain)/loss on derivative financial instruments (net)	386	(191)
	Allowance for doubtful trade receivables and expected credit losses (net of reversal)	(1)	134
	Share of loss of a joint venture	*	*
	Interest Income	(5,426)	(176)
	Finance Costs	6,199	4,407
	Total Adjustment to the profit for the period (b)	14,032	17,442
	Operating profit before working capital changes (c) = (a) + (b)	28,966	29,895
	Adjustments for:		
	Increase/(decrease) in provisions	440	407
	Increase/(decrease) in trade payables	(11,732)	2,205
	Increase /(decrease) in other financial liabilities	1,735	4,585
	Increase /(decrease) in other liabilities	(1,459)	(209)
	(Increase) /decrease in advances	(21)	308
	(Increase)/decrease in inventories	(2,014)	(6,712)
	(Increase)/decrease in trade receivables	6,765	5,476
	(Increase)/decrease in other financial assets	(1,973)	(500)
	(Increase)/decrease in other assets	1,134	598
	Total Working Capital Changes (d)	(7,125)	6,158
	Cash generated from operations (c) + (d)	21,841	36,053

	Income-tax (paid)/refund (net)	22,466	(3,742)
	Net cash generated from operating activities	44,307	32,311
B	Cash flow from investing activities		
	Purchase of Property, Plant and Equipment (including change in capital work in progress and capital creditors/capital advances)	(10,764)	(72,527)
	Proceeds from disposal of property, plant and equipment	-	4
	Purchase of other investments	(20,807)	(5,000)
	Redemption of other investments	31,391	5,002
	Inter-corporate deposits given	-	(4)
	Inter-corporate deposits received back	-	225
	Interest received	216	36
	Movement in Bank deposits	(21,401)	1
	Net cash used in investing activities	(21,365)	(72,263)
C	Cash flow from financing activities		
	Proceeds from borrowings - non current	2,130	-
	Repayment of borrowings - non current	(11,609)	(3,689)
	Proceeds from/(repayment of) current borrowings (net)	(6,712)	45,974
	Payment of lease liability	(323)	(139)
	Finance costs	(6,230)	(4,283)
	Net cash generated from / (used in) financing activities	(22,744)	37,863
	Net increase/(decrease) in cash and cash equivalents	198	(2,089)
	Cash and cash equivalents as at the beginning of the period	1,659	944
	Cash and cash equivalents received pursuant to demerger scheme	-	3,123
	Cash and cash equivalents as at the end of the period	1,857	1,978
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 12th November, 2020. The same have been subjected to Limited Review by the Statutory Auditors and they have issued unmodified review report.
2. During the preceding year, as per the Scheme of Arrangement between GFL Limited (“the demerged company”) and Gujarat Fluorochemicals Limited (“the Company”), the Chemical Business Undertaking of the demerged company was transferred and vested with the Company. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, stand transferred and vested into the Company from the 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.
3. In the preceding year, after recording the assets and liabilities, acquired on demerger, at book values, the Company had reassessed and recomputed the deferred tax assets/liabilities which 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 was charged to the statement of profit and loss and included in ‘tax pertaining to earlier periods.’ Further, on receipt of ITAT orders during the preceding year, the Company was 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 was 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 was included in ‘Other Income’ during the 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 item’ for the preceding year represents expenses in connection with the said demerger scheme.
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 down only for a few days and with the subsequent easing of the lockdown guidelines, the operations of the Company are now fully 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. 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 Group has a single operating segment viz. ‘Chemicals’.

Place: New Delhi

Date: 12th November, 2020

On behalf of the Board of Directors
For Gujarat Fluorochemicals Limited



Vivek Jain
Managing Director



GUJARAT FLUOROCHEMICALS LIMITED

(earlier known as Inox Fluorochemicals Limited)

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Registered Office: 16/3, 26 & 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat 389 380

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS

FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2020

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended 30 September 2020 (Unaudited)	Preceding Quarter ended 30 June 2020 (Unaudited)	Corresponding Quarter ended 30 September 2019 (Unaudited)	Six months ended 30 September 2020 (Unaudited)	Corresponding Six months ended 30 September 2019 (Unaudited)	Year ended 31 March 2020 (Audited)
I	Revenue from operations	59,170	55,539	65,703	114,709	139,216	249,639
II	Other income (see note 3)	3,184	2,835	408	6,019	694	18,360
III	Total Income (I+II)	62,354	58,374	66,111	120,728	139,910	267,999
IV	Expenses						
	Cost of materials consumed	21,365	19,356	25,777	40,721	53,969	94,693
	Purchases of stock-in-trade	-	-	8	-	31	57
	Changes in inventories of finished goods, work-in-progress, stock-in-trade and by products	(2,268)	590	(62)	(1,678)	(2,669)	(7,471)
	Power and fuel	11,070	9,345	12,808	20,415	25,416	47,629
	Employee benefits expense	4,854	4,989	4,681	9,843	9,616	18,661
	Foreign exchange fluctuation (gain)/loss (net)	(680)	(711)	(1,367)	(1,391)	(2,053)	(3,767)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	(787)	(1,216)	777	(2,003)	757	8,158
	Finance costs	2,753	3,268	2,356	6,021	4,190	10,138
	Depreciation and amortisation expense	4,639	4,552	4,419	9,191	8,743	17,607
	Other expenses	9,714	8,567	10,909	18,281	23,589	47,388
	Total expenses (IV)	50,660	48,740	60,306	99,400	121,589	233,093
V	Profit before exceptional items and tax (III-IV)	11,694	9,634	5,805	21,328	18,321	34,906
VI	Exceptional items (see note 4)	-	-	(2,604)	-	(2,604)	(2,604)
VII	Profit before tax (V+VI)	11,694	9,634	3,201	21,328	15,717	32,302

VIII	Tax expense						
	(1) Current tax	3,662	3,040	2,069	6,702	6,562	13,922
	(2) Deferred tax	168	(97)	(536)	71	(443)	507
	(3) Tax pertaining to earlier periods (see note 3)	-	-	-	-	(3,242)	(1,122)
	Total tax expense	3,830	2,943	1,533	6,773	2,877	13,307
IX	Profit for the period (VII-VIII)	7,864	6,691	1,668	14,555	12,840	18,995
X	Other Comprehensive Income						
	A) Items that will not be reclassified to profit or loss						
	Remeasurement of the defined benefit plan	61	(105)	37	(44)	(132)	(107)
	Income tax on above	(21)	37	(13)	16	46	37
	B) Items that will be reclassified to profit or loss						
	Gains and (losses) on effective portion of hedging instruments in a cash flow hedge	21	(7)	64	14	(26)	(213)
	Income tax on above	(7)	2	(22)	(5)	9	74
	Total other comprehensive income (net of tax)	54	(73)	66	(19)	(103)	(209)
XI	Total comprehensive income for the period (Comprising Profit and Other Comprehensive Income for the period) (IX+X)	7,918	6,618	1,734	14,536	12,737	18,786
XII	Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	15,115	13,403	12,949	28,518	31,317	52,449
XIII	Paid-up equity share capital (face value of Re 1 each)	1,099	1,099	1,099	1,099	1,099	1,099
XIV	Other Equity (excluding revaluation reserves) as shown in the Audited Balance Sheet of the previous year						349,358
XV	Basic and Diluted Earnings per equity share of Re. 1 each (in Rs.)	7.16*	6.09*	1.52*	13.25*	11.69*	17.29

(*) Not Annualised

STATEMENT OF ASSETS AND LIABILITIES

Sr. No.	Particulars	As at 30 September 2020 (Unaudited)	(Rs. in Lakhs) As at 31 March 2020 (Audited)
	ASSETS		
(1)	Non-current assets		
	(a) Property, plant & equipment	224,140	223,065
	(b) Capital work-in-progress	33,060	31,837
	(c) Right of use assets	4,460	4,534
	(d) Investment property	1,000	1,011
	(e) Other intangible assets	1,564	1,891
	(f) Financial assets		
	(i) Investments		
	a) Investments in subsidiaries	8,706	8,706
	b) Investments in joint venture	118	118
	c) Other investments	13,543	19,038
	(ii) Loans	736	734
	(iii) Other non-current financial assets	20,903	888
	(g) Deferred tax assets (net)	20,250	23,308
	(h) Income tax assets (net)	1,244	1,630
	(i) Other non-current assets	91,961	93,040
	Sub-total	421,685	409,800
(2)	Current assets		
	(a) Inventories	64,730	65,863
	(b) Financial assets		
	(i) Other investments	3,654	6,739
	(ii) Trade receivables	60,662	63,965
	(iii) Cash & cash equivalents	801	983
	(iv) Bank balances other than (iii) above	1,000	*
	(v) Loans	4,238	4,073
	(vi) Other current financial assets	11,563	5,297
	(c) Current tax assets	6,353	30,691
	(d) Other current assets	7,733	8,251
	Sub-total	160,734	185,862
	Total assets	582,419	595,662

Sr. No.	Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
	EQUITY & LIABILITIES		
	<i>Equity</i>		
	(a) Equity share capital	1,099	1,099
	(b) Other equity	382,679	368,143
	Sub-total	383,778	369,242
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	33,037	46,439
	(ii) Other non-current financial liabilities	709	1,075
	(b) Provisions	2,815	2,523
	Sub-total	36,561	50,037
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	96,019	102,697
	(ii) Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	263	83
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	22,568	33,892
	(iii) Other current financial liabilities	38,218	35,624
	(b) Other current liabilities	1,384	1,554
	(c) Provisions	1,556	1,365
	(d) Current tax liabilities (net)	2,072	1,168
	Sub-total	162,080	176,383
	Total equity & liabilities	582,419	595,662

(*) Amount is less than Rs 1 Lakh

UNAUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

(Rs. in Lakhs)

	Particulars	As at 30 September 2020	As at 30 September 2019
A	Cash flow from operating activities		
	Profit for the Period (a)	14,555	12,840
	Adjustments for:		
	Tax expense	6,773	2,877
	Depreciation and amortisation expense	9,191	8,743
	Gain on retirement /disposal of property, plant and equipment (net)	-	(3)
	Allowance for doubtful trade receivables and expected credit losses	(1)	134
	Liabilities and provisions no longer required, written back	-	200
	Unrealised foreign exchange (gain)/loss (net)	(813)	(397)
	Net (gain)/loss on fair value changes in investments classified at FVTPL	(2,003)	757
	Mark-to-market (gain)/loss on derivative financial instruments (net)	386	(191)
	Interest income	(5,455)	(175)
	Finance costs	6,021	4,190
	Total Adjustments to Profit/(Loss) for the Period (b)	14,099	16,135
	Operating profit before working capital changes: (c) = (a) + (b)	28,654	28,975
	Movements in working capital:		
	Increase/(decrease) in provisions	438	407
	Increase/(decrease) in trade payables	(11,028)	913
	Increase /(decrease) in other financial liabilities	1,532	4,718
	Increase /(decrease) in other liabilities	(170)	1
	(Increase)/decrease in advances	(28)	305
	(Increase)/decrease in inventories	1,132	(1,745)
	(Increase)/decrease in trade receivables	3,790	692
	(Increase)/decrease in other financial assets	(1,885)	(392)
	(Increase)/decrease in other assets	110	920
	Total Movements in working capital (d)	(6,109)	5,819
	Cash generated from operations (c) + (d)	22,545	34,794
	Income-tax (paid)/refund (net)	22,614	(3,202)
	Net cash generated from operating activities	45,159	31,592

B	Cash flow from investing activities		
	Purchase of property, plant and equipment (including changes in capital work in progress and capital creditors/capital advances)	(10,749)	(72,434)
	Proceeds from disposal of property, plant and equipment	-	4
	Purchase of other investments	(20,807)	(5,000)
	Redemption/sale of investments	31,391	5,002
	Inter-corporate deposits/loans given	-	(4)
	Inter-corporate deposits/loans received back	-	225
	Interest received	245	36
	Movement in other bank balances	(21,401)	1
	Net cash used in investing activities	(21,321)	(72,170)
C	Cash flow from financing activities		
	Proceeds from non-current borrowings	120	-
	Repayment of non-current borrowings	(11,493)	(3,093)
	Proceeds from/(repayment of) current borrowings (net)	(6,519)	45,712
	Payment of lease liabilities	(54)	(57)
	Finance costs	(6,074)	(4,074)
	Net cash generated from/(used in) financing activities	(24,020)	38,488
	Net decrease in cash and cash equivalents	(182)	(2,090)
	Cash and cash equivalents as at the beginning of the period	983	1
	Cash and cash equivalents received pursuant to Demerger scheme	-	3,123
	Cash and cash equivalents as at the end of the period	801	1,034

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

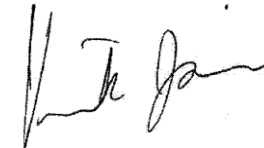
Notes:

1. The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at its meeting held on 12th November, 2020. The same have been subjected to Limited Review by the Statutory Auditors and they have issued unmodified review report.
2. During the preceding year, as per the Scheme of Arrangement between GFL Limited (“the demerged company”) and Gujarat Fluorochemicals Limited (“the Company”), the Chemical Business Undertaking of the demerged company was transferred and vested with the Company. Accordingly, all the assets and liabilities pertaining to the Chemical Business Undertaking, as defined in the Scheme, stand transferred and vested into the Company from the 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.
3. In the preceding year, after recording the assets and liabilities, acquired on demerger, at book values, the Company had reassessed and recomputed the deferred tax assets/liabilities which 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 was charged to the statement of profit and loss and included in ‘tax pertaining to earlier periods’. Further, on receipt of ITAT orders during the preceding year, the Company was 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 was 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 was included in ‘Other Income’ during the 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 item’ for the preceding year represents expenses in connection with the said demerger scheme.
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 down only for a few days and with the subsequent easing of the lockdown guidelines, the operations of the Company are now fully 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. 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 Company has a single operating segment viz. ‘Chemicals’.

Place: New Delhi

Date: 12th November, 2020

On behalf of the Board of Directors
For Gujarat Fluorochemicals Limited



Vivek Jain
(Managing Director)